

North East Derbyshire District Council

Council

26 January 2026

Treasury Strategy Reports 2026/27 – 2029/30

Report of the Deputy Leader of the Council with responsibility for Finance

Classification: This report is public

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

Contact Officer: **Jayne Dethick**

PURPOSE / SUMMARY

The purpose of this report is to provide Council with the necessary information to approve the Council's suite of Treasury Strategies for 2026/27 to 2029/30.

DECISION ROUTE AND REASON FOR DECISION BEING BROUGHT TO COUNCIL

The decision requested is part of the Budget and Policy Framework and thus must be made by Council.

RECOMMENDATIONS

1. That Council approve the Treasury Management Strategy at **Appendix 1** and in particular:
 - a) Approve the Borrowing Strategy
 - b) Approve the Investment Strategy
 - c) Approve the use of the external treasury management advisors Counterparty Weekly List (or similar) to determine the latest assessment of the counterparties that meet the Council's Criteria before any investment is undertaken.
 - d) Approve the Prudential Indicators.
2. That Council approve the Capital Strategy as set out in **Appendix 2** and in particular:
 - a) Approve the Capital Financing Requirement

- | | |
|-------------------------------|----------|
| Authorised Borrowing Limit | £224.18m |
| Operational Boundary | £219.18m |
| Capital Financing Requirement | £211.07m |

- Approved by the Portfolio Holder – Cllr P Kerry, Deputy Leader with responsibility for Finance

Finance and Risk: Yes ☒ No ☐

Details:

On Behalf of the Section 151 Officer

As part of the requirements of the CIPFA Treasury Management Code of Practice the Council is required to produce every year a Treasury Management Strategy and Capital Strategy which requires approval by full Council prior to the commencement of each financial year. This report is prepared in order to comply with these obligations.

On Behalf of the Solicitor to the Council

There are no staffing issues arising directly from this report.

On behalf of the Head of Paid Service

DECISION INFORMATION

Decision Information	
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: NEDDC: Revenue - £125,000 <input type="checkbox"/> Capital - £310,000 <input type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Significantly Affected	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 	No, not applicable
Stage 2 full assessment undertaken <ul style="list-style-type: none"> Completed EIA stage 2 needs to be appended to the report 	No, not applicable
Consultation: Leader / Deputy Leader <input checked="" type="checkbox"/> Cabinet <input type="checkbox"/> SMT <input checked="" type="checkbox"/> Relevant Service Manager <input checked="" type="checkbox"/> Members <input checked="" type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	Yes

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
All

REPORT DETAILS

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

- 1.1 Treasury risk management at the Council is conducted in compliance with the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code) which requires the Council to approve a treasury management strategy before the

start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.

- 1.2 The CIPFA Code requires that a Capital Strategy be produced alongside the Treasury Management Strategy along with a Flexible Use of Capital Receipts Strategy. In addition, the 2018 Investment Guidance issued by the Department for Levelling Up, Housing and Communities also requires local authorities to produce an Investment Strategy.

2. Details of Proposal or Information

- 2.1 The Council's Treasury Management Strategy provides the framework for managing the Council's cash flows, borrowing and investments, and the associated risks for the years 2026/27 to 2029/30. The Strategy also sets out the parameters for all borrowing and lending as well as listing all approved borrowing and investment sources. Prudential indicators aimed at monitoring risk are also included. (**Appendix 1**).
- 2.2 The Capital Strategy is intended to provide a high level, concise overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of the Council's services. The report provides an overview of the associated risk, its management and the implications for future financial sustainability. The Capital Strategy also sets out the capital expenditure plans for the period and how they will be financed. It includes information of the minimum revenue provision, capital financing requirement and prudential indicators aimed at monitoring risk (**Appendix 2**).
- 2.3 The Investment Strategy focuses on investments made for service purposes and commercial reasons, rather than those made for treasury management. Investments covered by this strategy include earning income through commercial investments or by supporting local services by lending to or buying shares in other organisations (**Appendix 3**).
- 2.4 The Flexible Use of Capital Receipts Strategy focuses on the Council's plans to utilise capital receipts for service reform in strict adherence of S15 (1) of the Local Government Act 2003 (**Appendix 4**).

3 Reasons for Recommendation

- 3.1 This report outlines the Council's proposed suite of Treasury Strategies for the period 2026/27 to 2029/30 for consideration and approval by Council. It contains:
 - The Treasury Management Strategy which provides the framework for managing the Council's cash flows, borrowing and investments for the period.
 - The Capital Strategy which is intended to provide a high level, concise overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of the Council's services.

- The Investment Strategy which focuses on investments made for service purposes and commercial reasons, rather than those made for treasury management.

The above strategies provide an approved framework within which the officers undertake the day to day capital and treasury activities.

4 **Alternative Options and Reasons for Rejection**

4.1 Alternative options are considered throughout the report.

DOCUMENT INFORMATION

Appendix No	Title
1	Treasury Management Strategy 2026/27 – 2029/30
2	Capital Strategy 2026/27 – 2029/30
3	Investment Strategy 2026/27 – 2029/30
4	Flexible Use of Capital Receipts Strategy 2026/27 – 2029/30
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)	
None	