

## **8B REFERRAL FROM CABINET: 31 JANUARY 2023 – INVESTMENT STRATEGY (INTEGRATED CAPITAL AND TREASURY)**

**RECOMMENDED TO COUNCIL:** That Council:

- (1) Approves the adoption of the Investment Strategy (as attached at Appendix A), including the capital programme and prudential indicators.
- (2) Approves the adoption of the four clauses in relation to the Code of Practice on Treasury Management (as detailed in Paragraphs 8.11 to 8.16).

**REASON FOR REFERRALS:**

- (1) To ensure that the capital programme meets the Council's objectives and officers can plan the implementation of the approved schemes.
- (2) To ensure the Council's compliance with the CIPFA's code of practice on Treasury Management, the Local Government Act 2003, statutory guidance from the Department of Levelling Up, Housing and Communities (DLUHC) and the CIPFA Prudential Code. As well as determining and managing the Councils risk appetite in respect of investments

Councillor Ian Albert, the Executive Member for Finance and IT, presented the report entitled Investment Strategy (Integrated Capital and Treasury), including:

- The report detailed the Capital Programme and Treasury Management.
- The Executive Member highlighted an error in paragraph 5.1 in relation to CCTV cameras. The figure was £0.15million, not £0.015million, but that numbers were correct in the workings and appendix.
- The Capital Spend had a revenue impact in terms of minimum revenue provision and had lost investment interest.
- The Capital Programme needed to be kept under review.
- It was proposed to change the sovereign (country) rating of investments in non-UK banks from AAA to A- to allow more countries to pass and to diversify investments.
- The Council were looking to make investments that meet green and ESG criteria, where these are available.
- Following the discussion around LHAF, if the Council was planning to pass funding straight through to another party, it should be added to the capital programme.
- It is likely that the capital programme will need amending to accommodate this.
- In relation to the error identity by FAR, the Service Director confirmed that the presentational difference had no material impact on the report and the appendix will be updated to reflect this before the Council meeting.

There were no questions from Members.

The Chair confirmed the recommendations to Members.

Councillor Ian Albert proposed and Councillor Amy Allen seconded and after a vote, it was:

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*The report considered by Cabinet at the meeting held on 31 January 2023 can be viewed at Minute 65 here: [Agenda for Cabinet on Tuesday, 31st January, 2023, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#)*