

**Bolsover District Council**

**Council on 31<sup>st</sup> January 2024**

**TREASURY STRATEGY REPORTS**  
**2024/25 – 2027/28**

**Report of the Portfolio Holder for Resources**

<b>Classification</b>	This report is Public
<b>Contact Officer</b>	Theresa Fletcher Director of Finance and Section 151 Officer

**PURPOSE/SUMMARY OF REPORT**

To provide Council with the necessary information to approve the Authority's suite of Treasury Strategies for 2024/25 to 2027/28.

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**REPORT DETAILS**

**1. Background**

- 1.1 Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2021 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.
- 1.2 Since 2019/20 there has been a requirement to produce three separate treasury strategies. This report, therefore, includes the strategy for Treasury Management, The Capital Strategy and the Corporate Investment Strategy.
- 1.3 As in previous years, the Authority's Treasury Management Strategy provides the framework for managing the Authority's cash flows, borrowing and investments, and the associated risks for the years 2024/25 to 2027/28. The Treasury Management Strategy sets out the parameters for all borrowing and lending as well as listing all approved borrowing and investment sources. Prudential indicators aimed at monitoring risk are also included (**Appendix 1**).
- 1.4 The Capital Strategy is intended to be a high level, concise overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of the Authority's services. The report also provides an overview of the associated risk, its management and the implications for future financial sustainability. The Capital Strategy sets out the capital expenditure plans for the period and how they will be financed. It also provides information of the minimum

revenue provision, capital financing requirement and prudential indicators aimed at monitoring risk (**Appendix 2**).

- 1.5 The Corporate Investment Strategy focuses on investments made for service purposes and commercial reasons, rather than those made for treasury management. Investments covered by this strategy include earning investment income through commercial investments or by supporting local services by lending to or buying shares in, other organisations (**Appendix 3**).

## **2. Reasons for Recommendation**

- 2.1 This report outlines the Authority's proposed suite of Treasury Strategies for the period 2024/25 to 2027/28 for consideration and approval by Council. It contains:
- The Treasury Management Strategy which provides the framework for managing the Authority's cash flows, borrowing and investments for the period.
  - The Capital Strategy, which is intended to provide a high level, concise overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of the Authority's services.
  - The Corporate Investment Strategy which focuses on investments made for service purposes and commercial reasons, rather than those made for treasury management.

The above strategies provide an approved framework within which the officers undertake the day-to-day capital and treasury activities.

## **3 Alternative Options and Reasons for Rejection**

- 3.1 Alternative options are considered throughout the report.

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## **RECOMMENDATION(S)**

1. It is recommended that Council approve the Treasury Management Strategy at **Appendix 1** and in particular:
  - a) Approve the Borrowing Strategy.
  - b) Approve the Treasury Management Investment Strategy.
  - c) Approve the use of the external treasury management advisors Counterparty Weekly List – or similar – to determine the latest assessment of the counterparties that meet the Authority's Criteria before any investment is undertaken.
  - d) Approve the Prudential Indicators.
2. It is recommended that Council approve the Capital Strategy as set out in **Appendix 2** and in particular:

- a) Approve the Capital Financing Requirement.
- b) Approve the Minimum Revenue Provision Statement for 2024/25.
- c) Approve the Prudential Indicators for 2024/25 detailed in the Capital Strategy, in particular:

Authorised Borrowing Limit	£159.969m
Operational Boundary	£154.969m
Capital Financing Requirement	£149.969m

- 3. It is recommended that Council approve the Corporate Investment Strategy as set out in **Appendix 3**.

Approved by the Portfolio Holder - Cllr Clive Moesby, Executive Member for Resources

**IMPLICATIONS:**

**Finance and Risk:**            Yes             No

**Details:**

Financial implications are covered throughout this report.

On behalf of the Section 151 Officer

**Legal (including Data Protection):**            Yes             No

**Details:**

As part of the requirements of the CIPFA Treasury Management Code of Practice the Authority is required to produce every year a Treasury Management Strategy and Capital Strategy which requires approval by full Council prior to the commencement of each financial year. This report is prepared in order to comply with these obligations.

There are no data protection implications arising directly from this report.

On behalf of the Solicitor to the Council

**Environment:**

Please identify (if applicable) how this proposal/report will help the Authority meet its carbon neutral target or enhance the environment.

**Details:**

Not applicable to this report

**Staffing:**            Yes             No

**Details:**

There are no human resource implications arising directly from this report.

On behalf of the Head of Paid Service

## DECISION INFORMATION

<b>Is the decision a Key Decision?</b> A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds:  <b>Revenue - £75,000</b> <input type="checkbox"/> <b>Capital - £150,000</b> <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
<b>Is the decision subject to Call-In?</b> <i>(Only Key Decisions are subject to Call-In)</i>	No

<b>District Wards Significantly Affected</b>	None
<b>Consultation:</b> <b>Leader / Deputy Leader</b> <input type="checkbox"/> <b>Executive</b> <input type="checkbox"/> <b>SLT</b> <input type="checkbox"/> <b>Relevant Service Manager</b> <input type="checkbox"/> <b>Members</b> <input type="checkbox"/> <b>Public</b> <input type="checkbox"/> <b>Other</b> <input type="checkbox"/>	Yes  Details: Portfolio Holder

**Links to Council Ambition: Customers, Economy and Environment.**

## DOCUMENT INFORMATION

Appendix No	Title
1	Treasury Management Strategy
1A	Arlingclose Economic & Interest Rate Forecast
1B	Existing Investment & Debt Portfolio Position
2	Capital Strategy
2A	Capital Programme
2B	Annual Minimum Revenue Provision Statement
3	Corporate Investment Strategy

**Background Papers**

*(These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Executive you must provide copies of the background papers).*

None