
**TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL
INVESTMENT STRATEGY**

1 INTRODUCTION

- 1.1 The attached Treasury Management Strategy Statement and Annual Investment Strategy sets out the strategy and investment products which will be used to manage the Council's treasury transactions for the year.
- 1.2 The Council currently complies with the Code of Practice on Treasury Management. A revised code has been prepared which changes the wording of the Treasury Management Policy Statement and the Council should adopt the revised wording.

2 RECOMMENDATIONS

- 2.1 The Treasury Management Strategy Statement and Annual Investment Strategy are approved.
- 2.2 The Council may wish to consider referring the Treasury Management Strategy Statement and Annual Investment Strategy to the Performance Review and Scrutiny Committee for review.

3 DETAIL

- 3.1 The Council requires to approve a Treasury Management Strategy Statement and Annual Investment Strategy in advance of the start of the each financial year. The statement sets out the Council's strategy for borrowing and investment for the forthcoming year along with the Council's Prudential Indicators.
- 3.2 The Treasury Management Strategy Statement and Annual Investment Strategy meet the requirements of the CIPFA Code of Practice on Treasury Management in Local Authorities.
- 3.3 The main revision to the document from 2012-13 is to:

Appendix 4 Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management

Item p. Loans to third parties as part of the Council's Long Term Loan Funding to RSL's the Council limit of £5m and a maximum of 25 years has been amended to £5m and a maximum of 30 years. This is required to meet the business needs of the RSL's.

4 CONCLUSION

- 4.1 The paper meets the requirements of the Treasury Management Code of Practice and the Investment Regulations.

5 IMPLICATIONS

- 5.1 Policy – Sets out the policy framework for borrowing and investment surplus funds over next year.
- 5.2 Financial – No direct financial consequences but sets framework for managing significant financial elements of the Councils business.
- 5.3 Legal – None
- 5.4 Personnel – None.
- 5.5 Equal Opportunities – None.
- 5.6 Risk – Risk management is a key aspect of treasury management and the treasury and investment strategy includes risk management arrangements.
- 5.7 Customer service - None

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