

# FAREHAM

## BOROUGH COUNCIL

### Report to Audit and Governance Committee

**Date:** 11 March 2019

**Report of:** Director of Finance and Resources

**Subject:** TREASURY MANAGEMENT POLICY AND STRATEGY

#### SUMMARY

Regulations require the Council to prepare and formally approve an annual Treasury Management Strategy. The document for 2019/20, attached as Appendix A, was endorsed by the Executive on 4 February 2019 and submitted to Council for approval on 22 February 2019.

The main highlights in the Treasury Management Strategy are:

- i) The level of capital expenditure estimated for 2019/20 is £28.8 million. The current estimate is that £16.2 million of this will be met by new borrowing.
- ii) The strategy includes a new investment strategy which covers commercial property investments. The Council has £59 million of investment properties.

*The Audit and Governance Committee's areas of responsibility for Treasury Management is to oversee the implementation of the Council's Treasury Management Strategy and Policy.*

#### RECOMMENDATION

It is recommended that the Committee note the Treasury Management Strategy and Prudential Indicators for 2019/20, attached as Appendix A to this report.

**Background Papers:** None

**Reference Papers:**

Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management in the Public Services 2017

CIPFA The Prudential Code 2017

Statutory Guidance on Local Government Investments issued under section 15(1)(a) of the Local Government Act 2003 from the Ministry of Housing, Communities and Local Government (MHCLG)

Arlingclose Treasury Management Strategy and Investment Strategy 2019-20 Template

**Enquiries:**

For further information on this report please contact Caroline Hancock (Ext 4589)