



## CABINET – 5TH FEBRUARY 2014

**SUBJECT: TREASURY MANAGEMENT ANNUAL STRATEGY, CAPITAL FINANCE PRUDENTIAL INDICATORS AND MINIMUM REVENUE PROVISION POLICY FOR 2014/2015**

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151 OFFICER**

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- 1.1 The attached report, which provided details of the proposed Council's Annual Strategy for Treasury Management, the proposed dataset of Prudential Indicators relevant to Treasury Management and Capital Finance, and the proposed Minimum Revenue Provision Policy (MRP), and sought the views of Members on the proposed recommendations contained therein, was considered by the Policy and Resources Scrutiny Committee on 21st January 2014.
  - 1.2 The report made reference to Treasury Management, the Council's policy on financial derivatives, treasury management advisers and training respectively, the Prudential Indicator requirements for Capital Finance, the calculation of the Minimum Revenue Provision, and specific treasury management issues relating to the Council.
  - 1.3 Following discussion on the content of the report, the Policy and Resources Scrutiny Committee unanimously recommended to Cabinet that for the reasons contained therein:-
    - (i) the Annual Strategy for Treasury Management 2014/2015 be approved;
    - (ii) the strategy be reviewed quarterly within the Treasury Management monitoring reports presented to Policy and Resources Scrutiny Committee and any changes recommended be referred to Cabinet, in the first instance, and to Council for a decision. The Council will also receive a half-yearly report on TM activities;
    - (iii) the Prudential Indicators for Treasury Management as outlined in Appendix 5 of the report be approved;
    - (iv) the Prudential Indicators for Capital Financing as outlined in Appendices 6 and 7 of the report be approved;
    - (v) Members approve the use of Option 2 (for supported borrowing) and Option 3 Equal Instalment Method (for unsupported borrowing) for MRP purposes for 2014/2015.
  - 1.4 Cabinet is asked to consider the recommendations, which, if endorsed, will be submitted to Council for approval.

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Appendices:

Appendix 1 Report to Policy and Resources Scrutiny Committee on 21st January 2014 – Agenda item 7(7)