

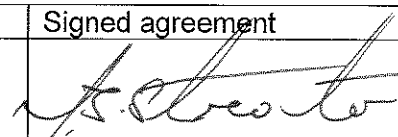



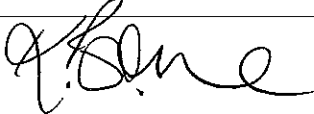
# Sussex Police & Crime Commissioner

## Decision Notice

|  |   |
|--|---|
| To   | Sussex Police and Crime Commissioner  |
| From   | Iain McCulloch<br>Chief Finance Officer   |
| Reference                                      | <u>27</u> /2018   |
| Subject  | Treasury Management Mid-Year Report 2018/19   |
| Date   | 26 September 2018   |
| Recommendation                                 | To approve the Treasury Management Mid-Year Report 2018/19  |
| Is the decision of significant public interest | No  |
| Summary of reasons for decision                | <p>The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management recommends that those charged with governance and scrutiny receive regular updates on treasury management activity. The report presents the performance up to and including 31 August 2018.</p> <p>The Police and Crime Commissioner for Sussex - 2018/19 Treasury Management Strategy Statement can be found on the Police and Crime Commissioner's website as follows;</p> <p><a href="https://www.sussex-pcc.gov.uk/media/3176/item-18-02-tmss-2018-19-sussex-pcc.pdf">https://www.sussex-pcc.gov.uk/media/3176/item-18-02-tmss-2018-19-sussex-pcc.pdf</a></p> |
| Consultation undertaken                        | The report was presented at an informal meeting that took place between Officers and two JAC members on 25 September 2018. This was not a JAC meeting due to being inquorate and therefore no formal decisions could be made. The two members that were present at the meeting scrutinised the report commenting positively on the above benchmark rate of return and compliance with the TMSS. I am therefore satisfied to recommend this report for your approval.  |

|  |  |
|--|--|
| Approved by legal adviser (if appropriate) | N/A  |
| Approved by finance (if appropriate)       | Approved by Iain McCulloch, Chief Finance Officer  |
| Background papers                          | See Joint Audit Committee Report 25 September Agenda Item 22 <a href="https://www.sussex-pcc.gov.uk/media/3533/item-22-2018-19-treasury-management-mid-yr-report-final.pdf">https://www.sussex-pcc.gov.uk/media/3533/item-22-2018-19-treasury-management-mid-yr-report-final.pdf</a>   |
| Communication and media                    | None   |
| Financial implications                     | <p>In summary:</p> <ul style="list-style-type: none"> <li>• £77.7m of investments were held at 31 August 2018.</li> <li>• Interest of £0.225m was received which was £0.016 more than expected to 31 August.</li> <li>• Gross investment return of 0.77% was achieved for the 5 months to 31 August against 7 day LIBID of 0.41%. The benchmark for other police bodies within our benchmarking group at 30 June was 0.55% and the group as a whole was 0.89%.</li> <li>• The Bank of England Base Rate increased from 0.50% to 0.75% on 2 August 2018.</li> <li>• No new borrowing was taken, maintaining the loan balance at £4.5m.</li> <li>• There was a single day breach of the maximum 85% for the proportion of investments at variable rate as per the TMSS. This occurred on 29 May 2018 due to timing of new fixed investments when 91% of the total portfolio held was at variable rate. This was a planned departure from the stated investment proportions and was discussed in advance and agreed with the CFO in the Treasury Management meeting held on 22 May 2018.</li> <li>• There was no change in the CFR and other Prudential Indicators are within approved limits.</li> </ul> |

| Officer approval   | Signed agreement   | Date       |
|--|--|------------|
| Mark Streater<br>Chief Executive & Monitoring<br>Officer |  | 26.09.2018 |

|   |  |            |
|---|--|------------|
| Iain McCulloch<br>Chief Finance Officer     |   | 26.09.2018 |
| Police and Crime<br>Commissioner for Sussex |  | 26.09.2018 |

