

Wiltshire Council

Council

26 February 2019

Subject: Treasury Management Strategy 2019/20

Cabinet Member: Councillor Philip Whitehead- Cabinet Member for Finance

Key Decision: No

Executive Summary

This report presents the Treasury Management Strategy for 2019/2020 including:

- a) Prudential and Treasury Indicators for the next three years;
- b) Debt management decisions required for 2019/2020 that do not feature within the Prudential or Treasury Indicators (paragraphs 71 to 76);
- c) Minimum Revenue Provision Policy 2019/2020;
- d) Annual Investment Strategy for 2019/2020, with the following changes from 2018/2019:
 - The ability to lend to selected property funds (CCLA)
 - Increasing the monetary limits on certain counterparties
 - Adjusting the high credit quality criteria

This report has been prepared in accordance with CIPFA Code of Practice for Treasury Management in the Public Services 2011, as revised December 2017. Any relevant changes within the code of practice have been reflected within the Treasury Management Strategy 2019/2020. This report was endorsed by Cabinet on 5 February 2019 and the report to Cabinet is included below.

Proposal(s)

That Council:

- a) **Adopt the Minimum Revenue Provision Policy (paragraph 32 – 34);**

b) Adopt the Prudential and Treasury Indicators (paragraphs 24 – 31, 40 – 49 and Appendix A);

c) Adopt the Annual Investment Strategy (paragraph 77 onwards), including the ratification of the adjustment of the minimum requirement for high credit quality, the limits for certain counterparties and the ability to invest in the CCLA property fund;

d) Delegate to the Director of Finance and Procurement the authority to vary the amount of borrowing and other long-term liabilities within the Treasury Indicators for the Authorised Limit and the Operational Boundary;

e) Authorise the Director of Finance and Procurement to agree the restructuring of existing long-term loans where savings are achievable or to enhance the long-term portfolio;

f) Agree that short term cash surpluses and deficits continue to be managed through temporary loans and deposits;

g) Agree that any surplus cash balances not required to cover borrowing are placed in authorised money-market funds, particularly where this is more cost effective than short term deposits and delegate to the Interim Director of Finance and Procurement the authority to select such funds.

Reason for Proposal(s)

To enable the Council to agree a Treasury Management Strategy for 2019/2020 and set Prudential Indicators that comply with statutory guidance and reflect best practice.

**Corporate Director
Alistair Cunningham**
