

**STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL**

**Audit & Accounts Committee**

**12 February 2021**

<b>TITLE:</b>	<b>Treasury Management Strategy</b>
<b>PORTFOLIO HOLDER:</b>	<b>Councillor Ralphps - Council Leader SMDC</b>
<b>CONTACT OFFICER:</b>	<b>Keith Pointon – Interim Head of Finance Emily Bennetts - Finance Business Partner</b>
<b>WARDS INVOLVED:</b>	<b>Non-specific</b>

**Appendices Attached – Appendix A - Treasury Management Strategy Statement 2021/22**

**1. Reason for the Report**

- 1.1. The purpose of the report is to allow members of the Committee to consider and endorse the Council's Treasury Management Strategy for 2021/22, ensuring that its capital and treasury activities for the next four years are affordable and properly managed.

**2. Recommendation**

- 2.1 That the Annual Treasury Management Strategy Statement (TMSS) 2021/22 is recommended to Council for approval.

**3. Executive Summary**

- 3.1 The Council is required, in accordance with the Local Government Act 2003, to produce an annual Treasury Management Strategy Statement before the commencement of each financial year.
- 3.2 The Local Government Act 2003 and supporting regulations require the Council to 'have regard to' the Chartered Institute of Public Finance & Accountancy (CIPFA) Prudential Code and Treasury Management Code of Practice. The Council is required to set prudential and treasury indicators for the next four years to ensure that the Council's capital investment plans are affordable, prudent and sustainable.
- 3.3 The 2021/22 Treasury Management Strategy Statement comprises three principal areas:

- a. **Capital Programme (section 6)**
  - The capital plans and the prudential indicators
  - The minimum revenue provision (MRP) Policy
  
- b. **Treasury Management (section 7)**
  - Current Treasury position
  - Treasury Indicators
  - Prospects for Interest Rates
  - The Borrowing Strategy
  
- c. **The Annual Investment Strategy (section 8)**
  - *Investment Policy*
  - *Creditworthiness Policy*
  - *Investment Income*

3.4 Members are asked to note the controls that have been put in place to manage the Council's treasury management risks and activities and to endorse the Treasury Management Strategy for 2021/22.

#### 4. **How this report links to Corporate Priorities**

4.1 Effective treasury management is critical to the safeguarding and management of the financial resources at the Council's disposal. Sufficient financial resources are required to deliver and underpin the Council's corporate priorities.

#### 5. **Alternative Options**

5.1 This report sets the proposed treasury management approach based upon the Council's financial plans.

**Claire Hazeldene**  
**Acting Executive Director (Finance and Customer Services)**

#### **Web Links and Background Papers**

'Treasury Management – Governance and Scrutiny Arrangements'  
(Audit & Accounts  
Committee Sep 09)

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