


**NORTH LINCOLNSHIRE COUNCIL
OFFICER DECISION NOTICE AND RECORD
(PUBLISHED)**

1. DECISION TAKEN		
Approval of revised in year borrowing requirement covering transactions over Q1 2020-21 to ensure sustainable liquidity levels are maintained.		
Approval to delegate the decision for implementation is given to Treasury Accountant, Shared Services in order to secure optimum tenure and rates , informed by liquidity requirements and maintaining flexibility over the year to adapt borrowing strategy as spending plans are more certain and in accordance with the Treasury Management Strategy.		
EXECUTIVE	NON-EXECUTIVE	✓ (Please tick either)
IS THIS A 'KEY DECISION' ? (see definition overleaf)	Yes	No
DOES THIS DECISION RELATE TO EXEMPT INFORMATION?	Yes	No
EXEMPT PARAGRAPH REFERENCE (NOT TO BE PUBLISHED)	Section 3	

2. OFFICER DECISION TAKER	<p>NAME Becky McIntyre</p> <p>POSITION/POST Director of Governance and Partnerships.</p> <p style="text-align: center;"></p> <p>SIGNATURE</p> <p>DATE 1 April 2020</p>
3. REASONS FOR THE DECISION (Please ref to any report/minute/background documents attached)	<p>The 2020-21 Treasury Management Strategy (approved Feb 2020) sets out the Authority's Borrowing Strategy as follows:-</p> <ul style="list-style-type: none"> The Authority's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Authority's long-term plans change is a secondary objective. Maintain an under-borrowed position overall Undertake smaller, more regular borrowing transactions <p>The Authority currently has an in-year borrowing requirement and wishes to balance long-term borrowing while rates remain historically low with short-term temporary loans to ensure sustainable liquidity levels are maintained through the Coronavirus crisis.</p> <p>Short-term loans to be taken (maximum 3 month term) to meet cash flow need:</p> <p>Up to a total of £20 million if further required to be taken over varying periods of up to 50 years by any available route permitted by the Treasury Management Strategy:</p>
4. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED (BY DECISION MAKER(S))	<p>Public Works Loan Board (PWLB) has historically been the default option for such borrowing but in October 2019 increased its margin above gilts to 180bps. This wider spread has allowed private lenders back into the LA space and we have progressed discussions with several of them. In the current turbulent economic environment however it will be difficult (but not impossible) to complete such a transaction effectively.</p>

	<p>The Authority's current Liability Benchmark also indicates a sizeable borrowing requirement over the next few years to fund planned Capital Programme spend and Reserve drawdowns although management of this need will again be structured through future Borrowing Decisions. This transaction is solely to meet immediate cash flow need.</p>
<p><i>TO BE COMPLETED BELOW - ONLY WHEN A DELEGATED OFFICER DECISION REQUIRES PRIOR CONSULTATION WITH A MEMBER (LEADER OF THE COUNCIL, CABINET MEMBER/CHAIRMAN OF A COMMITTEE) IN ACCORDANCE WITH THE 'SCHEME OF DELEGATIONS TO OFFICERS' OR DECISION/MINUTE OF COUNCIL/COMMITTEE OR DECISION/MINUTE OF CABINET/CABINET MEMBER.</i></p>	
<p>5. DECISION REQUIRED TO BE TAKEN IN CONSULTATION WITH RELEVANT MEMBER</p>	<p>COUNCILLOR</p> <p>POSITION</p> <p>SIGNATURE</p> <p>DATE</p>
<p>6. ANY CONFLICT OF INTEREST DECLARED BY ANY EXECUTIVE (CABINET) MEMBER (S) CONSULTED, WHICH RELATES TO THE DECISION, OR (NON-EXECUTIVE) – ANY MEMBER OF THE COMMITTEE THAT DELEGATED THE DECISION TAKEN</p>	
<p>7. WITH REFERENCE TO 6. ABOVE - HAS ANY DISPENSATION BEEN GRANTED TO THE EXECUTIVE (CABINET) MEMBER? (ONLY APPLIES TO EXECUTIVE)</p>	

PLEASE REMEMBER TO ATTACH ANY ACCOMPANYING REPORT.

WHEN COMPLETE, PLEASE SEND TO HEAD OF DEMOCRATIC SERVICES, CIVIC CENTRE, SCUNTHORPE FOR PUBLISHING.

(The definitions of a key decision are when an executive decision is likely -

(i) to result in the Council incurring expenditure or the making of savings (including the receipt or loss of income) over £350,000 in any one financial year; or

(ii) to be significant in terms of its effect on communities living or working in an area comprising two or more wards or electoral divisions in the area of the local authority).

