

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **FLINTSHIRE COUNTY COUNCIL**
DATE: **TUESDAY, 18 FEBRUARY 2014**
REPORT BY: **HEAD OF FINANCE**
SUBJECT: **TREASURY MANAGEMENT STRATEGY 2014/15**

1.00 PURPOSE OF REPORT

1.01 To present to Council the recommendations of Cabinet in relation to Treasury Management Strategy for 2014/15.

2.00 BACKGROUND

2.01 The Local Government Act 2003 requires all local authorities to have due regard to both the Chartered Institute of Public Finance and Accountancy's Treasury Management in Public Services: Code of Practice (The CIPFA Code of Practice) and Welsh Government guidance on Local Authority Investments.

2.02 The Council has adopted The CIPFA Code of Practice which requires:-

- The Council to create and maintain a Treasury Management Policy Statement which states the Council's policies, objectives and approach to risk management of its treasury management activities.
- The Council to create and maintain suitable Treasury Management Practices (TMPs) and accompanying schedules, stating how those policies and objectives will be achieved and prescribing how those activities will be managed and controlled.
- The Council to receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.
- Responsibility for Treasury Management to be clearly defined. The Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Cabinet, and for the execution and administration of treasury management decisions to Head of Finance, who will act in accordance with the organisation's policy statement and TMPs and, CIPFA's *Standard of Professional Practice on Treasury Management*.

- A body to be responsible for the scrutiny of Treasury Management Policy, Strategy and Practices. The Council has nominated the Audit Committee to be responsible for ensuring effective scrutiny of the treasury management function. The Audit Committee has previously agreed to include treasury management as a standing item on each quarterly agenda to receive an update.

3.00 CONSIDERATIONS

- 3.01 At a meeting of the Audit Committee on 29th January 2014 Members reviewed the draft Treasury Management Strategy for 2014/15. The Audit Committee recommended to Cabinet that the Council approves the Strategy for 2014/15.
- 3.02 This mornings Cabinet meeting (18th February 2014) received the recommendation of the Audit Committee. The Cabinet report, which includes the Treasury Management Strategy for 2014/15, is included at Appendix 1. Any comments from the Cabinet will be reported verbally.
- 3.03 A training session open to all Members on treasury management was run by Arlingclose, the Council's Treasury Management advisors on the morning of 27th January. The aim of the workshop was to aid Members' understanding of the Treasury Management Strategy.
- 3.04 On 1st March 2013 the Council approved the current Treasury Management Policy and Treasury Management Practices with both documents covering 3 financial years, 2013 to 2016. It was agreed that these documents would not require annual approval by Members, unless any significant changes was required. No changes need to be made to the Policy, and only minor changes need to be made to the Practices simply to bring them in line with changes approved to the Strategy.

4.00 RECOMMENDATIONS

- 4.01 Council approves the Treasury Management Strategy 2014/15.

5.00 FINANCIAL IMPLICATIONS

- 5.01 As set out in the report.

6.00 ANTI POVERTY IMPACT

- 6.01 None directly as a result of this report.

7.00 ENVIRONMENTAL IMPACT

- 7.01 None directly as a result of this report.

8.00 EQUALITIES IMPACT

8.01 None directly as a result of this report.

9.00 PERSONNEL IMPLICATIONS

9.01 None directly as a result of this report.

10.00 CONSULTATION REQUIRED

10.01 Arlingclose Ltd as Treasury Management Advisers.

11.00 CONSULTATION UNDERTAKEN

11.01 Arlingclose Ltd as Treasury Management Advisers.

12.00 APPENDICES

12.01 Appendix 1 – Cabinet report of 18th January 2014

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**

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