

**REPORT TO:** CABINET

**DATE:** 27 JANUARY 2022

**TITLE:** TREASURY MANAGEMENT STRATEGY  
STATEMENT 2021/22: MID-YEAR REVIEW

**PORTFOLIO HOLDER:** COUNCILLOR JAMES LEPPARD,  
PORTFOLIO HOLDER FOR FINANCE

**LEAD OFFICER:** SIMON FREEMAN, DEPUTY TO THE CHIEF  
EXECUTIVE AND DIRECTOR OF FINANCE  
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**This is not a Key Decision**

**It is on the Forward Plan as Decision Number I013456**

**The decision is not subject to Call-in Procedures for the following reason:**

The decision stands as a recommendation to Council

**This decision will affect no ward specifically.**

**RECOMMENDED that Cabinet:**

- A** The Mid-Year Review of the Treasury Management Strategy, attached as Appendix A to the report, be noted and referred to Council for consideration.

**REASON FOR DECISION**

- A** Compliance with the CIPFA Treasury Management Code of Practice requires that Council is presented with a mid-year report on the Treasury Management Strategy Statement (TMSS).

**BACKGROUND**

1. Treasury Management is defined as “The management of the local authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
2. The Council operates within the framework of CIPFA’s ‘Prudential Code for Capital Finance in Local Authorities’ (Prudential Code), the ‘Treasury Management Code of Practice’ and the Ministry of Housing Communities and Local Government (MHCLG) Investment Guidance.
3. The primary requirements of the code are as follows:
  - a) Creation and maintenance of a Treasury Management Policy

Statement;

- b) Creation and maintenance of the Treasury Management Practices (TMPs);
  - c) Receipt by the Council of an annual Treasury Management Strategy (TMS), including Annual Investment Strategy and Minimum Revenue Provision Policy for the year ahead, a Mid-Year Review of the Treasury Management Strategy and an Annual Report (stewardship report);
  - d) Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices for the execution and administration of treasury management decisions;
  - e) Delegation by the Council of the role of scrutiny of the treasury management strategy and policies to a specified names body. For this Council the current TMS specifies that responsibility for the delegated scrutiny role is delegated to the Cabinet Policy Development Working Group.
4. As part of the primary requirements for reporting to Council, the mid-year review of the TMS has been prepared in compliance with CIPFA's Code of Practice and attached to this report as Appendix A. Economic commentary has been provided by the Council's Treasury Management Advisors, Arlingclose Ltd.
5. On an on-going basis, officers continue to work within the scope of the TMS in order to contain counterparty risk as far as practically possible. Treasury management activities operate under a high-profile reporting mechanism, and any significant issues that may arise through the year are reported in accordance with protocols set out in the TMS.

## **IMPLICATIONS**

### **Strategic Growth and Regeneration**

None specific

**Author: Andrew Bramidge, Director of Strategic Growth and Regeneration**

### **Finance**

As contained in the report.

**Author: Simon Freeman, Deputy Chief Executive and Director of Finance**

### **Housing**

None specific

**Author: Andrew Murray, Director of Housing**

### **Communities and Environment**

None specific

**Author: Jane Greer, Director of Communities and Environment**

## **Governance and Corporate Services**

None specific.

**Author: Simon Hill, Director of Governance and Corporate Services**

## **Appendices**

Appendix A – TMSS – Mid-Year Review

## **Background Papers**

None.

## **Glossary of terms/abbreviations used**

CIPFA – Chartered Institute of Public Finance and Accountancy

MHCLG – Ministry for Housing, Communities and Local Government

TMPs – Treasury Management Practices

TMS – Treasury Management Strategy

TMSS – Treasury Management Strategy Statement