

## TfN Audit & Governance Committee – Item 7

**Subject:** Transport for the North Annual Treasury Management Strategy

**Author:** Gareth Sutton, Financial Controller

**Sponsor:** Iain Craven, Finance Director

**Meeting Date:** Wednesday 19 September 2018

### **1. Executive Summary:**

- 1.1 As a sub-national transport body, Transport for the North (TfN) is required to adopt an Annual Treasury Management Strategy (TMS).
- 1.2 The TMS determines TfN's approach to managing the risk inherent in cash management activity. This includes how TfN manages its banking arrangements, and how it manages cash held in advance of need.
- 1.3 Such arrangements will be familiar to TfN partners and are governed by an overriding requirement to ensure the security of TfN's resource.
- 1.4 The TMS adopted by the TfN Board included an Investment Strategy that reflected the hierarchy of considerations familiar to public bodies. That hierarchy recognise the imperative of safeguarding public resource:
  1. Security of investment
  2. Liquidity of investment
  3. Yield on investment
- 1.5 The adopted TMS also recognised a number of operational idiosyncrasies particular to TfN and resulting from how the organisation is constituted and funded.
- 1.6 These factors include TfN's inability to access credit in the form of borrowing and overdrafts, and its inability to raise revenue from local precepts and levies as other partner bodies do.
- 1.7 The adopted TMS is presented to the Committee for review.
- 1.8 TfN is required to report on performance against the TMS at the mid-year mark, and again at the conclusion of the financial-year. Accordingly, a mid-year report will be brought to the next Committee meeting.

**2. Recommendation:**

- 2.1 Note the Treasury Management Strategy adopted by the Board in April 2018.
- 2.2 Note that a mid-year compliance report will be brought before the Committee at a later-date.

**3. Issues:**

- 3.1 As detailed in the appended Treasury Management Strategy.

**4. Appendices:**

- 4.1 Appendix 1 – Treasury Management Strategy.

## List of Background Documents

### Required Considerations

Please confirm using the yes/no options whether or not the following considerations are of relevance to this report.

#### Equalities:

Age	Yes	No
Disability	Yes	No
Gender Reassignment	Yes	No
Pregnancy and Maternity	Yes	No
Race	Yes	No
Religion or Belief	Yes	No
Sex	Yes	No
Sexual Orientation	Yes	No

<b>Consideration</b>	<b>Comment</b>	<b>Responsible Officer</b>	<b>Director</b>
Equalities	A full Impact assessment has not been carried out because	Iain Craven	Iain Craven

#### Environment and Sustainability

Yes	No
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<b>Consideration</b>	<b>Comment</b>	<b>Responsible Officer</b>	<b>Director</b>
Sustainability / Environment	A full impact assessment has not been carried out because	Iain Craven	Iain Craven

#### Legal

Yes	No
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<b>Consideration</b>	<b>Comment</b>	<b>Responsible Officer</b>	<b>Director</b>
Legal	<i>TfN Legal Team</i> has confirmed there are no legal implications.	Sasha Wayne	Sasha Wayne

### Finance

Yes	No
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<b>Consideration</b>	<b>Comment</b>	<b>Responsible Officer</b>	<b>Director</b>
Finance	The financial implications have been considered and are included in the report.	Iain Craven	Iain Craven

### Resource

Yes	No
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<b>Consideration</b>	<b>Comment</b>	<b>Responsible Officer</b>	<b>Director</b>
Resource	TfN HR Team has confirmed there are no resource implications.	Iain Craven	Iain Craven

### Risk

Yes	No
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<b>Consideration</b>	<b>Comment</b>	<b>Responsible Officer</b>	<b>Director</b>
Risk	A risk assessment has been carried out and the key risks are included in the report.	Iain Craven	Iain Craven

### Consultation

Yes	No
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<b>Consideration</b>	<b>Comment</b>	<b>Responsible Officer</b>	<b>Director</b>
Consultation	A consultation has not been carried out.	Iain Craven	Iain Craven