



RECORD OF DECISION

TITLE: Review of the Treasury Management Strategy 2016/17

Ref: PCC/D/2016/08

EXECUTIVE SUMMARY

Changes to the counterparty list and investment limits, the piloting of additional Treasury Management Indicators, and a review of the Minimum Revenue Provision (MRP) Policy and Provision by the Treasury Management Advisors require approval of the Police and Crime Commissioner.

In accordance with the requirements of the Local Government Act 2003, the Commissioner is required to agree a Treasury Management Strategy each year, which accords with the CIPFA Treasury Management Code of Practice. The strategy governs all borrowing and lending by the PCC over the course of the coming financial year.

When considering the 2016/17 Treasury Management Strategy in March 2016, the Joint Audit Committee requested that a further review of Treasury Management activities and operations be undertaken to ensure that they continued to comply with best practice. The Joint Audit Committee in June considered the findings of this review and supported the changes above.

PROPOSAL

This proposal is to:

- a) Approve the changes to the counterparty list and investment limits outlined in the report to the Joint Audit Committee on 20th June 2016 and to note the introduction of separate limits for Warwickshire and West Mercia.
- b) To approve the piloting of additional Treasury Management Indicators.
- c) To approve the review of the Minimum Revenue Provision (MRP) Policy and Provision by the Treasury Management Advisors

**APPROVAL OF
West Mercia Police and Crime Commissioner**

I hereby approve the above proposal.

Signed



PART 1 – NON-CONFIDENTIAL/EXEMPT FACTS AND FIGURES

SUPPORTING REPORT

1. INTRODUCTION

- 1.1 By virtue of the Local Government Act 2003, the Police and Crime Commissioner is required to publish a Treasury Management Strategy, which accords with the requirements of the CIPFA Treasury Management Code of Practice, governing all borrowing and lending activity for this office each year.
- 1.2 The strategy was detailed in a report to the Joint Audit Committee in March 2016. This is a joint strategy with the Police and Crime Commissioner for Warwickshire as both funds are being managed by the Force Finance Team. At that meeting the Joint audit Committee requested that a further review be undertaken. The findings of this review were considered in the attached report by the Joint Audit Committee on 20th June 2016. The Committee supported changes to the counterparty and investment limits, the piloting of additional Treasury Management Indicators and a review of the MRP policy and provision.
- 1.3 In line with Financial Regulations this report has been presented to and agreed by the Joint Audit Committee.

FINANCIAL COMMENTS

- 2.1 The report is a financial report by its nature, and there are no financial comments beyond the report itself. It should be noted that the cost of the review of the MRP policy and provision is £6975. This will be shared equally by the Police and Crime Commissioners for Warwickshire and West Mercia and met from existing OPCC budgets.

LEGAL CONSIDERATIONS

- 3.1 The production and publication of a Treasury Management Strategy is a requirement of the CIPFA Treasury Management Code of Practice, compliance with which is a requirement of the Local Government Act 2003.

PUBLIC ACCESS TO INFORMATION

- 4.1 Information in this form is subject to the Freedom of Information Act 2000 and other legislation. Part 1 of this form will be made available on the West Mercia Commissioner's website. Any facts and advice that should not be made automatically available on request should not be included in Part 1 but instead on the separate Part 2 form. There is no part 2 form in this case.

OFFICER APPROVAL

Chief Executive Officer

Signature A. de Chaeper Date 29.6.16