

PFCC Decision Report

Please ensure all sections below are completed

<p>Report reference number: 112-2020</p>
<p>Classification (e.g. Not protectively marked/restricted): Not protectively marked</p>
<p>Title of report: Treasury Management Strategy 2020/21 (encompassing the Capital Strategy and Investment Strategy)</p>
<p>Area of county / stakeholders affected: Countywide</p>
<p>Report by : Matt Tokley, Corporate Accounting Manager</p> <p>Date of report: 26th September 2020</p> <p>Enquiries to: Matt Tokley</p>

1. Purpose of the report

- 1.1 To approve the Treasury Management Strategy (TMS) for 2020/21.

2. Recommendations

- 2.1 The PFCC is recommended to:-

Approve the attached documents incorporating a treasury management strategy, investment strategy and capital strategy.

3. Benefits of the proposal

- 3.1 The TMS provides a framework for the effective management of the PFCC's cash balances and related investments and borrowings. The strategy concentrates on 2020/21 but also considers treasury management for future years in the context of the major planned investment programme.

4. Background and proposal

- 4.1 For 2020/21 the PFCC has adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2017 (the CIPFA Code) which requires the PFCC to approve a treasury management

strategy before the start of each financial year. This report fulfils the PFCC's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.

- 4.2 One of the main aspects of treasury management is to ensure that cash flow is adequately planned in order to ensure that cash is available when needed to meet payments when they are due. If not immediately needed any surplus monies are invested in low risk counterparties in order to earn interest.
- 4.3 The PFCC is required to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The PFCC's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

5. Alternative options considered and rejected

- 5.1 Alternative options which deviate from those set out in the 2020/21 Treasury Management Strategy are not deemed to represent the most optimum use of the PFCC's cash resources.

6. Police and Crime Plan

- 6.1 The paper concerns the management of the PFCC's cash and investments, which represent the key resources underwriting all of the priorities and workstreams identified within the Police and Crime Plan.

7. Police operational implications

- 7.1 As per paragraph 6.1.

8. Financial implications

- 8.1 The financial implications are fully set out in the report.

9. Legal implications

- 9.1 No legal implications.

10. Staffing implications

- 10.1 No staffing implications.

11. Equality and Diversity implications

- 11.1 There is no impact of this decision report on equality, diversity or human rights.

12. Risks

- 12.1 The risks, particularly financial risks relating to treasury management processes, including credit risk, market risk and operational risk, are set out within the report.

13. Governance Boards

13.1 Presented and agreed at the 17th March 2020 Strategic Board.

14. Background papers

14.1 112-20 Treasury Management Strategy

Report Approval

The report will be signed off by the OPFCC Chief Executive and Treasurer prior to review and sign off by the PFCC / DPFCC.

Deputy M.O.

Sign:



Print: Darren Horsman

Date: 30 September 2020

Chief Finance Officer / Treasurer

Sign:



Print: Elizabeth Helm

Date: 5 October 2020

Publication

Is the report for publication?

YES

NO

If 'NO', please give reasons for non-publication *(Where relevant, cite the security classification of the document(s). State 'None' if applicable)*

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If the report is not for publication, the Chief Executive will decide if and how the public can be informed of the decision.

Redaction

If the report is for publication, is redaction required:

1. Of Decision Sheet?

YES

2. Of Appendix?

YES

NO

NO

If 'YES', please provide details of required redaction:

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Date redaction carried out:

Treasurer / Chief Executive Sign Off – for Redactions only

If redaction is required, the Treasurer or Chief Executive is to sign off that redaction has been completed.

Sign:

Print:

Chief Executive/Treasurer

Decision and Final Sign Off

I agree the recommendations to this report:

Sign: 

Print: Jane Gardner

Deputy PFCC

Date signed: 5 October 2020

I do not agree the recommendations to this report because:

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Sign:

Print:

PFCC/Deputy PFCC