

## BOROUGH OF KETTERING

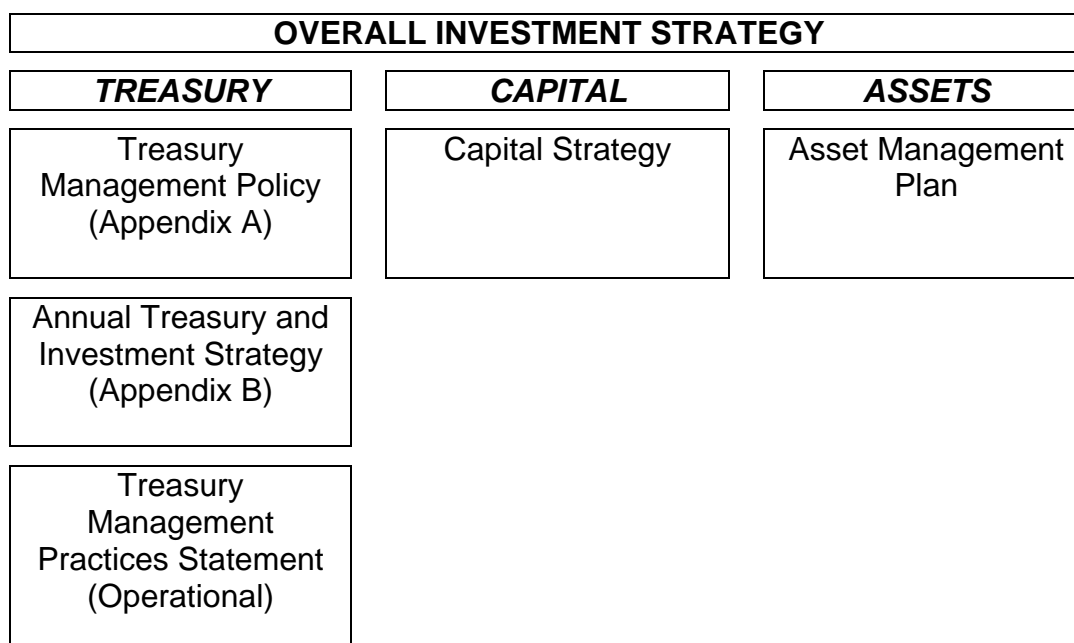
<b>Committee</b>	EXECUTIVE	Item 12	Page 1
<b>Report Originator</b>	Mark Dickenson Acting Head of Finance	Fwd Plan Ref: A13/041	
<b>Wards Affected</b>	All	12 <sup>th</sup> February 2014	
<b>Title</b>	TREASURY MANAGEMENT STRATEGY 2014/2015		

**Portfolio Holder: Cllr Ian Jelley**

1.	<b><u>PURPOSE OF REPORT</u></b>
1.1	To report the Treasury Management Strategy for 2014/15 for approval

### 2. **TREASURY MANAGEMENT BACKGROUND**

- 2.1. The Council has a number of strategies and policies that when considered together comprise the Overall Investment Strategy (see diagram below). This report considers the strategic 'Treasury' elements.



- 2.2. The Treasury Management Policy Statement is a high level document, which defines the Council's policies and objectives of its Treasury Management activities. It remains fairly constant each year and is attached at Appendix A.
- 2.3. To comply with the requirements of best practice, the Treasury Management Strategy is reported to members in advance of the forthcoming financial year.
- 2.4. The Executive Committee are responsible for approving the Treasury Management Policy and Strategy - the Council are required to formally set the associated

# BOROUGH OF KETTERING

<b>Committee</b>	EXECUTIVE	Item 11	Page 2
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'prudential indicators' that form part of the strategy. The indicators form part of the strategy statement that is attached at Appendix B.

- 2.5. The indicators are a technical accounting requirement and are based upon a range of different external borrowing scenarios that may happen during the medium term. These are reviewed and updated annually by the Council. The Council's budget model makes provision for the cost of estimated debt charges (associated with borrowing).
- 2.6. The Council continues to make use of credit ratings to help inform any short term investment decisions. The Council monitors credit ratings daily in conjunction with our external treasury advisers.
- 2.7. The proposed strategy for 2014/15 has been developed with Capita Asset Services Ltd (formerly Sector Treasury Services Ltd), the Council's appointed treasury advisers.
- 2.8. An information sheet is detailed at Appendix C to provide additional information on the Prudential and Treasury Indicators, together with reasons why changes have been made to the Indicators.

### **3 CONSULTATION AND CUSTOMER IMPACT**

- 3.1 None as a direct result of this report – the report is about the treasury management activities at this stage.

### **4 POLICY IMPLICATIONS**

- 4.1 The policy implications are discussed throughout this report.

### **5 USE OF RESOURCES**

- 5.1 The implications on the Council's resources are considered throughout the report.

### **6. RECOMMENDATIONS**

That the Executive:

- 6.1 Approve the Treasury Management Policy Statement as detailed in Appendix A;
- 6.2 Approve the Annual Treasury Management Strategy as detailed in Appendix B.

#### Previous Reports/Minutes:

Title of Document:  
Date:  
Contact Officer:

Ref:  
Date: