

BUDGET AND PERFORMANCE PANEL

Treasury Management & Capital Strategies 2021/22 16 February 2021

Report of Chief Finance Officer

PURPOSE OF REPORT

To present to Budget and Performance Panel the draft Treasury Management and Capital Strategy and associated documents for 2021/22 and to provide an opportunity for consideration and comment ahead of formal presentation to Council in accordance with the Council's constitution.

This report is public

OFFICER RECOMMENDATIONS

That Budget and Performance Panel considers the

- (1) **Treasury Management framework documents and strategy for 2021/22 and makes comments or recommendations as appropriate.**
- (2) **Capital Strategy for 2021/22 and makes comments or recommendations as appropriate.**

1.0 INTRODUCTION

- 1.1 The report attached at **Appendix 1** was presented to Cabinet on 09 February 2021 is included to provide overall context for strategies and to better inform the panel's considerations.
- 1.3 The Panel are asked to limit their consideration to the Treasury Management & Capital strategies and associated attachments contained within Appendix 1 (Appendices E, F, G and H) in line with their Terms of Reference within the Constitution.

2.0 TREASURY MANAGEMENT STRATEGY 2021/22

- 2.1 The Council's Treasury Management Activities are regulated the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code) issued under the Local Government Act 2003.
- 2.2 The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and

actuals. During 2021/22 the minimum reporting requirements are that the Full Council should receive the following reports:

- an annual treasury strategy in advance of the year
- a mid-year (minimum) treasury update report
- an annual review following the end of the year describing the activity compared to the strategy

2.3 In addition, Members will receive treasury management update reports on which are presented to Cabinet and Budget and Performance Panel.

2.4 Details of the proposed Treasury Management strategy and associated appendices are included within the attached Cabinet papers as appendices F, G and H

3.0 CAPITAL STRATEGY 2021/22

3.1 The Capital strategy is set within the framework of The Prudential Code for Capital Finance in Local Authorities and the Treasury Management Code, both of which were updated in 2017. Key objectives are to demonstrate that the Council's capital investment plans are affordable, prudent, and sustainable; that local strategic planning, asset management planning and proper option appraisal are supported; and that treasury management decisions are taken in accordance with good professional practice.

3.2 The Strategy gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local services. It also outlines how associated risk is managed and the implications for future financial sustainability.

3.3 Details of the proposed Capital strategy is included within the attached Cabinet papers as appendix E.

4.0 CONSULTATION

4.1 The Council's Constitution requires that when a new or existing strategy is being considered, the Overview and Scrutiny Committee or Budget and Performance Panel have an opportunity to comment. If it considers it appropriate, Cabinet may then amend its proposals before submitting them to Council for formal adoption.

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing): As set out in the relevant appendices.

LEGAL IMPLICATIONS

As set out in the relevant appendices.

FINANCIAL IMPLICATIONS

As set out in the relevant appendices.

OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces:

As set out in the relevant appendices.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has authored this report

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

Cabinet 09/02/2021
Budget & Policy Framework Update 2021/22
– 2024/25

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