

TREASURY MANAGEMENT MID-YEAR REPORT 2015-16

REPORT OF CORPORATE DIRECTOR RESOURCES

AGENDA ITEM: 5

**PORTFOLIO: CORPORATE SERVICES AND PERFORMANCE (COUNCILLOR
GRAHAM HINCHEY)**

Annexes A&B to Appendix 1 to this report are not for publication as they contain exempt information of the description in Paragraphs 14 and 21 of Schedule 12A of the Local Government Act 1972.

Reason for this Report

1. To inform members of the Council's treasury management activities since 1 April 2015 and the position as at 30 September 2015.

Background

2. The Council's treasury management activities are governed by legislation and a Code of Practice developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) updated in 2011.

Issues

3. In the budget report of February 2010, Council adopted CIPFA's revised Treasury Management Code by formal acceptance of the Four Clauses of Treasury Management and Treasury Management Policy Statement as Council policy. In accordance with these policies, this report provides members with a mid year update of Treasury Management activities as at 30 September 2015. Council requires the scrutiny of the accounting, audit and commercial issues of its Treasury Management Strategy and Practices to be undertaken by the Council's Audit Committee. The mid-year monitoring report and supporting Annexes are attached as Appendix 1 and is to be referred to Council on the 26 November 2015 after consideration by the Cabinet.
4. The report also updates members on borrowing undertaken by the Council to exist the Housing Finance Subsidy system in April 2015 following confirmation from Welsh Government (WG) and HM Treasury of the terms of the settlement ("buy out").

Reasons for Recommendations

5. Council policy requires the Treasury Management Mid Year Report 2015-16 update to be submitted to Council.

Legal Implications

6. No direct legal implications arise from this report.

Financial Implications

7. The Council's treasury management activities are undertaken in accordance with the policies adopted by Council and under professional codes of conduct established by CIPFA, the Welsh Government and the Corporate Director Resources as part of Treasury Management Practices. This report is part of a suite of reports that members receive on the Council's treasury management activities during the course of a year. Whilst there are no direct financial implications arising from this report, the risks involved with treasury management are continuously reviewed in conjunction with the Council's treasury management advisors.

RECOMMENDATION

Cabinet is recommend to agree that Council be recommended to

1. note the Treasury Management Mid Year Report 2015-16 (Appendix 1)
2. note the final position on Housing Finance reform that allowed the Council to exit the Subsidy system following acceptance of a voluntary agreement between the Council and Welsh Government.

CHRISTINE SALTER

Corporate Director Resources
6 November 2015

The following Appendix is attached:-

Appendix 1: Treasury Management Mid Year Report 2015-16
Annexe A – Investments at 30 September 2015
Annexe B – Investment Charts at 30 September 2015
Annexe C – Maturity Analysis of borrowing as at 30 September 2015
Annexe D – Housing Revenue Account Subsidy (HRAS) System Exit
Annexe E – Glossary of Treasury Management terms