

ITEM 9

COUNCIL CABINET 8 December 2021

Minute Extract

118/21 Treasury Management Mid Year Report 2021/22

The Council Cabinet considered a report which stated that the Council was required for good practice under the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the "CIPFA TM Code") to approve treasury management mid-year and outturn reports.

The mid-year report outlined the Treasury Management activity for the period 1 April 2021 to 30 September 2021, comprising:

- Summary of the Financial Markets to date in 2021/22.
- Forecast Outturn 2021/22 including Quarter 2 update.
- Borrowing Activity.
- Deposits; and
- Prudential Indicators.

Summary

The Treasury Management forecast outturn for 2021/22 was a net underspend of (£0.925m) as at 30 September 2021. This was mainly made up of a (£0.405m) saving as Minimum Revenue Provision (MRP) was less than anticipated due to capital programme slippage, and a net saving of (£0.520m) due to a reduction on estimated borrowing cost relating to a change in interest payable. It was proposed that the final underspend at year end was transferred to the Treasury Management Reserve.

At the end of September 2021, total debt was £422.39m and total investments were £83.157m compared to £432.75m and £37.159m as at 31 March 2021.

Treasury Management advice to the Council up to 30 September 2021 had been provided by Arlingclose. Their services included economic and interest rate forecasting, advice on strategy, portfolio structure, debt restructuring, investment policy and credit ratings and technical assistance on treasury matters as and when required.

The Executive Scrutiny Board noted the report.

Decision

1. To note the forecast outturn position of (£0.925m) underspend. At year-end, any final underspend would be transferred to the Treasury Management Reserve.
2. To note the position statement on Treasury Management Activity and compliance against the Prudential Indicators for the period 1 April 2021 to 30 September 2021.