

FLINTSHIRE COUNTY COUNCIL

Date of Meeting	Tuesday, 18 th February 2020
Report Subject	Treasury Management Strategy 2020/21
Report Author	Corporate Finance Manager

EXECUTIVE SUMMARY

The report presents the Treasury Management Strategy 2020/21 for approval and is included at Appendix A.

Audit Committee considered and reviewed the Strategy at their meeting on 29th January 2020 with feedback being reported to Cabinet at their meeting earlier today.

Following consideration by Cabinet a verbal update will be provided at the meeting on any specific comments or changes.

RECOMMENDATIONS

1	Members approve the Treasury Management Strategy 2020/21
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REPORT DETAILS

1.00	EXPLAINING THE REPORT
1.01	<p>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.</p>
1.02	<p>The Council has adopted The CIPFA Code of Practice which requires:-</p> <ul style="list-style-type: none">• 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 the Corporate Finance Manager, 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.
1.03	<p>The Welsh Government issue guidance on Local Authority investments that requires the Council to prepare an investment strategy before the start of each financial year. The guidance was updated in November 2019 which comes into force from 1st April 2020.</p>

1.04	In preparation for approving the 2020/21 Treasury Management Strategy training for all Members was held on 11 th December 2019. The workshop presented by Arlingclose, the Council's Treasury Management advisors covered a detailed introduction to Treasury Management in Local Authorities, including the regulatory framework and the role of the elected Member in scrutinising the Treasury Management function. The training included an in depth presentation on investments and borrowing and changes made to the Investment Guidance issued by Welsh Government.
1.05	As required by the Council's Financial Procedure Rules, the Strategy was reviewed by Audit Committee on 29 th January 2020 and will be by Cabinet on 18 th February 2020. Feedback raised by Audit Committee has been reported to Cabinet. Cabinet's recommendations will be reported at this meeting.

2.00	RESOURCE IMPLICATIONS
2.01	Financial implications are addressed in the attached report to Cabinet and its appendices; no other resource implications directly as a result of this report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	Arlingclose Ltd, being the Council's treasury management advisors.

4.00	RISK MANAGEMENT
4.01	Risk Management directly addressed within appendices including identification of risks and measures to mitigate likelihood and impact of risks identified.

5.00	APPENDICES
5.01	Appendix A - Cabinet report: Treasury Management Strategy 2020/21

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Liz Thomas – Strategic Finance Manager Telephone: 01352 702289 E-mail: liz.thomas@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	Please see the attached Cabinet report at Appendix A