

HIGH PEAK BOROUGH COUNCIL

Audit & Regulatory Committee

21 June 2023

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| TITLE: | Treasury Management Update |
| EXECUTIVE COUNCILLOR: | Councillor Barrow - Executive Councillor for Corporate Services and Finance |
| CONTACT OFFICER: | Keith Pointon – Head of Finance Emily Bennetts - Principal Finance Officer |
| WARDS INVOLVED: | All Wards |

Appendices Attached – Appendix A: Treasury Management Mid-Year Update Report, 31st May 2023

1. Reason for the Report

- 1.1 The purpose of the report is to allow the robust scrutiny of the Council's Treasury Management performance in 2023/24 in compliance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management and generally accepted good practice.

2. Recommendation

- 2.1 That Members note the current Treasury Management position as at 31st May 2023.

3. Executive Summary

- 3.1 This report is delivered in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management, which recommends that members be updated on treasury management activities regularly (annual, mid-year and quarterly reports).

- 3.2 This report comprises the following:

- The latest interest rate forecast
- The investment portfolio and investment income
- Borrowing requirements with associated borrowing costs
- Compliance against Prudential and Treasury indicators set in the Treasury Management Strategy 2023/24

- 3.3 The main headlines are:

- The Bank of England base rate increased from 4.25% to 4.50% in May. Investment income is forecast to be on target.
- The Council's investment portfolio totalled £16.1million spread across five separate institutions as at 31st May. Average balances in the year have been £15.7million.
- The Council's total level of debt as at 31st May was £63.8million. The average annual borrowing rate is forecast as 3.96%.
- Maturing loans of £3million have been repaid and one new short term loan of £5million has been taken. Borrowing costs are forecast to be on target.

4. **How this report links to Corporate Priorities**

- 4.1 An effective Treasury Management function is critical in safeguarding and effectively managing the financial resources at the Council's disposal. Sufficient financial resources are required to deliver and underpin all of the Council's main priorities.

5. **Alternative Options**

- 5.1 This report sets out the Treasury Management position for High Peak Borough Council for 2023/24 to date and the projected outturn. As such it is a statement of fact and there are no options.

Martin Owen
Executive Director (Finance and Customer Services)

Web Links and Background Papers

'Treasury Management Strategy Statement 2023/24'
 (Audit & Regulatory Committee, February 2023)

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