



CABINET

MINUTES OF THE SPECIAL MEETING HELD AT PENALLTA HOUSE, TREDOMEN ON WEDNESDAY, 25TH FEBRUARY 2015 AT 2.00 P.M.

PRESENT:

Councillor K.V. Reynolds - Chair

Councillors:

Mrs C. Forehead (HR and Governance/Business Manager), G. Jones (Deputy Leader and Cabinet Member for Housing), D.T. Hardacre (Performance and Asset Management), Mrs B.A. Jones (Deputy Leader and Cabinet Member for Corporate Services), K. James (Regeneration, Planning and Sustainable Development), Mrs R. Passmore (Education and Lifelong Learning), D.V. Poole (Community and Leisure Services), T.J. Williams (Highways, Transportation and Engineering), R. Woodyatt (Social Services).

Together with:

C. Burns (Interim Chief Executive), N. Scammell (Acting Director of Corporate Services and S.151 Officer), D. Street (Corporate Director Social Services).

Also in Attendance:

S. Harris (Acting Head of Corporate Finance), S.M. Kauczok (Committee Services Officer).

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

RECOMMENDATIONS TO COUNCIL

3. TREASURY MANAGEMENT ANNUAL STRATEGY, CAPITAL FINANCE PRUDENTIAL INDICATORS AND MINIMUM REVENUE PROVISION POLICY FOR 2015/2016

The Acting Head of Corporate Finance presented the report, which sought approval of the following:-

- The Authority's Annual Strategy for Treasury Management;
- A dataset of Prudential Indicators relevant to Treasury Management and Capital Finance.

- The Minimum Revenue Provision (MRP) policy to be adopted by the Authority for 2015/2016.
- To move away from the current risk averse investment strategy of lending to the Debt Management Office and re-establish lending to financial institutions in accordance with the report that was presented to the Policy and Resources Scrutiny Committee on 8th December 2014.

Following consideration and discussion, it was moved and seconded that the recommendations in the report be approved. By a show of hands this was unanimously agreed.

RECOMMENDED that for the reasons contained in the officer's report:-

1. The Annual Strategy for Treasury Management 2015/2016 be approved.
2. 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 Treasury Management activities.
3. The Prudential Indicators for Treasury Management be approved as per Appendix 5.
4. The Prudential Indicators for Capital Financing be approved as per Appendices 6 and 7.
5. Members approve the use of Option 2 (for supported borrowing) and Option 3 Equal Instalment Method (for unsupported borrowing) for MRP purposes for 2015/2016.
6. The Authority adopt the recommendations as set out in the 8th December 2014 Policy and Resources Scrutiny Committee report and lend to financial institutions in accordance with the minimum credit rating criteria disclosed within the report.
7. The Authority borrow £12.3m for the General Fund to support the 2015/2016 capital programme and an indicative amount of £75.4m for the HRA to exit the Subsidy system.
8. The Authority adopt the investment grade scale as a minimum credit rating criteria as a means to assess the credit worthiness of suitable counterparties when placing investments.
9. The Authority adopt the revised monetary and investment duration limits as set out in Appendix 3 of the report.

The meeting closed at 2.05 p.m.

Approved and signed as a correct record subject to any corrections made at the meeting held on 18th March 2015.

CHAIR