

COUNCIL

At an Extra-Ordinary meeting of the Council on Monday, 15 September 2014 in the Council Chamber, Runcorn Town Hall

Present: Councillors Osborne, S. Baker, J. Bradshaw, M. Bradshaw, D. Cargill, E. Cargill, Cassidy, Cole, Dennett, Gerrard, Gilligan, Harris, P. Hignett, R. Hignett, Howard, Jones, M. Lloyd Jones, P. Lloyd Jones, C. Loftus, K. Loftus, Logan, A. Lowe, J. Lowe, MacManus, McDermott, A. McInerney, T. McInerney, Morley, Nelson, Nolan, Parker, Philbin, C. Plumpton Walsh, N. Plumpton Walsh, Polhill, Ratcliffe, June Roberts, Sinnott, G. Stockton, J. Stockton, Thompson, Wainwright, Wallace, Woolfall, Wright and Zygadlo

Apologies for Absence: Councillors Edge, Fraser, Fry, S. Hill, V. Hill, Horabin, Lea, Joe Roberts, Rowe and Wharton

Absence declared on Council business: None

Officers present: E. Dawson, I. Leivesley, D. Parr, M. Reaney and L. Derbyshire

Action

COU26 TREASURY MANAGEMENT STRATEGY 2014/15 - REVISED AUTHORISED LIMIT AND OPERATIONAL BOUNDARY

The Council considered a report of the Operational Director, Finance, which recommended revisions to the Council's Treasury Management Investment Strategy for 2014/15 in respect of the approved Authorised Limit and Operational Boundary.

The Council was advised that the Treasury Management Strategy for 2014/15 approved by Council on 5th March 2014, included levels set for the Authorised Limit (£158m) and Operational Boundary (£147m) which acted as the Council's overall borrowing limits. At this time given forecast interest rates, it was anticipated that the Council would phase its borrowing over 2014/15 and 2015/16 in order to fund the Capital Programme. Therefore, the borrowing limits had been set accordingly

The Council was further advised that over recent weeks a number of global and UK political and economic factors had caused long term interest rates to fall to an almost unprecedented low level. This was reflected in the long term borrowing rates available to the Council from the

Public Works Loans Board (PWLB). It was reported, that today, the PWLB interest rate for borrowing up to 30 years was at 3.97%.

Following advice from Capita Asset Management Services, the Council's Treasury Management advisors, it was considered that it would now be more cost effective to borrow the significant amounts required to fund the Council's capital programme, in 2014/15 rather than being phased over two years.

In order to enable this to be achieved, the Council was asked to approve revised levels for the Authorised Limit and Operational Boundary within the 2014/15 Treasury Management Strategy.

It was reported that the cost of any borrowing for the Mersey Gateway project would have no effect on the revenue budget of the Council, as all interest costs and capital repayments would be funded from future toll revenues and Department for Transport Availability Support Grant.

RESOLVED: That the revised Authorised Limit of £270.0m and Operational Boundary of £252.6m within the Treasury Management Strategy for 2014/15 be adopted.

Operational
Director, Finance

Meeting ended at 17.35 pm