

STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL

Audit & Accounts Committee

1 December 2023

TITLE:	Treasury Management Update
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 to 31st October 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 October 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
- The capital loan (service investment – housing)
- Borrowing requirements with associated borrowing costs
- An update to the capital programme position and 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 has remained at 5.25% since the previous report.
 - The Council's investment portfolio total was £20.1million spread across seven separate institutions as at 31st October 2023. Average balances were £16.7million. Investment income of £796,440 is forecast to be on target.
 - The capital loan (service investment – housing) is earning £307,000 interest during the year.
 - The Council's level of external debt at 31st October was £7.6million. A new loan of £3million commenced at the end of October. Savings of £123,110 are forecast against the borrowing costs budget of £549,510.

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 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 & Accounts Committee February 2023)

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