

Item 9 - Treasury Management Strategy 2021/22

The attached report was considered by the Finance & Investment Advisory Committee on 21 January 2021. The relevant Minute extract is below.

Finance & Investment Advisory Committee (21 January 2021, Minute 86)

The Principal Accountant presented the report which advised that the Local Government Act 2003 (the Act) and supporting regulations required the Council to 'have regard to' the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans were affordable, prudent and sustainable. The Act therefore required the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy (as required by investment guidance issued subsequent to the Act). The report set out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

The Annual Investment Strategy remained largely the same as for 2020/21 with the addition of Bond, Property, Equity and Multi-Asset Funds as an alternative investment option. The effect of the proposals set out in the report allowed the Council to effectively and efficiently manage cash balances. In line with the revised CIPFA Code of Practice on Treasury Management, the Annual Treasury Strategy Statement had to be considered by Council and this was planned for its meeting on 23 February 2021. Given the current uncertainties in the financial markets and the implications of Brexit, the Council may need to consider amending its strategy during the year.

It was clarified to Members that there were currently no plans to invest in the new alternative investment options and further advice would be sought from the treasury advisors.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That it be recommended to Cabinet to recommend to Council, that the Treasury Management Strategy for 2021/22, be approved.