

Recommendation from the Cabinet meeting held on 31 January 2018

Treasury Management Strategy Statement and Prudential Indicators for 2018-19

18b The Cabinet considered a report by the Cabinet Member for Community and Resources on the Treasury Management Strategy Statement and Prudential Indicators for 2018-19. The report is attached as an annexure to these minutes.

The Chief Financial Officer highlighted the importance of the Treasury Management Strategy and the parameters within which treasury management activity contributed as a vital part of the governance of the Council.

In terms of the borrowing capacity of the Council, it was confirmed that borrowing was built into a ceiling mechanism which had not been exceeded in recent years, but the level of borrowing was managed close to the ceiling of the operational range.

RECOMMENDED

The Cabinet recommends to the County Council approval of:

1. The Prudential Indicators and Limits for 2018/19 to 2020/21.
2. The Minimum Revenue Provision (MRP) Statement.
3. The Treasury Management Strategy.
4. The Investment Strategy.
5. Delegation to the Chief Financial Officer to determine the most appropriate means of funding the Capital Programme.

Reasons for Recommendations

1. The Prudential Code provided a framework under which the Council's capital finance decisions were carried out. It required the Council to demonstrate that its capital expenditure plans were affordable, external borrowing was within prudent and sustainable levels and treasury management decisions were taken in accordance with professional good practice. Adherence to the Prudential Code was mandatory as set out in the Local Government Act 2003.
2. This report recommended the indicators to be applied by the Council for the financial years 2018/19 to 2020/21. The successful implementation of the code would assist in our objective of developing 'public services fit for the future'.