

TREASURY MANAGEMENT TRAINING

Finance Advisory Committee - 27 March 2018

Report of the: Chief Finance Officer

Status: For Consideration

Key Decision: No

This report supports the Key Aim of efficient management of the Council's resources.

Portfolio Holder Cllr. John Scholey

Contact Officer Roy Parsons, Principal Accountant - Ext 7204

Recommendation to Finance Advisory Committee: That the report be noted.

Reason for recommendation: This recommendation supports the sound control of the Council's finances.

Background and Introduction

- 1 The CIPFA Prudential Code for Capital Finance in Local Authorities underpins the system of capital finance and is complemented by the CIPFA Treasury Management Code of Practice. Both of these Codes have been revised recently to reflect developments that have occurred since they were last updated in 2011.
- 2 At the same time, the Ministry for Housing, Communities and Local Government (MHCLG) also issued revised Statutory Guidance on Local Government Investments reflecting key changes to the previous Guidance released in April 2010.
- 3 The key drivers for changes to all these documents have been the recent developments in the marketplace and the introduction of the Localism Act 2011 (the "Commercialism Agenda").

The need for training

- 4 Both CIPFA and MHCLG emphasise the need for Officers and Members involved in the scrutiny of investment decisions to have the appropriate skills and training to complete their roles effectively. The following is an extract from the Statutory Guidance:

“The Investment Strategy should disclose the steps taken to ensure that those elected members and statutory officers involved in the investments decision making process have appropriate capacity, skills and information to enable them to take informed decisions as to whether to enter into a specific investment, to assess individual assessments in the context of the strategic objectives and risk profile of the local authority and to enable them to understand how the quantum of these decisions have changed the overall risk exposure of the local authority.

The Strategy should disclose the steps taken to ensure that those negotiating commercial deals are aware of the core principles of the prudential framework and of the regulatory regime within which local authorities operate.

Where appropriate the Strategy should comment on the corporate governance arrangements that have been put in place to ensure accountability, responsibility and authority for decision making on investment activities within the context of the local authority’s corporate values.”

- 5 The last time Members received treasury management training was in 2010. In view of the recent regulatory changes, it is now considered appropriate to undertake further training.
- 6 A proposal from the Council’s treasury management advisors (Link Asset Services) to deliver suitable training appears in Appendix A. It would last for approximately two hours.

Key Implications

Financial

- 7 The cost of the training will be met from the Members training budget.

Legal Implications and Risk Assessment Statement

- 8 Under Section 151 of the Local Government Act 1972, the Section 151 Officer has statutory duties in relation to the financial administration and stewardship of the authority.

Equality Assessment

- 9 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

Conclusions

- 10 Members are asked for their views on whether or not to organise a training session on treasury management and if so when would be a suitable time.

Appendices:

Appendix A - Link Asset Services' proposal for
Member training

Background Papers:

None

**Adrian Rowbotham
Chief Finance Officer**