

East Herts Council Report

Audit and Governance Committee

Date: 30 January 2024

Report by: Councillor Carl Brittain, Executive Member for Financial Sustainability

Report title: Mid-Year Treasury Management Review 2023/24

Ward(s) affected: None

Summary

- The report contains the Council's Mid-Year Treasury Management Review for 2023/24.

RECOMMENDATIONS FOR AUDIT AND GOVERNANCE COMMITTEE That:

(A) Members examine and comment on the Mid-Year Treasury Management Review and Prudential Indicators for 2023/24

1.0 Proposal(s)

1.1 That Members examine and comment on the Mid-Year Treasury Management Review and Prudential Indicators for 2023/24 (**Appendix A**).

2.0 Background

2.1 Treasury management is defined as: 'The management of the Council's investments and cash flows, its banking arrangements, money market and capital transactions; the

effective control of the risks associated with these activities; and the pursuit of optimum returns consistent with the Council's risk management policy for treasury management.

- 2.2 This activity was supported by the council's appointed independent advisors – Arlingclose.
- 2.3 This report has been written in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2017).
- 2.4 This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

3.0 Reason

- 3.1 This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2023/24.

4.0 Options

- 4.1 Members can suggest amendments or additions to the Mid-Year Treasury Management Review 2023/24

5.0 Risks

5.1 Risk management is embedded in treasury management operations through the adoption of the CIPFA Treasury Management Code. Credit ratings, other market intelligence and counterparty limits assist to assess and mitigate risk.

6.0 Implications/Consultations

6.1 None.

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

Yes

The costs of treasury operations, debt management expenses and investment income are included in the 2023/24 Medium Term Financial Plan.

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

The Local Government Act 2003 and supporting regulations requires the Council to 'have regard to' the CIPFA Prudential Code for Capital Finance in Local Authorities 2017 Edition and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. The Council also has to 'have regard' to the MHCLG's Guidance on Local Government Investments 3rd Edition effective for financial periods commencing on or after 1st April 2018, and to CIPFA's Treasury Management in the Public Services: Code of Practice 2017 Edition and Guidance Notes for Local Authorities 2018 Edition.

Specific Wards

No

7.0 Background papers, appendices and other relevant material

7.1 Appendix A – Mid-Year Treasury Management Review 2023-24

Contact Member

Councillor Carl Brittain, Executive Member for Financial Sustainability
carl.brittain@eastherts.gov.uk

Contact Officer

Steven Linnett, Head of Strategic Finance and Property, Tel: 01279 502050. steven.linnett@eastherts.gov.uk

Report Author

Nicola Munro, Finance Business Partner, Tel: 01279 502044.
nicola.munro@eastherts.gov.uk