



Cabinet recommendations to Council - Treasury Management Strategy and Prudential Indicators 2024/25

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Lead Member/Relevant Portfolio Holder	Councillor Sarah Cox - Portfolio Holder for Corporate Finance, Property and Resources

Corporate Priority:	Ensuring the right conditions to support delivery (inward)
Relevant Ward Member(s):	N/A
Date of consultation with Ward Member(s):	N/a
Exempt Information:	No

1 Summary

- 1.1 The report at Appendix 1 outlines the Council’s prudential indicators for 2024/25 – 2026/27 and sets out the expected treasury operations for this period. It fulfils four key legislative requirements.
 - 1.1.1 The reporting of the prudential indicators setting out the expected capital activities (as required by the CIPFA Prudential Code for Capital Finance in Local Authorities). The treasury management prudential indicators are now included as treasury indicators in the CIPFA Treasury Management Code of Practice and Guidance Notes 2017 as revised.
 - 1.1.2 The Council’s Minimum Revenue Provision (MRP) Policy, which sets out how the Council will pay for capital assets through revenue each year (as required by Regulation under the Local Government and Public Involvement in Health Act 2007);
 - 1.1.3 The Treasury Management Strategy Statement which sets out how the Council’s treasury management service will support the capital decisions taken, the day to day treasury management activity and the limitations on activity through treasury prudential indicators. The key indicator is the Authorised Limit, the maximum amount of debt the Council could

afford in the short term, but which would not be sustainable in the longer term. This is the Affordable Borrowing Limit required by s3 of the Local Government Act 2003. This is in accordance with the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code.

- 1.1.4 The Investment Strategy which sets out the Council's criteria for choosing investment counterparties and limiting exposure to the risk of loss. This strategy is in accordance with the Department for Levelling Up, Housing & Communities (DLUHC) Investment Guidance.
- 1.2 The report at Appendix 1 meets the requirements of both the CIPFA Code of Practice on Treasury Management 2021 and the CIPFA Prudential Code for Capital Finance in Local Authorities. The Council is required to comply with both codes through Regulations issued under the Local Government Act 2003

2 Recommendations

That Council:

- 2.1 **Approves that the prudential indicators and limits are adopted as outlined in Appendix A section 2.**
- 2.2 **Approves the Treasury Management Strategy as outlined in Appendix A.**
- 2.3 **Approves that the Minimum Revenue Provision (MRP) Statement which sets out the Council's policy on MRP as outlined in para 5.3 of Appendix 1.**

3 Reason for Recommendations

- 3.1 The Treasury Management Code requires the Council to approve annually a Treasury Management Strategy and to provide a mid-year update on Treasury Management activities to the Council. It is a requirement that Treasury Management is scrutinised during the year which falls within Cabinet's remit.
- 3.2 To facilitate the decision making process and support capital investment decisions the Prudential Code requires the Council to agree and monitor a minimum number of prudential indicators.

4 Background

- 4.1 Cabinet are due to consider the Treasury Management Strategy and Prudential Indicators 2024/25 at their meeting on 7 February 2024.

5 Main Considerations

- 5.1 As outlined in the Treasury Management Strategy and Prudential Indicators 2024/25 report at Appendix 1.

6 Options Considered

- 6.1 As outlined in the Treasury Management Strategy and Prudential Indicators 2024/25 report at Appendix 1.

7 Consultation

- 7.1 As outlined in the Treasury Management Strategy and Prudential Indicators 2024/25 report at Appendix 1.

8 Next Steps – Implementation and Communication

- 8.1 As outlined in the Treasury Management Strategy and Prudential Indicators 2024/25 report at Appendix 1.

9 Financial Implications

- 9.1 As outlined in the Treasury Management Strategy and Prudential Indicators 2024/25 report at Appendix 1.

Financial Implications reviewed by: See Appendix 1

10 Legal and Governance Implications

- 10.1 As outlined in the Treasury Management Strategy and Prudential Indicators 2024/25 report at Appendix 1.

Legal Implications reviewed by: See Appendix 1

11 Equality and Safeguarding Implications

- 11.1 As outlined in the Treasury Management Strategy and Prudential Indicators 2024/25 report at Appendix 1.

12 Data Protection Implications (Mandatory)

- 12.1 As outlined in the Treasury Management Strategy and Prudential Indicators 2024/25 report at Appendix 1.

13 Community Safety Implications

- 13.1 As outlined in the Treasury Management Strategy and Prudential Indicators 2024/25 report at Appendix 1.

14 Environmental and Climate Change Implications

- 14.1 As outlined in the Treasury Management Strategy and Prudential Indicators 2024/25 report at Appendix 1.

15 Other Implications (where significant)

- 15.1 As outlined in the Treasury Management Strategy and Prudential Indicators 2024/25 report at Appendix 1.

16 Risk & Mitigation

- 16.1 As outlined in the Treasury Management Strategy and Prudential Indicators 2024/25 report at Appendix 1.

17 Background Papers.

- 17.1 As outlined in the Treasury Management Strategy and Prudential Indicators 2024/25 report at Appendix 1.

18 Appendices

- 18.1 Appendix 1 – Treasury Management Strategy and Prudential Indicators 2024/25 report
18.2 Appendix A – Mid-Year Treasury Management Review 2024-25