

Item CB 16/8 referred from Cabinet of 11 February 2016

CB 16/8 TREASURY MANAGEMENT AND ANNUAL INVESTMENT STRATEGY 2016/17

The report of the Director of Finance and Transformation provided details of investments undertaken and returns achieved in the first nine months of the current financial year together with an introduction to the Treasury Management and Annual Investment Strategy for 2016/17.

It was noted that investment income was £19,600 above the revised budget for the same period and £36,550 above the original estimate. This was largely attributable to a more favourable pattern of payments to the Government and other recipients of business rates collected by the Council. Reference was made to the modest uplift in returns built into the investment income projection for 2016/17 in anticipation of a Bank Rate rise during the year. However Capita, the Council's treasury advisors, had recently updated their forecast based on a delay in interest rate rise from mid to end of 2016.

It was noted that the Audit Committee had reviewed the matters covered by the report at its meeting on 25 January 2016 and commended the Strategy for adoption. The Chairman of that Committee had also indicated the intention of arranging appropriate training on treasury management, details of which would be given in due course.

RECOMMENDED: That

- (1) the treasury management position as at 31 December 2015 be noted; and
- (2) the Treasury Management and Annual Investment Strategy for 2016/17, as set out at Annex 4 to the report, be adopted.

***Referred to Council**