

OFFICE OF POLICE AND CRIME COMMISSIONER

TITLE: OPEC Treasury Management Strategy 2021/22 to 2023/24

DATE: 10th December 2020

TIMING: This decision needs to be taken before the Revenue Budget for 2021/22 is formally approved

PURPOSE: For Consideration

1.	<p><u>RECOMMENDATION</u></p> <p>That the Joint Audit Committee considers and comments on the Treasury Management Strategy for 2021/22. This will enable the Police and Crime Commissioner (Commissioner) to subsequently approve:</p> <ul style="list-style-type: none">(i) The Treasury Management Strategy for 2021/22 to 2023/24 set out in Appendix A; and(ii) The twelve Treasury Management Practices set out in Appendix B.
2.	<p><u>INTRODUCTION & BACKGROUND</u></p> <p>Treasury Management covers borrowing, investing, banking and cash flow management. This report fulfils four key annual legislative requirements:</p> <ul style="list-style-type: none">(i) The setting of the Prudential Indicators relating to Capital Expenditure;(ii) The Minimum Revenue Provision Policy;(iii) The Treasury Management Strategy; and(iv) The Investment Strategy in accordance with the Welsh Government's Guidance on Local Government Investments. <p>The report also seeks approval for twelve Treasury Management Practices.</p>
3.	<p><u>ISSUES FOR CONSIDERATION</u></p> <p>The Commissioner is required to adopt and comply with the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code for Capital Finance in Local Authorities (2011 (as revised)) and the CIPFA Code of Practice on Treasury Management (2011 (as revised)). The Treasury Management Strategy 2021/22 to 2023/24 (Appendix A) and the Treasury Management Practices (Appendix B) are submitted for approval in compliance with the Codes.</p>
4.	<p><u>NEXT STEPS</u></p> <p>The Capital Prudential Indicators demonstrate that the Capital Programme is affordable, prudent and sustainable and it is essential that the Commissioner is satisfied of this situation prior to formally setting the Budget and Council Tax Precept for 2021/22.</p>
5.	<p><u>FINANCIAL CONSIDERATIONS</u></p> <p>This is a financial report required prior to setting the budget and Council Tax</p>

	Precept for 2021/22.
6.	<u>PERSONNEL CONSIDERATIONS</u> There are no additional staff requirements stemming from this report.
7.	<u>LEGAL IMPLICATIONS</u> Approval of the Treasury Management Strategy by the Commissioner is a statutory responsibility.
8.	<u>EQUALITIES AND HUMAN RIGHTS CONSIDERATIONS</u> This report has been considered against the general duty to promote equality, as stipulated under the Strategic Equality Plan and has been assessed not to discriminate against any particular group. Consideration has been given to requirements of the Articles contained in the European Convention on Human Rights and the Human Rights Act 1998 in preparing this report.
9.	<u>RISK</u> Treasury Management can never be risk free. In borrowing, the risk is that interest payable might be higher than necessary and in lending there is the risk of default on repayment and the risk that a better rate of return could have been achieved. Adherence to the CIPFA Code of Practice on Treasury Management is best practice in terms of balancing risk and return.
10.	<u>PUBLIC INTEREST</u> Once approved the Treasury Management Strategy will be published on the Commissioner's website.
11.	<u>CONTACT OFFICER</u> Darren Garwood-Pask, Chief Finance Officer (Section 151 Officer) to the Commissioner.
12.	<u>ANNEXES</u> The Appendices to this report provide more details on the proposal.