

North East Derbyshire District Council

Council

25 November 2024

TREASURY MANAGEMENT UPDATE

Report of the Deputy Leader and Portfolio Holder for Finance, Cllr P Kerry

Classification: This report is public

Report By: Jayne Dethick, Director of Finance & Resources (S151 Officer)

Contact Officer: Jayne Dethick, Director of Finance & Resources (S151 Officer)

PURPOSE / SUMMARY

To update Council on the Treasury Management activities for the period April to September 2024.

RECOMMENDATIONS

1. That Council note the treasury management activities undertaken during the period April to September 2023 as outlined in Appendices 1 and 2.

Approved by the Portfolio Holder – Cllr Kerry, Cabinet Member for Finance

IMPLICATIONS

Finance and Risk: Yes No

Details:

Financial Implications are considered throughout the report. Consideration of financial risk is part of the decision making process when borrowing and investing the Council's funds.

On Behalf of the Section 151 Officer

Legal (including Data Protection): Yes No

Details:

There are no legal issues arising directly from the report. Having a Treasury Management Strategy in place complies with the requirements of the Local Government Act 2003 and updated advice and guidance from the Government and CIPFA.

On Behalf of the Solicitor to the Council

Staffing: Yes No
Details:

There are no staffing issues arising directly from this report.

On behalf of the Head of Paid Service

DECISION INFORMATION

Decision Information	
<p>Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds:</p> <p>NEDDC: Revenue - £125,000 <input type="checkbox"/> Capital - £310,000 <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i></p>	No
<p>Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)</p>	No
<p>District Wards Significantly Affected</p>	None

Equality Impact Assessment (EIA) details:	
Stage 1 screening undertaken <ul style="list-style-type: none"> Completed EIA stage 1 to be appended if not required to do a stage 2 	N/A. Not a new policy, strategy, function, service, practice, or proposal. Regular financial monitoring as part of the CIPFA Treasury Management Code of Practice.
Stage 2 full assessment undertaken <ul style="list-style-type: none"> Completed EIA stage 2 needs to be appended to the report 	N/A
Consultation: Leader / Deputy Leader <input checked="" type="checkbox"/> Cabinet <input type="checkbox"/> SMT <input checked="" type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	Yes Details:

Links to Council Plan priorities; <ul style="list-style-type: none"> A great place that cares for the environment A great place to live well A great place to work A great place to access good public services

REPORT DETAILS

1 **Background** *(reasons for bringing the report)*

- 1.1 In January 2024, the Council approved 2024/25 Treasury Management Strategy including adoption of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code). The Code requires local authorities to approve treasury management semi-annual and annual outturn reports. The Code requires that monitoring of prudential indicators be included as part of the reporting process. Prudential Indicators are a means of demonstrating that capital expenditure plans are affordable to aid decision making.
- 1.2 The treasury management function covers the borrowing and investment of Council money. This includes both the management of the Council's daily cash position and the management of its long-term debt. All transactions are conducted in accordance with the Council's approved strategy and the Code.

Good treasury management plays an important role in the sound financial management of the Council's resources.

2. Details of Proposal or Information

2.1 The Council approved the 2024/25 Treasury Management Strategy at its meeting on 29 January 2024. **Appendix 1** identifies the Treasury Management activity undertaken in the period April - September 2024. **Appendix 2** identifies the impact on the Prudential Indicators from the treasury management activity in the first half of the financial year.

2.2 Treasury Management is a specialist area, and the Council uses external treasury advisors, Arlingclose Ltd, to assist. They provide a range of services which include:

- Technical support on treasury matters, capital finance issues and the drafting of Member reports.
- Economic and interest rate analysis.
- Debt services which include advice on the timing of borrowing.
- Debt rescheduling advice surrounding the existing portfolio.
- Generic investment advice on interest rates, timing, and investment instruments.
- Several places at training events offered on a regular basis.
- Credit ratings/market information service comprising the three main credit rating agencies.

3 Reasons for Recommendation

3.1 The report details the treasury management activities for the period April to September 2024 in line with the CIPFA Treasury Management Code of Practice.

4 Alternative Options and Reasons for Rejection

4.1 There are no alternative options being considered at this time.

DOCUMENT INFORMATION

Appendix No	Title
1	Treasury Management Report April – September 2024/25
2	Prudential Indicators April – September 2024/25
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet you must provide copies of the background papers)	