

STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL

Audit & Accounts Committee

29 November 2024

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| TITLE: | Treasury Management Update 2024/25 |
| PORTFOLIO HOLDER: | Councillor Wood - Portfolio Holder for Finance |
| CONTACT OFFICER: | Keith Pointon – Head of Finance Emily Bennetts – Principal Finance Officer |
| WARDS INVOLVED: | Non-specific |

Appendices Attached – Appendix A Treasury Management Update Report Quarter 2 2024/25

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 2024/25 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 at the quarter ended 30 September 2024.

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 latest interest rate forecast, the investment portfolio and investment income, the capital loan (service investment – housing), impact of the capital programme, borrowing requirements and associated borrowing costs, and compliance against Prudential and Treasury indicators set in the Treasury Management Strategy 2024/25.
- 3.3 The main headlines are:
- The Bank of England base rate has decreased from at 5.25% at the start of the year to 5.00% in August and to 4.75% in November.
 - At the end of the quarter, the Council's investment portfolio total was

£19.3million spread across eight separate institutions; of this balance on specific ESG linked investments there was £3.5million with two institutions. Average balances to the end of quarter 2 were £18.5million.

- A surplus of £13,410 in investment income is forecast against a budget of £912,140.
- The capital loan (service investment – housing) is earning £307,000 interest during the year.
- The Council's level of external debt at the end of the quarter was £9.6million. A small overspend of £4,520 is forecast against the borrowing costs budget of £588,020.

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 Staffordshire Moorlands District Council for 2024/25 to date and the projected outturn. As such it is a statement of fact and there are no options.

Martin Owen
Executive Director (Resources)

Web Links and Background Papers

'Treasury Management Strategy Statement 2024/25' (Audit & Accounts Committee February 2024)
<https://democracy.highpeak.gov.uk/ieListMeetings.aspx?Committeed=186>

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