

WRITTEN STATEMENT OF DECISION BY CHIEF EXECUTIVE

SECTION A

DATE OF DECISION:

25th March 2020

PORTFOLIO AREA:

Finance Portfolio

SUBJECT TITLE:

Increase of Treasury Group Limits

It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.

SECTION B – IDENTITY OF THE “DECISION-MAKER”

Name of Officer:

Roger Tetstall

Title:

Chief Executive

This decision is made pursuant to Delegated Powers as set out in paragraph (2) of the “Delegations to Chief Executive” in Part 3 of the Constitution, namely:

“To do anything, in consultation with the Leader, which is calculated to facilitate, or is conducive or incidental to the discharge of the Council’s functions subject to:

- (i) the matter being regarded as an emergency or urgent situation; and
- (ii) a report back to the Council, Cabinet or Committee concerned. “

SECTION C – SUMMARY

This decision is made against the backdrop of the Coronavirus (COVID-19) pandemic in the UK. This is an emergency or urgent situation as contemplated by the Delegated Powers referred to above

In response to hardship resulting from this urgent and unprecedented situation, Central Government has urgently introduced financial support initiatives for businesses and individuals including various grants and reliefs. Several of these initiatives are to be administered by local councils. Funding will shortly be received by this Council to fund the grants and reliefs. The Council will therefore shortly receive large and unanticipated payments.

On 26th February 2020, the Council approved its Treasury Management and Investment Strategy for 2020/2021.

The Report of the Financial Portfolio Holder dated 12th February 2020 at paragraphs 6.5.1 and 6.5.2 set out the financial limits for Council investments, which were set at £15 million per counterparty. In order to cater for the anticipated payments it is necessary to increase the authorised level of holding with each counterparty from £15 million to £30 million for such period as is necessary to enable the Council to deliver the initiatives.

If the levels are not increased, the Council will be in breach of its Treasury Management Strategy.

SECTION D – THE DECISION

“ That the Treasury limit for all counterparties is increased from £15 million to £30 million for such period as is necessary to enable the Council to process the Government initiatives introduced to mitigate the financial effects of the Coronavirus (COVID-19) pandemic, whereafter the limits shall revert to £15 million”

SECTION E – REASONS FOR THE DECISION

The decision-maker’s reasons for making the decision recorded in Section D:

The decision was necessary as significant funds will be received imminently from Central Government for onward payment by this Council of grants and reliefs. The level of funds are such that if the Treasury group limits are not raised, the Council will be in breach of its Treasury Management Strategy.

SECTION F – DETAILS OF ANY ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

The option of leaving the limits unaltered was considered and rejected as a breach of the Council's Treasury Management and Investment Strategy would inevitably result when grant and relief funds are received from Central Government.

SECTION G – OTHER RELEVANT MATTERS CONCERNING THE DECISION

None

SECTION H – BACKGROUND PAPERS

The following background papers were taken into consideration when making the decision:

1. Treasury Management Strategy and Annual Investment Strategy 2020/2021

SECTION I – Any Conflict of Interest Declared and Dispensation Granted

None applicable.

We certify that the decision this document records was made Pursuant to Delegated Powers as set out in paragraph (2) of "Delegations to Chief Executive" in Part 3 of the Constitution and is a true and accurate record or minute of that decision.

Chief Executive: _____ Dated: _____

The Leader of the Council _____ Dated: _____
