

For Information / Comment and Decision	
Public/Non Public*	
Report to:	Strategic Resources and Performance Meeting
Date of Meeting:	13th November 2014
Report of:	Chief Finance Officer
Report Author:	Charlotte Radford
Other Contacts:	Pamela Taylor & Amanda Harlow
Agenda Item:	06

Treasury Management Mid-Year Report

1. Purpose of the Report

- 1.1 In line with the requirements of the Prudential Code the attached report summarises Treasury Management activity against the approved indicators and treasury limits.

2. Recommendations

- 2.1 The Commissioner is requested to consider this report and make comment or requests relating to the operation of treasury management activity.
- 2.2 The Commissioner is requested to approve an increase in the Capital Financing Requirement (CFR) from £56,503m to £59,354m.

3. Reasons for Recommendations

- 3.1 To comply with good financial management and governance.

4. Summary of Key Points

- 4.1 In February the capital programme for 2014-15 was approved by the Commissioner. Since then the impact of carry-forwards at year end has resulted in the need to increase the CFR limit. This may be a temporary increase to the end of the year, but will not be confirmed until the out-turn position of the capital programme is confirmed.
- 4.2 The report attached at **Appendix A** summarises the wider global economy and the effect this is having on the markets. It also includes an interest rate forecast for the next couple of years.
- 4.3 To date treasury management performance is well within the prudential code indicators and treasury limits approved by the Commissioner. This is primarily due to the low level of capital expenditure in the first half of this financial year.

5. Financial Implications and Budget Provision

5.1 None as a direct result of this report the capital monitoring report will include the detail relating to changes in the capital programme.

6. Human Resources Implications

6.1 None as a direct result of this report.

7. Equality Implications

7.1 None as a direct result of this report.

8. Risk Management

8.1 None as a direct result of this report.

9. Policy Implications and links to the Police and Crime Plan Priorities

9.1 This report complies with the Prudential Code and regulatory requirements governing treasury management in the public sector.

10. Changes in Legislation or other Legal Considerations

10.1 None to date.

11. Details of outcome of consultation

11.1 Not applicable.

12. Appendices

A – Treasury Management Strategy and Annual Investment Strategy: Mid-Year Review 2014-15