

# **Cherwell District Council**

## **Council**

**7 July 2014**

<b>Update to Treasury Strategy 2014-15</b>
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### **Report of Director of Resources and Interim Head of Finance and Procurement**

This report is public

#### **Purpose of report**

To agree the proposed amendments of the existing Treasury Strategy for 2014-15 required to facilitate the proposals for the development of the Graven Hill and other projects, as recommended by the Accounts, Audit and Risk Committee.

#### **1.0 Recommendations**

The meeting is recommended:

- 1.1 To consider and approve the proposed amendments to the Treasury Strategy as reviewed by Accounts Audit and Risk Committee on 25 June 2014. (Appendix 1).
- 1.2 To agree the proposal to provide delegated authority to the Director of Resources in the application of Minimum Revenue Provision (MRP).

#### **2.0 Introduction**

- 2.1 As part of the evaluation of Graven Hill and other projects the councils existing Treasury Strategy (2014-15) has been reviewed to ascertain whether there were changes required to accommodate future plans.
- 2.2 The updates identified were reported to Accounts Audit and Risk Committee on the 25 June for their consideration and proposal to Council. This report and associated appendices are attached as Appendix 1 to this report.

#### **3.0 Report Details**

- 3.1 Treasury Management Strategy is the cornerstone of proper treasury management, and is central to the operation, management reporting and performance assessment.
- 3.2 The updates made to the existing 2014-15 strategy are summarised as follows:-

- Capital expenditure – Update to reflect outturn position for 2013-14 and proposed commitments for 2014-15 and beyond. Associated update to Capital Financing Requirement.
- Minimum Revenue Provision (MRP) – update to reflect approach to be taken for the proposed development of Graven Hill and amendment to provide delegated authority to the Director of Resources to make any changes to future MRP policies.
- Borrowing – amendment of both the operational and authorised boundaries (borrowing limits) to meet the Council’s Capital Financing requirements.
- Non Specified Investments – update to authorise the investment in share capital of wholly owned subsidiary companies.

3.3 The aim of these updates is to ensure that the current Treasury Strategy accommodates existing and future capital financing plans.

## **4.0 Conclusion and Reasons for Recommendations**

4.1 The above narrative alongside Appendix 1 - report to Accounts Audit and Risk Committee represents the proposed updates to the existing Treasury Strategy for the Council to approve.

## **5.0 Consultation**

The proposed updates to the strategy have been considered and are supported by Accounts Audit and Risk Committee.

## **6.0 Alternative Options and Reasons for Rejection**

6.1 This report presents the required updates to the existing Treasury Strategy to support the Council's existing and future plans. The alternative option is:

To reject the current proposals and to make alternative recommendations or ask officers for further information.

## **7.0 Implications**

### **Financial and Resource Implications**

7.1 There are no specific financial effects arising through the updates proposed. The revised strategy once in place will be the cornerstone of the Council’s Treasury management activities.

Comments checked by: Nicola Jackson, Corporate Finance Manager  
01295 221731 [nicola.jackson@cherwellandsouthnorthants.gov.uk](mailto:nicola.jackson@cherwellandsouthnorthants.gov.uk)

## Legal Implications

7.2 There are no legal implications arising directly from any outcome of this report.

Comments checked by: Kevin Lane, Head of Law and Governance  
0300 0030107 [kevin.lane@cherwellsouthnorthants.gov.uk](mailto:kevin.lane@cherwellsouthnorthants.gov.uk)

## Risk management

7.3 There are no risk implications arising directly from any outcome of this report. All projects maintain their own risk registers and these are monitored corporately.

Comments checked by: Louise Tustian, Senior Performance & Improvement Officer  
01295 221786 [louise.tustian2@cherwellandsouthnorthants.gov.uk](mailto:louise.tustian2@cherwellandsouthnorthants.gov.uk)

## Equality and Diversity

7.4 There are no equality and diversity implications arising directly from any outcome of this report.

Comments checked by: Louise Tustian, Senior Performance & Improvement Officer  
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## 8.0 Decision Information

### Wards Affected

All

### Links to Corporate Plan and Policy Framework

All

### Lead Councillor

Councillor Ken Atack – Lead Member for Financial Management

### Document Information

Annex No	Title
1	Report to Accounts Audit and Risk Committee and associated appendices – 25 June 2014
<b>Background Papers</b>	
None	
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