

EXECUTIVE 16th November 2023

Report Title	Half Yearly Treasury Management Update
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Lead Member	Cllr Lloyd Bunday, Executive Member for Finance and Transformation

Key Decision	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there public sector equality duty implications?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicable paragraph number for exemption from publication under Schedule 12A Local Government Act 1974	

List of Appendices

Appendix A – Treasury Management Mid-Year Report to 30 September 2023

1. Purpose of Report

- 1.1. This report updates the Council's treasury management and prudential indicators following progress on the disaggregation of the assets and liabilities that were previously held by North Northamptonshire Council.
- 1.2. This report also updates the Committee on the Council's treasury management activities and performance for the first half of the financial year ended 30 September 2023 in accordance with the CIPFA's Code of Practice on Treasury Management.

2. Executive Summary

- 2.1. This report requires the Committee to note the outcome of the Council's treasury management activities and performance for the first half of the financial year ended 30th September 2023.

3. Recommendations

- 3.1. It is recommended that the Executive;
 - a. Note the activity undertaken during the first half of the financial year ended 30th September 2023 and the performance achieved set out in Appendix A to this report: and
 - b. Note that all treasury activities were undertaken in line with the approved Treasury Management Strategy/Annual Investment Strategy.
- 3.2. Reason for Recommendations: The Council's TMSS is underpinned by the CIPFA Code of Practice on Treasury Management ("the Code") which requires that members are informed of treasury management activities at least twice a year. Full Council has delegated the formulation and monitoring of the Council's treasury management strategy, policy and activity to the Executive Committee.
- 3.3. Alternative Options Considered - This report is for information and there are no alternative options for consideration.

4. Report Background

- 4.1. The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low-risk counterparties, providing adequate liquidity initially before considering optimising investment return.
- 4.2. The second function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer-term cash may involve arranging long or short-term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 4.3. Accordingly, treasury management is defined as:

"The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
- 4.4. In line with the Code and the requirement of the Council's Treasury Management Strategy, this report provides an update on the borrowing, investments and cash flows, money market and capital market activities to 30th September 2023.

5. Issues and Choices

- 5.1. In line with its delegated authority, the Executive is asked to note the treasury management activities and performance to 30th September 2023.

6. Next Steps

- 6.1. The Year End Treasury Management Report will be brought to the Executive after 31st March 2024.

7. Implications (including financial implications)

7.1. Resources and Financial

- 7.1.1. The financial implications are set out within the report.

7.2. Legal

- 7.2.1. This report must be considered by the Executive in line with its delegated authority from Full Council.

7.3. Risk

- 7.3.1. The financial risks arising from this report are set out within the report.

7.4. Relevant Policies and Plans

- 7.4.1. The report is in line with the Treasury Management Strategy Statement, as approved by Full Council as part of the 2023/24 General Fund Budget and Medium Term Financial Plan on 23rd February 2023.

7.4. Consultation

- 7.4.1. None specific to this report.

7.5. Consideration by the Executive Advisory Panel

- 7.5.1. Not applicable.

7.6. Consideration by Scrutiny

- 7.6.1. Not applicable.

7.8. Equality Implications

7.8.1 None specific within this report.

7.9 Climate and Environment Impact

7.9.1 None specific to this report.

7.10 Community Impact

7.10.1 None specific to this report.

7.11 Crime and Disorder Impact

7.11.1 Nothing specific within this report.

8 Background Papers

8.8 General Fund Budget 2023-24 and Medium Term Financial Plan, Council 23rd February Item C/206: [Agenda item - General Fund Budget 2023-24 and Medium-Term Financial Plan - North Northamptonshire Council \(modern.gov.co.uk\)](https://modern.gov.co.uk/agenda-item-general-fund-budget-2023-24-and-medium-term-financial-plan-north-northamptonshire-council)