



# EXECUTIVE BOARD DECISION

<b>REPORT OF:</b>	Executive Member for Finance and Governance
<b>LEAD OFFICERS:</b>	Strategic Director of Finance and Resources
<b>DATE:</b>	7 <sup>th</sup> March 2024

**PORTFOLIO/S AFFECTED:** Finance and Governance

**WARD/S AFFECTED:** All

**KEY DECISION:** YES  NO

## SUBJECT: TREASURY MANAGEMENT STRATEGY REPORT 2024/25

### 1. EXECUTIVE SUMMARY

1.1 Treasury risk management is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the Treasury Management Code) which requires the Council to approve a Treasury Management Strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.

### 2. RECOMMENDATIONS

It is recommended that the Executive Board:

2.1 Approves the proposed Treasury Management Strategy for 2024/25, detailed in **Appendix 1**, including the proposed Treasury Management Indicators.

### 3. BACKGROUND

3.1 Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council borrows and invests substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.

3.2 Investments held for service purposes or for commercial profit are considered in the Capital Strategy report, approved by Finance Council in February 2024.

---

#### 4. RATIONALE

The Council is required to approve a Treasury Management Strategy before the start of each financial year. It must also set Treasury and Prudential Indicators and a policy for determining a “prudent” level of Minimum Revenue Provision for repayment of debt, which is consistent with the Council’s Medium Term Financial Plan (MTFP).

#### 5. KEY ISSUES

Working within the regulatory and professional frameworks, the Council considers and agrees an annual Treasury Management Strategy before the start of each year. This is followed up with a mid-year Strategy Review, considered alongside the Annual Outturn Report, summarising the position for the previous financial year. The key requirements for the Council are to maintain its two investment priorities, the security of capital and the liquidity of investments.

#### 6. POLICY IMPLICATIONS

The policy implications arising from the Treasury Management Strategy are contained within the overall Budget Strategy of the Council.

#### 7. FINANCIAL IMPLICATIONS

The financial implications arising from the Treasury Management Strategy are also contained within the overall Budget Strategy of the Council.

#### 8. LEGAL IMPLICATIONS

Under the Local Government Act 2003, the Council is required to have regard to CIPFA’s *Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes*.

#### 9. RESOURCE IMPLICATIONS

None as a direct consequence of this report.

---

#### 10. EQUALITY AND HEALTH IMPLICATIONS

**Please select one of the options below. Where appropriate please include the hyperlink to the EIA.**

Option 1  Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2  In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision.

Option 3  In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision.

---

## 11. CONSULTATIONS

The issues raised in this report have been discussed previously with the Audit and Governance Committee and Treasury Management Group.

---

## 12. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

---

## 13. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

<b>VERSION:</b>	<b>1.0</b>
-----------------	------------

<b>CONTACT OFFICER:</b>	<b>Jenny Bradley (Ext 267681)</b>
-------------------------	-----------------------------------

<b>DATE:</b>	February 2024
--------------	---------------

<b>BACKGROUND PAPER:</b>	None
--------------------------	------