

**121. Treasury Management Stewardship and Actual Prudential Indicators Report 2023/24 (Outturn)**

Purpose of Report

To consider the annual Treasury Management stewardship report, a requirement of the Council's reporting procedures under regulations issued under the Local Government Act 2003. The report covered the treasury management activities and the actual prudential and treasury indicators for 2023/24.

The report met the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities.

Decision

(1) That the actual prudential indicators, as contained within Appendices A and B to the report be noted and recommended to Full Council for approval.

(2) That the annual Treasury Management report for 2023/24 be approved.

Alternative Options Considered and Rejected

None.

Reasons for the Decision

During 2023/24 the Council complied with its legislative and regulatory requirements. The key prudential indicators for the year with comparators were detailed at paragraph 2.1 of the officer's report, together with other prudential and treasury indicators found at Appendix A and B.

The Chief Finance Officer had confirmed that borrowing had only been undertaken for a capital purpose and that the statutory borrowing limit, (the Authorised Limit) had not been breached.

The Council had adopted the CIPFA Code of Practice for Treasury Management in the Public Sector and operated its treasury management service in compliance with this Code and the above requirements. These required that the prime objective of treasury management activity was the effective management of risk, and that its borrowing activities were undertaken in a prudent, affordable and sustainable basis.

This report fulfilled the requirement of the Prudential Code to ensure adequate monitoring of the capital expenditure plans, prudential indicators (PIs) and treasury management response to these plans. It included a review of compliance with Treasury and Prudential Limits in 2023/24 and showed the status of the Prudential Indicators at 31<sup>st</sup> March 2024. For the 2023/24 financial

year the minimum reporting requirements were that members should receive the following reports:

- an annual Treasury Management Strategy in advance of the year (Council 28<sup>h</sup> February 2023)
- a quarterly treasury update (Executive Q1 21<sup>st</sup> August 2023 & Q2 19<sup>th</sup> February 2024)
- a mid-year treasury update report (Executive 20<sup>th</sup> November 2023)
- an annual report following the year describing the activity compared to the strategy (this report)

The regulatory environment placed a greater onus on members for the review and scrutiny of treasury management policy and activities than in previous years. This report was important in that respect, as it provided details of the outturn position for treasury activities and highlighted compliance with the Council's policies previously approved by members.

In compliance with the Prudential Code treasury management reports were scrutinised by Performance Scrutiny Committee and reviewed by the Executive prior to reporting to Full Council if required. Member training for the Performance Scrutiny and Audit Committees was undertaken on 30<sup>th</sup> January 2024 in order to support their roles in scrutinising the treasury management strategy and policies.

Key Issues to Note from Activity during 2023/24 were detailed at paragraph 4.2 of the officer's report.