Classification: Public
Key Decision: No

Gravesham Borough Council

Report to:	Finance and Audit Committee
Date:	18 July 2023
Reporting officer:	Director (Corporate Services)
Subject:	Treasury Management Annual Review 2022-23

Purpose and summary of report:

To report on treasury management activity during 2022-23 in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA's) revised code on Treasury Management.

Recommendations:

1. The Finance and Audit Committee note the contents of this report.
2. Delegated authority be given to the Director (Corporate Services), in consultation with the Chair of the Finance and Audit Committee, to amend the figures in this report, as necessary following successful completion of the final accounts process.

Key Implications:	
Item	**Implications**
Legal	As per Section 1.13B.67 of the Council's Constitution, the Chief Finance Officer has delegated responsibility from Cabinet. "in respect of borrowing and investments to arrange such loans as are legally permitted to meet the Council's borrowing requirements"
Finance and Value for Money	A summary of the perceived risks associated with Treasury Management were identified in the Treasury Management Strategy approved by Council on 22 February 2022. Officers continue to monitor the risks on a day to day basis and identfiy mitigating action to minimise risks. In order to achieve a balanced budget, the authority relies upon generating maximum interest from its investments whilst minimising the exposure to risk. In order to achieve this, investments are only placed with institutions which meet the criteria set out within this report. Investment durations do no exceed those as advised by Link Asset Services credit ratings which are associated with the specific institutions. Where the authority is required to borrow to meet the needs of the authority, Officers will seek advice from Link Asset Services on

	timings and options in order to ensure the best deal for the authority.
Corporate Plan	Strategic Objective #3 Progress; Sound Financial Management & Successfully Managing Key Business Risks.
Climate Change	N/A

1. INTRODUCTION

1.1 The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2022-23. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

1.2 In accordance with reporting requirements for each financial year, Full Council received the following reports for 2022-23:

- an annual treasury strategy in advance of the year (Council 22 February 2022)
- a mid-year (minimum) treasury update report (Council 6 December 2022)
- an annual review following the end of the year describing the activity compared to the strategy (this report, which will be received by Council on 17 October 2023 through consideration of the Minutes of this meeting of the Finance & Audit Committee)

1.3 The regulatory environment places responsibility on Members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by Members.

1.4 The report also provides confirmation that the Council has complied with the requirement, under the Code, to give prior scrutiny to all of the above treasury management reports by the Finance and Audit Committee before they were reported to the Full Council. Member training on treasury management issues was undertaken during the year on 18 January 2022 in order to support members' scrutiny role.

1.5 As previously reported to Finance and Audit Committee, the external audit process of reviewing and certifying the 2019/20 Statement of Accounts has yet to be concluded. The final accounts process has identified alternative treatment for the St George's transaction. Therefore the figures included within this report now reflect the treatment of this transaction as a loan instead of a finance lease but they are still subject to external audit. For this reason, delegated authority is sought for the Director (Corporate Services) to amend the figures stated in this report, following successful completion of the final accounts process, in consultation with the Chair of the Finance and Audit Committee.

2. THE COUNCIL'S CAPITAL EXPENDITURE AND FINANCING

2.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:

2.1.1 Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or

2.1.2 If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need

2.2 The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

	2021/22 Actual £m	2022/23 Revised Budget £m*1	2022/23 Actual £m*2
Capital Expenditure – Non HRA	18.188	49.176	29.759
Capital Expenditure – HRA	17.421	16.632	13.842
Total Capital Expenditure	35.609	65.808	43.601
Financed in Year	16.475	26.437	4.215
Unfinanced Capital Expenditure	19.134	39.371	39.386

*1 as per TMSS 2023/24

*2 based on the Provisional Outturn Report 2022/23

3. THE COUNCIL'S OVERALL BORROWING NEED

3.1 The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR).

3.2 **Gross borrowing and the CFR** - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2021/22) plus the estimates of any additional capital financing requirement for the current (2022/23) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. The table below highlights the Council's gross borrowing position (external debt plus finance lease) against the CFR. The Council has complied with this prudential indicator.

	31 March 2022 Actual £m	31 March 2023 Revised Budget £m*[1]	31 March 2023 Actual £m*[2]
CFR Non HRA (£m)	49.050	82.177	84.169
CFR HRA (£m)	76.821	77.008	75.031
Total CFR	125.871	159.185	159.200
Gross Borrowing Position	122.073	150.121	153.321
Over / (under) funding of CFR	(3.798)	(9.064)	(5.879)

*[1] as per TMSS 2023/24

*[2] based on the Provisional Outturn Report 2022/23

3.3 **The authorised limit** - the authorised limit is the "affordable borrowing limit" required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. A revised authorised limit for 2022/23 was approved by Full Council at its meeting on 21 February 2023. The table below demonstrates that during 2022/23 the Council has maintained gross borrowing within its authorised limit.

3.4 **The operational boundary –** the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary are acceptable subject to the authorised limit not being breached. A revised operational boundary limit for 2022/23 was approved as part of the 2023/24 Treasury Management Strategy Statement by Full Council at its meeting on 21 February 2023.

3.5 **Actual financing costs as a proportion of net revenue stream** - this indicator identifies the trend in the cost of capital, (borrowing and other long term obligation costs net of investment income), against the net revenue stream.

	2022/23 £m
Authorised Limit (as per TMSS 2022/23)	358.670
Maximum gross boundary position during the year	165.066
Operational boundary (as per TMSS 2022/23)	358.670
Average gross borrowing position	139.014
Financing costs as a proportion of net revenue stream	16.85%

4. TREASURY POSITION AS AT 31 MARCH 2023

4.1 The Council's treasury position at the beginning and the end of 2022-23 was as follows:

	31 March 2022 Principal £m	Rate	31 March 2023 Principal £m	Rate
PWLB Loans	68.479		60.718	
Market Loans	27.200	2.412	65.500	2.113%
Short Term Loans	0.014		0.016	
St George's Loans	26.380	9.47%	27.087	9.47%
Total Debt	**122.073**		**153.321**	
Capital Financing Requirement (CFR)	125.871		159.200	
Over/ (Under) borrowing	(3.798)		(5.879)	
Total Investments	**53.287**		**40.282**	
Net Debt (Total Debt minus Total Investments)	68.786		118.918	

4.2 From 2018/19, this authority has operated a two loans pool, split between the General Fund and Housing Revenue Account (HRA).

4.3 The maturity structure of the debt portfolio was as follows:

	31 March 2022 Actual £m	March 2022 Actual %	2022/23 original limits	31 March 2023 Actual £m	March 2023 Actual %
Under 12 months	7,775	6.37	50%	36,486	23.80
12 to 24 months	14,170	11.61	50%	40,410	26.36
24 months to 5 years	50,946	41.73	75%	38,174	24.90
5 to 10 years	22,802	18.68	75%	11,164	7.28
More than 10 years	26,380	21.61	100%	27,087	17.67

Investment Portfolio	Actual 31 March 2022 £m	Actual 31 March 2022 %	Actual 31 March 2023 £m	Actual 31 March 2023 %
Treasury Investments				
Fixed Term Investments	11.000	20.64	2.000	4.97
Certificate of Deposits	8.000	15.01	17.861	44.34
Notice Accounts	8.000	15.01	0.000	0.00
Money Market Funds	5.365	10.07	2.564	6.36
Total managed in house	**32.365**		**22.425**	
Property Funds	11.594	21.76	9.343	23.20
Multi Asset Funds	9.328	17.51	8.513	21.13
Total managed externally	**20.922**		**17.856**	
Total Treasury Investments	**53.287**	**100.00**	**40.282**	**100.00**

4.4 All internally managed investments were for up to one year.

5. THE INVESTMENT STRATEGY AND CONTROL OF INTEREST RATE RISK FOR 2022/23

5.1 Investment returns picked up throughout the course of 2022/23 as central banks, including the Bank of England, realised that inflationary pressures were not transitory, and that tighter monetary policy was called for.

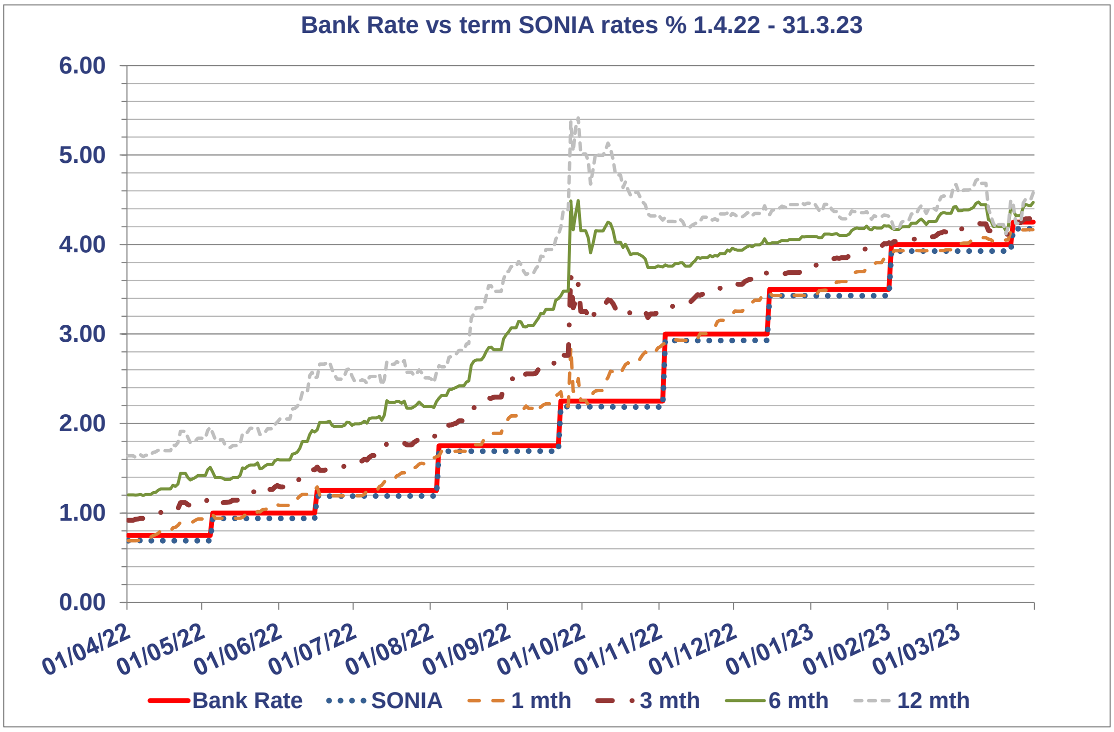
5.2 Starting April at 0.75%, Bank Rate moved up in stepped increases of either 0.25% or 0.5%, reaching 4.25% by the end of the financial year, with the potential for further increases in 2023/24.

5.3 The sea-change in investment rates meant local authorities were faced with the challenge of pro-active investment of surplus cash for the first time in over a decade, and this emphasised the need for a detailed working knowledge of cashflow projections so that the appropriate balance between maintaining cash for liquidity purposes, and “laddering” deposits on a rolling basis to lock in the increase in investment rates as duration was extended, became an on-going feature of the investment landscape.

5.4 With bond markets selling off, equity valuations struggling to make progress and, latterly, property funds enduring a wretched Q4 2022, the more traditional investment options, such as specified investments (simple to understand, and less than a year in duration) became more actively used.

5.5 Meantime, through the autumn, and then in March 2023, the Bank of England maintained various monetary policy easing measures as required to ensure specific markets, the banking system and the economy had appropriate levels of liquidity at times of stress.

5.6 Nonetheless, while the Council has taken a cautious approach to investing, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the 2008/09 financial crisis. These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.



6. BORROWING STRATEGY AND CONTROL OF INTEREST RATE RISK RATES IN 2021/22

6.1 During 2022/23, the Council maintained an under-borrowed position. This meant that the capital borrowing need, (the Capital Financing Requirement), was not fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were initially low and minimising counterparty risk on placing investments also needed to be considered.

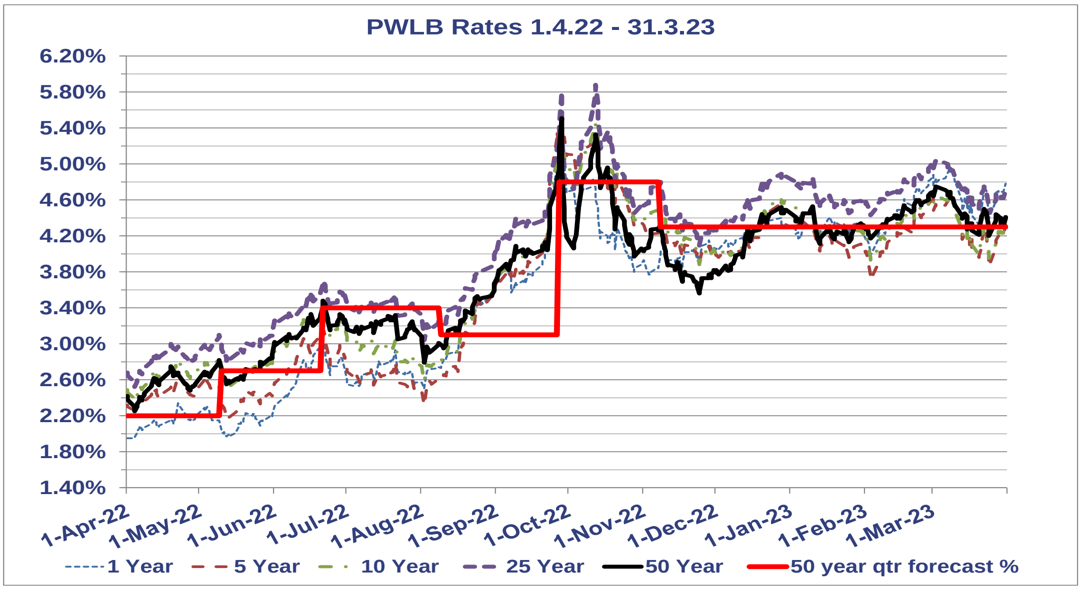
6.2 A cost of carry generally remained in place during the year on any new long-term borrowing that was not immediately used to finance capital expenditure, as it would have caused a temporary increase in cash balances; this would have incurred a revenue cost – the difference between (higher) borrowing costs and (lower) investment returns. As the cost of carry dissipated, the Council sought to avoid taking on long-term borrowing at elevated levels (>4%) and has focused on a policy of internal and temporary borrowing, supplemented by short-dated borrowing (<3 years) as appropriate.

6.3 The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this has been kept under review to avoid incurring higher borrowing costs in the future when this Authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.

6.4 Against this background and the risks within the economic forecast, caution was adopted with the treasury operations. The Director of Finance therefore monitored interest rates in financial markets and adopted a pragmatic strategy.

6.5 Interest rate forecasts were initially suggesting only gradual rises in short, medium and longer-term fixed borrowing rates during 2022/23 but by August it had become clear that inflation was moving up towards 40-year highs, and the Bank of England engaged in monetary policy tightening at every Monetary Policy Committee meeting during 2022, and into 2023, either by increasing Bank Rate by 0.25% or 0.5% each time. Currently the CPI measure of inflation is still above 10% in the UK but is expected to fall back towards 4% by year end. Nonetheless, there remain significant risks to that central forecast.

Link Group Interest Rate View	27.03.23											
	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
BANK RATE	4.50	4.50	4.25	4.00	3.50	3.25	3.00	2.75	2.75	2.50	2.50	2.50
3 month ave earnings	4.50	4.50	4.30	4.00	3.50	3.30	3.00	2.80	2.80	2.50	2.50	2.50
6 month ave earnings	4.50	4.40	4.20	3.90	3.40	3.20	2.90	2.80	2.80	2.60	2.60	2.60
12 month ave earnings	4.50	4.40	4.20	3.80	3.30	3.10	2.70	2.70	2.70	2.70	2.70	2.70
5 yr PWLB	4.10	4.10	3.90	3.80	3.70	3.60	3.50	3.40	3.30	3.20	3.20	3.10
10 yr PWLB	4.20	4.20	4.00	3.90	3.80	3.70	3.50	3.50	3.40	3.30	3.30	3.20
25 yr PWLB	4.60	4.50	4.40	4.20	4.10	4.00	3.80	3.70	3.60	3.50	3.50	3.40
50 yr PWLB	4.30	4.20	4.10	3.90	3.80	3.70	3.50	3.50	3.30	3.20	3.20	3.10



6.1 PWLB rates are based on gilt (UK Government bonds) yields through HM Treasury determining a specified margin to add to gilt yields. The main influences on gilt yields are Bank Rate, inflation expectations and movements in US treasury yields. Inflation targeting by the major central banks has been successful over the last 30 years in lowering inflation and the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers: this means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. This has pulled down the overall level of interest rates and bond yields in financial markets over the last 30 years. Indeed, in recent years many bond yields up to 10 years in the Eurozone turned negative on expectations that the EU would struggle to get growth rates and inflation up from low levels. In addition, there has, at times, been an inversion of bond yields in the US whereby 10-year yields have fallen below shorter-term yields. In the past, this has been a precursor of a recession.

6.2 However, since early 2022, yields have risen dramatically in all the major developed economies, first as economies opened post-Covid; then because of the inflationary impact of the war in Ukraine in respect of the supply side of many goods. In particular, rising cost pressures emanating from shortages of energy and some food categories have been central to inflation rising rapidly. Furthermore, at present the central banks are all being challenged by persistent inflation that is exacerbated by very tight labour markets and high wage increases relative to what central banks believe to be sustainable.

6.3 Gilt yields have been on a continual rise since the start of 2021, peaking in the autumn of 2022. Currently, yields are broadly range bound between 3% and 4.25%.

6.4 At the close of the day on 31 March 2023, all gilt yields from 1 to 50 years were between 3.64% and 4.18%, with the 1 year being the highest and 6-7.5 years being the lowest yield. Regarding PWLB borrowing rates, the various margins attributed to their pricing are as follows:-

- **PWLB Standard Rate** is gilt plus 100 basis points (G+100bps)
- **PWLB Certainty Rate** is gilt plus 80 basis points (G+80bps)
- **Local Infrastructure Rate** is gilt plus 60bps (G+60bps)

6.5 There is likely to be a fall in gilt yields and PWLB rates across the whole curve over the next one to two years as Bank Rate first rises to dampen inflationary pressures and a tight labour market, and is then cut as the economy slows, unemployment rises, and inflation (on the Consumer Price Index measure) moves closer to the Bank of England's 2% target.

6.6 As a general rule, short-dated gilt yields will reflect expected movements in Bank Rate, whilst medium to long-dated yields are driven primarily by the inflation outlook.

6.7 The Bank of England is also embarking on a process of Quantitative Tightening, but the scale and pace of this has already been affected by the Truss/Kwarteng "fiscal experiment" in the autumn of 2022 and more recently by the financial market unease with some US (e.g., Silicon Valley Bank) and European banks (e.g., Credit Suisse). The gradual reduction of the Bank's original £895bn stock of gilt and corporate bonds will be sold back into the market over several years. The impact this policy will have on the market pricing of gilts, while issuance is markedly increasing, is an unknown at the time of writing.

7. BORROWING OUTTURN FOR 2022-23

7.1 Eleven further loans, totalling £42.3m was drawn down during 2022-23. The details can be found in the table below.

Lender	Fund	Principal	Type	Interest Rate	Maturity
Vale of White Horse	GF	£3,000,000	Fixed – stepped rate	0.75% - 2.5%	17/05/27

Guilford BC	GF	£5,000,000	Fixed	1.25%	28/04/23
Caerphilly County BC	GF	£3,000,000	Fixed	1.25%	26/04/24
West of England Combined Authority	GF	£4,000,000	Fixed	0.84%	28/04/23
West Midlands Combined Authority	GF	£5,000,000	Fixed	1.60%	28/04/23
West Midlands Combined Authority	GF	£1,893,000	Fixed	2.00%	26/04/24
	HRA	£3,107,000			
Leicester City Council	HRA	£5,300,000	Fixed	4.30%	06/03/24
Lancashire County Council Pension Fund	GF	£2,500,000	Fixed	4.05%	15/03/23
Breckland DC	GF	£1,500,000	Fixed	4.05%	20/03/23
Oxfordshire CC	GF	£6,000,000	Fixed	4.80%	07/03/24
Breckland DC	GF	£1,179,000	Fixed	4.50%	14/06/23
	HRA	£821,000			
Total		**£42,300,000**			

7.2 The Council has not borrowed more than, or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.

7.3 No rescheduling of debts was carried out during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

7.4 The Council took on two short term loans during the year totalling £4m which were repaid prior to the end of the financial year.

7.5 On 28 March 2023, a further loan the Council had taken on as a result of HRA self-financing matured. Loan principal totalling £7,761,000 was repaid. The Council has made a voluntary contribution of Minimum Revenue Provision (MRP) of £5,454,380 in order to reduce the CFR accordingly, the HRA refinanced the balance of £2,306,620.

8. INVESTMENT OUTTURN FOR 2022-23

8.1 **Investment Policy** - the Council's investment policy is governed by Department for Levelling Up Homes and Communities & Local Government (DLUHC) investment guidance, which has been implemented in the annual investment strategy approved by the Council on 22 February 2022. This policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).

8.2 The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

8.3 **Investments held by the Council** – the Council maintained an average balance of £38.341m of internally managed funds during the year. The internally managed funds earned an average rate of return of 2.304%. The 3-month SONIA compounded rate which is used as the most appropriate comparative performance indicator was 1.841%. The internally managed funds exceeded this benchmark by 0.463%.

8.4 **Externally Managed Funds** – The Council has investments in Property and Multi Asset Funds. These deposits are managed by external fund managers and the Council receives dividend returns on the investments. The dividends received have been consistent during the investment period and significantly higher than would have been achieved from more traditional investments during the recent period of historically low interest rates. However, with the Bank of England Base Rate steadily increasing, similar or in some cases better returns can be achieved from more traditional fixed rate return investments.

8.5 These are long term investments as the capital values can fluctuate due to a number of factors with values going up as well as down and past performance is not a guarantee of future return. At present the Council is only required to reflect any capital loss or gain on the investment at the point of redemption.

8.5.1 **Property Funds** – As at 31 March 2023 the Property Fund Net Asset Value (NAV) and Annual Return on Investment was as follows:

Property Funds	31 March 2022 NAV £	31 March 2021 ROI*1 %	31 March 2023 NAV £	31 March 2023 ROI*1 %
Lothbury	5,728,996	18.61	4,424,752	(26.53)
Hermes	3,674,608	20.97	3,089,175	(12.90)
CCLA	2,190,373	17.60	1,829,298	(16.44)
Total	11,593,977	19.97	9,343,225	(19.41)

*1 annual return on investment (based on movement in capital value from previous year and dividend income received in year)

8.5.2 After an initial spike in June 2022, when the three property funds had a combined Net Asset Value (NAV) of £12m, which is the highest combined value since the investment commenced, the capital values of all three property funds has fallen significantly during the course of 2022-23 as the property market corrects itself in a post Covid environment and in response to the current economic conditions. Despite the decline in capital values, the funds have provided a steady dividend return for the Council since the initial deposit in 2016 albeit the funds are returning a negative Return on Investment (ROI) due to the large fall in capital values.

8.5.3 Appendix 2 to this report shows how the capital fund valuations have changed month on month since 2016.

8.5.4 We have met with all Property Fund Managers on a regular basis during the year to ensure that we are fully aware of the latest fund developments and future plans.

8.5.5 **Multi-Asset Funds** – As of 31 March 2023 the value of the Council's investment in the Multi Asset Funds and Annual Return on Investment was as follows:

Multi Asset Funds	31 March 2022 £	31 March 2022 ROI*1 %	31 March 2023 £	31 March 2023 ROI*1 %
JP Morgan	4,944,158	(1.25)	4,394,330	(11.08)
Jupiter	2,525,144	2.81	2,420,370	(4.12)
Aberdeen	1,860,211	2.78	1,698,416	(8.68)
Total	9,329,514	4.00	8,513,116	(5.38)

*1 annual return on investment (based on movement in capital value from previous year and dividend income received in year)

8.5.6 The capital values of the Multi Asset Funds during the year have continued to be volatile against the current economic background and ended the year down on the previous year's valuation.

8.5.7 As with Property Funds, the Multi Asset Funds have continued to provide the Council with a dividend return, consistent with previous years, but the overall Return on Investment (ROI) is negative for all funds due to the reduction in the capital values.

8.5.8 Appendix 3 to this report shows how the capital fund valuations have changed month on month since 2018.

8.5.9 As with the Property Funds, Officers have closely monitored the capital values and have been in regular contact with Fund Managers, to ensure they are aware of the latest developments and future plans.

8.6 **Property Acquisitions –** The purchase of commercial properties and land acquisition is not deemed a Treasury Management investment but a Service Investment. However there is a direct impact upon Treasury Management on the basis that any such purchase reduces the level of investable cash balances. Treasury officers will continue to liaise closely with Legal and Property to ensure that cash is available at the appropriate time to facilitate the further purchase of commercial properties and land as set out in the Capital Programme.

8.7 **MiFID II –** On 3 January 2018 new EU legislation came into force that impacted upon the Council's treasury management activity. MiFID II (Markets in Financial Instruments Directive) was aimed at increasing investor protection by creating a more efficient, risk-aware and transparent market for investment services and activities. This legislation required the FCA to treat all local authorities as Retail Clients but did allow local authorities to opt up to an Elective Professional Client status if they met certain pre-determined criteria. The Council was not obliged to opt up but by not doing so could have precluded the Council from dealing with certain institutions or funds. The Council opted up to Elective Professional Client status with all the institutions that required it to do so and has ensured that during 2022/23 it has continued to comply with the requirements of the institutions to maintain Elective Professional Client status.

9. UK SOVERIGNTY

9.1 In 2022/23 the Treasury Management Strategy Statement (TMSS) there was a requirement which restricted placing investments non-UK counterparties which had a minimum sovereign rating of AAA, as determined by at least two of the three main ratings agencies. Investments with UK counterparties were permitted provided the UK sovereign rating remained above A+.

9.2 At the time of preparing the Mid-Year TMSS report, whilst the UK rating remained above this level, two agencies had placed the UK on a negative rating in response to the economic conditions. Whilst this did not indicate the rating would be lowered imminently it opened the possibility and had the UK's sovereign rating been downgraded and the TMSS not amended, then placing investments in the UK would no longer have been an option. Given the level of due diligence that is undertaken prior to placing investments and the limited opportunities to place money outside of the UK, it was recommended to remove a minimum sovereign rating for the UK altogether following consultation with the Council's Treasury Management consultants, Link. This was subsequently ratified by Full Council on 6 December.

10. BACKGROUND PAPERS

There are no background papers to this report.

11. Appendices

11.1 The following documents are to be published with the report:

11.2 Appendix 1 – Prudential and Treasury Indicators Summary

11.3 Appendix 2 – Property Fund Summary

11.4 Appendix 3 – Multi Asset Fund Summary

12. Background Documents

12.1 There are no background documents.

Lead Officer: Alexandra Jarvis

Email: alexandra.jarvis@gravesham.gov.uk

Secondary Implications	
Risk Assessment	The risks associated with Treasury Management and capital expenditure are detailed within this report
Data Protection Impact Assessment	*A data protection impact assessment (DPIA) should be carried out at the start of any major project involving the use of personal data or if you are making a significant change to an existing process.*
	a. Does the project/change being recommended through this paper involve the processing of personal data or special category data or criminal offence data? A definition of each type of data can be found on the Information Commissioner's Office website via the above links. No
	b. If yes to question a, have you completed and attached a DPIA including Data Protection Officer advice? N/A
	c. If no to question b, please seek advice from your nominated DPIA assessor or the Information Governance Team at gdpr@medway.gov.uk. N/A
Equality Impact Assessment	a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer. No
	b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer. N/A
	In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above
Crime and Disorder	Treasury Management activities are carried out in accordance with the Treasury Management Strategy and Annual Investment strategy which minimises the risk of criminal activities. The arrangements to ensure appropriate governance around capital expenditure are set out in the Capital Strategy.
Digital and website implications	N/A
Safeguarding children and vulnerable adults	N/A