

Meeting: Audit Committee/Council

Date: 25 January 2023/7 March 2023

Wards affected: All Wards in Torbay

Report Title: Treasury Management Strategy 2023/24 including adoption of the CIPFA Code of Practice: Treasury Management in the Public Services

Cabinet Member Contact Details: Councillor Darren Cowell, Cabinet Member for Finance, Darren.Cowell@torbay.gov.uk

Director/Assistant Director Contact Details: Martin Phillips, Director of Finance, martin.phillips@torbay.gov.uk and Pete Truman, Principal Accountant, pete.truman@torbay.gov.uk

1. Purpose of Report

- 1.1 The Treasury Management Strategy at Appendix 2 to this report aims to support the provision of all Council services by the management of the Council's cash flow, debt and investment operations in 2023/24 and effectively control the associated risks and the pursuit of optimum performance consistent with those risks.
- 1.2 The views of the Audit Committee are sought ahead of the consideration of this Policy Framework document by the Council at its meeting on 2nd February 2023.
- 1.3 Adoption of the CIPFA Code of Practice: Treasury Management in the Public Services: Following the updated CIPFA Code of Treasury Management Code of Practice (2021) and the updated CIPFA supporting Guidance Notes (2021) the Treasury Management Policy Statement and Practices (TMP's) have been updated and are presented for re approval by Council as set out in Appendix 1.

2. Reason for Proposal and its benefits

- 2.1 The Treasury Management Strategy is considered under a requirement of the CIPFA Code of Practice on Treasury Management. The Strategy has been fully updated for provisions in a revised edition of the Code released in December 2021 and the recommended policy statement and practices are presented at Appendix 1 for adoption by the Council.

- 2.2 The approval of an Annual Investment Strategy by Council is a requirement of statutory guidance on Local Government Investments issued by government in January 2018. This Strategy sets out the Council's policies for managing its investments under the priorities of security first, liquidity second and then returns.
- 2.3 In addition, the Treasury Management Strategy gives regard to the CIPFA Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable.

3. Recommendation(s) / Proposed Decision

That the Audit Committee recommends to Council:

- i. That the CIPFA Code of Practice: Treasury Management in the Public Services as set out in the Appendix 1 to the submitted report be adopted; and
- ii) that the:
 - a) Treasury Management Strategy for 2023/24;
 - b) the Prudential Indicators 2023/24; and
 - c) the Annual Minimum Revenue Provision Policy Statement for 2023/24 as set out in the Appendix 2 to the submitted report be approved.

Appendices

Appendix 1: Treasury Management Policy Statement and Practices

Appendix 2: Treasury Management Strategy 2023/24

Supporting Information

1. Introduction

- 1.1 The proposed Treasury Management Strategy for 2023/24 is set out at Appendix 2.
- 1.2 CIPFA released an updated Code of Practice to cover all aspects of financial investments in December 2021. Local Authorities were permitted to delay full adoption of the new code until 2023/24.

2. Options under consideration

- 2.1 As set out in Appendix 2.

3. Financial Opportunities and Implications

- 3.1 As set out in Appendix 2.

4. Legal Implications

- 4.1 Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code) which requires full Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.

5. Engagement and Consultation

- 5.1 Not applicable

6. Purchasing or Hiring of Goods and/or Services

6.1 Not applicable

7. Tackling Climate Change

7.1 Not applicable

8. Associated Risks

8.1 Treasury Management associated risks are managed by compliance with the CIPFA code.

9. Identify the potential positive and negative impacts on specific groups

9.1

	Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
Older or younger people			X
People with caring Responsibilities			X
People with a disability			X
Women or men			X
People who are black or from a minority ethnic background (BME) (Please note Gypsies / Roma are within this community)			X
Religion or belief (including lack of belief)			X
People who are lesbian, gay or bisexual			X
People who are transgendered			X

People who are in a marriage or civil partnership			X
Women who are pregnant / on maternity leave			X
Socio-economic impacts (Including impact on child poverty issues and deprivation)			X
Public Health impacts (How will your proposal impact on the general health of the population of Torbay)			X

10. Cumulative Council Impact

10.1 Not applicable

11. Cumulative Community Impacts

11.1 Not applicable