

COUNCIL:

26 OCTOBER 2023

REPORT OF THE CORPORATE DIRECTOR, RESOURCES

TREASURY MANAGEMENT ANNUAL REPORT 2022/23

Annexes B & C to Appendix 1 to this report are not for publication as they contain exempt information of the description in Paragraphs 14 and 21 of Schedule 12A of the Local Government Act 1972.

Reason for this Report

1. To inform members of the Council's treasury management activities between 1 April 2022 and 31 March 2023.

Background

2. The Council's treasury management activities are governed by legislation and a Code of Practice developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) updated in 2021.

Issues

3. In accordance with regulatory requirements, reports were submitted to Council in March 2022 indicating the Treasury Management Strategy for 2022/23 and a Mid-Year update report in November 2022. The following paragraphs cover the main highlights of the Annual Report for 2022/23 which is a backward looking summary of Treasury Management activities during that period.
4. At 31 March 2023, investments stood at £160.6 million. The annual report includes charts indicating who the investments are placed with and for how long. All investments are deemed recoverable and so no losses are required to be recognised in the Council's Statement of Accounts for activities during 2022/23. Interest receivable for the general fund from treasury investments totalled £2.650 million during the year.
5. At 31 March 2023, the Council had £855.1 million of external borrowing, with £22.3 million of new borrowing and £22.8 million of scheduled repayments during 2022/23. Interest payable during the year from its revenue budget on

this debt was £34.1 million of which £13.5 million was paid for by the Housing Revenue Account.

6. At the start of the financial year, the Council is required to set a number of prudential indicators for capital expenditure and its treasury management activities. During 2022/23, there was no breach of indicators requiring a separate report to Council.

Reasons for Recommendations

7. Council policy requires the Treasury Management Annual Report 2022/23 update to be submitted to Council.

Legal Implications

8. No direct legal implications arise from this report.

Financial Implications

9. The Council's treasury management activities are undertaken in accordance with the policies adopted by Council and under professional codes of conduct established by CIPFA, the Welsh Government and the Corporate Director Resources as part of Treasury Management Practices. This report is part of a suite of reports that members receive on the Council's treasury management activities during the course of a year. Whilst there are no direct financial implications arising from this report, the risks involved with treasury management are continuously reviewed as part of the Council's Medium term Financial Plan.

RECOMMENDATION

Council is recommended to note the Treasury Management Annual Report 2022/23 (Appendix 1).

CHRISTOPHER LEE

Corporate Director Resources

20 October 2023

The following Appendix is attached:-

Appendix 1: Treasury Management Annual Report 2022/23

Annexe A – Treasury Management Policy Extract

Annexe B – Investments at 31 March 2023 (Confidential)

Annexe C – Investment Charts at 31 March 2023 (Confidential)

Annexe D – Maturity Analysis of borrowing as at 31 March 2023

Annexe E – Glossary of Treasury Management terms