

Recommendation of the Performance and Audit Scrutiny Committee: 25 January 2024: Treasury Management Report (December 2023)

Report number:	CAB/WS/24/008	
Report to and date(s)	Cabinet	6 February 2024
	Council	20 February 2024
Cabinet member:	Councillor Diane Hind Cabinet Member for Resources Email: diane.hind@westsuffolk.gov.uk	
Chair of the Performance and Audit Scrutiny Committee	Councillor Peter Armitage Performance and Audit Scrutiny Committee Email: peter.armitage@westsuffolk.gov.uk	
Lead officer:	Rachael Mann Director (Resources and Property) Telephone: 01638 719245 Email: rachael.mann@westsuffolk.gov.uk	

Decisions Plan: This item is included in the Decisions Plan.

Wards impacted: All Wards.

Recommendation: That subject to the approval of Council, the Treasury Management Report (December 2024), as contained in report number: [FRS/WS/24/001](#) be approved.

1. Context to this report

1.1 Investment Activity: 1 April 2023 to 31 December 2023

Following the Financial Resilience Sub-Committee's consideration of report number [FRS/WS/24/001](#) on 15 January 2024 the Committee received a verbal report on the Sub-Committee's consideration of the report.

1.2 The Council held £55,750,000 of investments as of 31 December 2023. Interest receivable in the first nine months of the financial year amounted to £2,083,152.79 against a budget for the period of £536,250. This has created a budgetary surplus of £1,546,902.79 due to two main reasons;

- the Council holding higher levels of cash balances than anticipated; and
- the rising Bank of England base rate having a knock-on effect on investment returns.

1.3 External borrowing as of 31 December 2023 was £9,500,000, a reduction of £250,000 from 1 April 2023 which relates to the repayment plan for the recent PWLB £10m 40-year loan), with the Council's level of internal borrowing being £47,604,200 as of 31 December 2023. The overall borrowing total of both external and internal is expected to increase over the full financial year.

1.4 The Sub-Committee scrutinised the investment activity for 1 April 2023 to 31 December 2023, at its meeting on 15 January 2024 and asked questions to which responses were provided.

1.5 The Performance and Audit Scrutiny Committee on 25 January 2024 considered the report, and in particular discussed the details forecast for the councils Capital Financing Requirement over the next three years.

1.6 The Performance and Audit Scrutiny Committee has put forward recommendations as set out on page one of this report.

2. Alternative options that have been considered

2.1 Not applicable.

3. Consultation and engagement undertaken

3.1 Not applicable.

4. Risks associated with the proposals

4.1 Not applicable.

5. Implications arising from the proposals

5.1 Financial: See report number: [FRS/WS/24/001](#)

6. Appendices referenced in this report

6.1 None

7. Background documents associated with this report

7.1 Report number: [FRS/WS/24/001](#)