

MINUTES OF THE TREASURY MANAGEMENT AND INVESTMENT SUB COMMITTEE

held on 16 July 2024

Present:

Councillor C. Davidson (Chair)

Councillors P. Clark, A. Sosin, and R. Whitehead

Also in attendance:

Councillor L. Foster

1. Apologies for Absence and Substitutions

Apologies were received from Councillor Hall.

2. Minutes

The minutes of the meeting held on 15 December 2023 were agreed as a correct record and signed by the Chair.

3. Declaration of Interests

All Members were reminded to declare any Disclosable Pecuniary interests or other registerable interests where appropriate in any items of business on the meeting's agenda. None were made.

4. Public Question Time

No public questions nor statements were received for this meeting.

5. Treasury Management Outturn Report 2023/24

The Sub-Committee received an annual report on the Treasury Management activities that took place in 2023/24 as per required by the CIPFA Code of Practice for Treasury Management. This report highlighted the effects of the decisions taken and the circumstances of any non-compliance with the Code and the Council's Treasury Management Strategy. It was also advised that any changes to the report would be forwarded to Full Council by the Chair.

It was advised that the Treasury Management activities and transactions were undertaken under parameters and that there were better overall return on investments at 5.2% for 2023/24 compared to 4.3% in the previous year. The Sub-Committee was informed that as of 31st March 2024, there were around £26 million in the holdings including long term holdings in the external funds of £15.3 million. They were also advised that officers undertook £5 million of short-term borrowing.

It was also advised that it was within the parameters to have some borrowings. It was also noted that the short-term loan had been repaid.

The Sub-Committee was informed that officers had sent a notice to withdraw from the CCLA property fund and that there was a realised gain of £1.04 million on the 4th June 2024. It was also advised that, disappointingly, there were not great returns in respect of income from the CCLA Diversified Income Fund. Members were advised that the fund manager merged this fund with a larger one to make improvements and Council officers were monitoring this position.

In response to questions and comments from the Sub-Committee, it was advised that;

- It was assumed that the mandatory statutory override for local authorities to reverse out all unrealised fair value movements would be extended again due to the already difficult financial situation local authorities faced.
- It was also advised that the Council had a realised surplus due to the profit gained from the CCLA property fund which would derisk position of the Council if the statutory oversight was not extended.
- It was advised that possible liquidation of further funds could be undertaken under officer's delegations however it was not necessary at the moment.
- It was advised that the Sub-Committee would likely see increased borrowing moving forward. Officers would closely monitor to ensure there is always sufficient liquidity, which is a key requirement of effective treasury management.

RESOLVED that the Treasury Management Outturn Report 2023/24 to be recommended to Full Council.

(2.02pm to 2.21pm)

Exclusion of the Public

Resolved that under Section 100A (4) of the Local Government Act 1972 the public be excluded from the meeting for Item 6 on the grounds that it involved the likely disclosure of exempt information falling within paragraph 3 of Part 1 of Schedule 12A to the Act.

6. Non-Treasury Investments-Monitoring and Strategy Development

The Sub-Committee received a report providing them with an update in respect of the Council's non-cash investments, it also provided them with the agreed monitoring information on non-cash investments with a commentary on each asset. The Sub-Committee were also provided information on the acquisition of residential and commercial developments.

RESOLVED that the report be noted.

(2.21pm to 2.52pm)

7. Urgent Business

There were no matters of urgent business to discuss.

The meeting closed at 2.52pm.

Chair