

Part A

Report to: **Audit Committee**

Date of meeting: **Thursday, 25 November 2021**

Report author: **Head of Finance**

Title: **Treasury Management Policy 2022/23**

1.0 Summary

1.1 This report sets out the draft Treasury Management Policy for 2022/23. The final Treasury Management Policy will be considered by Council alongside the Budget for 2022/23, Medium Term Financial Strategy and Capital Strategy,

2.0 Risks

2.1

Nature of risk	Consequence	Suggested Control Measures	Response (treat, tolerate, terminate or transfer)	Risk Rating (combination of severity and likelihood)
Treasury Management Risks are not adequately managed	The function fails to provide security of its cash and / or sufficient liquidity to meet current obligations	The Treasury Management function applies the Treasury Management Policy and monitors performance against it. The Treasury Management Policy will reflect the latest requirements for the CIPFA Treasury Management Code of Practice and applies best practice	Treat	4

3.0 **Recommendations**

- 3.1 The Committee is asked to comment on the draft Treasury Management Policy 2022/23.

Further information:

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Report approved by: Hannah Doney, Head of Finance

4.0 **Detailed proposal**

- 4.1 The Treasury Management Policy is an annual policy that forms part of the suite of papers presented to Council in January for approval of the Budget, Medium Term Financial Strategy and Capital Strategy.
- 4.2 The Audit Committee is designated as the Committee to receive reports on the performance of the Treasury Management function. The Committee currently receives two reports per year. As the committee responsible for monitoring the performance of the function, the Committee is also asked to comment on the Treasury Management Policy prior to its consideration and approval by Council. The draft policy is at Appendix 1.
- 4.3 The Treasury Management Code of Practice ("the TM Code"), published by the Chartered Institute of Public Finance and Accountancy (CIPFA), sets out the information that must be included in the policy including the reporting requirements.
- 4.4 CIPFA have recently consulted on changes to the TM Code and an updated version of the code is expected to be published in December. CIPFA recognise that the committee timeframe for setting Treasury Management policies for 2022/23 may mean that councils are not able to fully adopt the new code for 2022/23 and it is expected that full compliance will not be expected until 2023/24.
- 4.5 However, it is intended that the draft Policy will be updated to reflect the latest guidance and best practice where this is possible to achieve before the publication of papers for Council and where practical implementation can be achieved for 1 April 2022.

5.0 **Implications**

5.1 **Financial**

- 5.1.1 The Shared Director of Finance comments that there are no implications arising directly from this report.

5.2 **Legal Issues** (Monitoring Officer)

5.2.1 There are no legal issues arising from this report.

5.3 **Equalities, Human Rights and Data Protection**

5.3.1 Under s149 (1) of the Equality Act the council must have due regard, in the exercise of its functions, to the need to –

- eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Act
- advance equality of opportunity between persons who share relevant protected characteristics and persons who do not share them
- foster good relations between persons who share relevant protected characteristics and persons who do not share them.

Having had regard to the council's obligations under s149, it is considered that there are no issues arising from this report.

5.4 **Staffing**

5.4.1 There are no staffing issues arising from this report.

5.5 **Accommodation**

5.5.1 There are no accommodation issues arising from this report.

5.6 **Community Safety/Crime and Disorder**

5.6.1 There are no community safety issues arising from this report.

5.7 **Sustainability**

5.7.1 There are no sustainability issues arising from this report.

Appendices

- Appendix 1 – Draft Treasury Management Policy 2022/23

Background papers

No papers were used in the preparation of this report.