

Treasury Management Strategy Statement 2024/25: Mid-Year Review



Report to:	Cabinet
Date:	13 February 2025
Portfolio Holder:	Councillor James Leppard, Portfolio Holder for Finance
Lead Officer:	Jacqueline Van Mellaerts, Assistant Director – Finance and Section 151 Officer (01279) 446251
Contributing Officer:	Richard Criddle, Service Finance Manager and Deputy Section 151 Officer (01279) 446223
Key Decision:	No
Forward Plan:	Forward Plan number I017986
Call In:	This item is not subject to call in procedures because, this decision stands as a recommendation to Council.
Corporate Priority	Deliver High-Performing Council Services
Wards Affected:	No wards specifically

Executive Summary

- A** This report reviews the mid-year position of the Treasury Management Strategy 2024/25 as at 30 September 2024. Appendix A shows the detailed position against the council's prudential indicators. The council has operated within the approved constraints for the first half of the financial year.

Recommended that

- A** The Mid-Year Review of the Treasury Management Strategy, as set out in Appendix A to the report, be noted and referred to Council for consideration.

Reason for decision

- A** Compliance with the CIPFA Treasury Management Code of Practice requires that Council is presented with a mid-year report on the Treasury Management Strategy Statement (TMSS).

Other Options

- A** This is a mid-year review of performance against the pre approve strategy. There are no other options other than to not present the report which would then result in non-compliance with the code of practice.

Background

1. Treasury Management is defined as “The management of the local authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
2. The Council operates within the framework of CIPFA’s ‘Prudential Code for Capital Finance in Local Authorities’ (Prudential Code), the ‘Treasury Management Code of Practice’ and the Department for Levelling up, Housing & Communities Investment Guidance.
3. The primary requirements of the code are as follows:
 - a) Creation and maintenance of a Treasury Management Policy Statement;
 - b) Creation and maintenance of the Treasury Management Practices (TMPs);
 - c) Receipt by the Council of an annual Treasury Management Strategy (TMS), including Annual Investment Strategy and Minimum Revenue Provision Policy for the year ahead, a Mid-Year Review of the Treasury Management Strategy and an Annual Report (stewardship report);
 - d) Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices for the execution and administration of treasury management decisions;
 - e) Delegation by the Council of the role of scrutiny of the treasury management strategy and policies to a specified names body. For this Council the current TMS specifies that responsibility for the delegated scrutiny role is delegated to the Cabinet Policy Development Working Group.
4. As part of the primary requirements for reporting to Council, the mid-year review of the TMS has been prepared in compliance with CIPFA’s Code of Practice and is set out in

Appendix A to the report. Economic commentary has been provided by the Council's Treasury Management Advisors, Arlingclose Ltd.

5. On an on-going basis, officers continue to work within the scope of the TMS in order to contain counterparty risk as far as practically possible. Treasury management activities operate under a high-profile reporting mechanism, and any significant issues that may arise through the year are reported in accordance with protocols set out in the TMS.

Issues/Proposals

6. On an on-going basis, officers continue to work within the scope of the TMS in order to contain counterparty risk as far as practically possible. Treasury management activities operate under a high-profile reporting mechanism, and any significant issues that may arise through the year are reported in accordance with protocols set out in the TMS
7. The details contained within the mid-year review within Appendix A highlight that the council has operated within the approved constraints of its approved Treasury Management Strategy during the first half of the 2024/25 financial year.

Implications

Equalities and Diversity

This report does not require an Equality Assessment as the recommendations will not have a disproportionate adverse impact on anybody with a protected characteristic.

Climate Change

This report has no direct impact on climate change, however individual schemes and services may have an impact and would have been considered within the commentary of the report.

Finance

Any specific implications are set out within the appendix. The Treasury Management Strategy is a key document underpinning key aspects of financial management across the Council which enable sound financial management to be applied and for resources and assets to be protected.

Author: Jacqueline Van Mellaerts, Assistant Director – Finance and Section 151 Officer

Governance

The Treasury Management Strategy is part of the budgetary framework that is set out within the constitution. It is required to be reviewed on an annual basis and approved by Full Council
Author: Julie Galvin, Legal Services Manager and Monitoring Officer

Appendices

Appendix A – Treasury Management Strategy Statement – Mid-Year Review

Background Papers

Treasury Management Strategy 2024/25

Glossary of terms/abbreviations used

CIPFA – Chartered Institute of Public Finance and Accountancy

TMPs – Treasury Management Practices

TMS – Treasury Management Strategy

TMSS – Treasury Management Strategy Statement