

Wiltshire Police and Crime Commissioner Record of Decision

Decision Detail	Treasury Management Strategy 2024/25
Business Area	Finance paper
Decision No:	036-2024
Date	11/04/2024
Protection marker	Official

Executive Summary

The Codes of Practice require the Commissioner to consider and approve a Treasury Management Strategy (TMS), which incorporates the Prudential and Treasury Indicators and an Annual Investment Strategy.

This is required under the provisions of the latest CIPFA Code of Practice on Treasury Management in the Public Services (the CIPFA Code) and the Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

This Treasury Management Strategy is closely linked to both the current Capital Strategy and the Capital Financing Strategy as agreed in the Mid Term Financial Strategy

Decision:

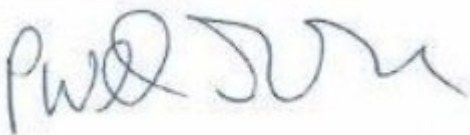
The Commissioner is asked to authorise the Treasury Management Strategy 2024/25.

Implications

Please read appendix A in regard to this supporting information

Has considerations been taken following:	Yes	No
Financial	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Legal	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Equality and Diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sustainability	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Risk	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Additional comments		

Police and Crime commissioner comments	
I have read the documents and I confirm the decision to proceed as recommended.	
Signed:	Date: 11/04/2024
	


Financial Implications: (Must include comments of the PCC's Chief Finance Officer where the decision has financial implications)
<p>Comments:</p> <p>In January 2024 the revised forecast cash flow deficit for the year was £9.3 million (Original forecast £3.1m Deficit); a number of factors lead to the change in forecast. The PCC has opted to use internal borrowing of £3m to fund the Capital plan instead of receiving borrowed funds from external lenders. The timing of the final supplier payments for the year (estimated £2m) will hit the bank in March instead of clearing in April as per prior years. The payment timing of the Microsoft bill causes a further £1.3m increase in expected deficit. The actual cash flow position for 2023/2024 will be reported in the Annual Treasury Report.</p> <p>Surplus funds invested at 31 January 2024 stood at £12.77 million, (£23.08 million as at 31 January 2023) as follows,</p> <ul style="list-style-type: none"> ○ £10.00 million invested in the market ○ £2.77 million invested in the BNP Money Market Fund <p>As of 04/03/2024, the total funds invested in the market (£10.00 million) were all in fixed term deposits (for under 1 year). This money is being invested directly by our local treasury managers (Wiltshire Council) in short-term, approved investments or overnight as BNP, Handelsbanken or HSBC deposits.</p> <p>By doing this the PCC benefits from the rising market interest rates, for example 5.4% return on current investments where previous rates were under 1%. An analysis of the annual return is given in the Annual Treasury Report.</p>

Legal Implications: (Must include comments of the Monitoring Officer where the decision has legal implication)
Comments: No legal issues have been identified.

Equality and Diversity Implications
Comments: No diversity issues have been identified.

Sustainability Implications
Comments: ESG investing focuses on companies that follow positive environmental, social, and governance principles.

Risk Management
<p>Comments:</p> <ul style="list-style-type: none"> • The Prudential Code has been implemented to allow authorities' and PCC's freedom to invest if they consider it is affordable and prudent, this reduces risk. Indicators suggest if the MTFS includes the increase in borrowing costs and RCCO then the levels are affordable. • The intention is to borrow from the Public Works Loan Board (PWLB) at a fixed interest rate. The PWLB is a statutory body that issues loans to local authorities, and other specified bodies, from the National Loans Fund. • The Liability Benchmark shows the PCC how much he needs to borrow and guides the PCC to consider use of cashflow before deciding to borrow. The Liability Benchmark will be considered before any long-term loans are entered.

Monitoring Officer Approval	
Signed: 	Dated: 11/04/2024

Public Access to Information: APPENDIX A	
<p>Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the Commissioner's website within 2 working days of approval. Any facts / advice / recommendations that should not be made automatically available on request should not be included in Part 1 but instead on the separate Part 2 form.</p>	
<p>Is there a Part 2 form?</p> <p>If yes, for what reason: Disclosure of information in Part 2 Commercial sensitivity and may be a breach of terms of the Lease</p>	

Appendix A: Please see the PCC website