MINUTE EXTRACT

CABINET

27 JULY, 2020

113   **TREASURY MANAGEMENT ANNUAL REPORT 2019/20**

Councillor Janette Williamson introduced a report by the Senior Finance Business Partner – Treasury Management which informed that the Council's treasury management activity was underpinned by the CIPFA's Code of Practice on Treasury Management ("the Code"), which required the Council to approve treasury management semi-annual and annual reports.

The Cabinet noted that the report fulfilled the Council's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the Ministry of Housing, Communities and Local Government (MHCLG) Investment Guidance.

It was reported that proactive Treasury Management activity had resulted in savings of £0.9 million. These savings were on top of the £2 million worth of Treasury Management savings already built into the 2019/20 budget. The additional savings resulted due to a combination of increased investment income and securing lower cost loans.

The level of Capital Financing debt, including the Merseyside Residuary Body debt managed by the Council on behalf of the constituent authorities, was £173 million at 31 March 2020. The Cabinet noted that this was a reduction of £91 million since 1 April 2012 and reflected policies to minimise and delay borrowing costs which adversely impact upon the revenue budget.

The Council had complied with the Prudential and Treasury Management Indicators as set out in the agreed Treasury Management Strategy for 2019/20.

This matter affected all the Wards within the Borough and the decisions in the report were key decisions.

Appended to the report at Appendix 1 was the Prudential and Treasury Indicators 2019/20.

RESOLVED: That

(1)   the 2019/20 Treasury Management Annual Report be agreed and recommended to the Council for approval at its meeting in October 2020; and

(2)   the saving of an additional £0.9 million above the budgeted savings target from treasury and capital financing activities in 2019/20 be noted.