

STOCKPORT COUNCIL

REPORT TO CABINET– SUMMARY SHEET

Subject: Treasury Management Annual Report 2023/24

Report to Cabinet

Date: 18 September 2024

Report of: (a) Cabinet Member for Finance & Resources

Cabinet Member for Finance & Resources

Key Decision: (b) Y

Forward Plan General Exception Special Urgency *(Mark with a Y if applicable)*

Summary:

The purpose of this report is to inform the Cabinet on the operation and effectiveness of the council's Treasury Management function for 2023/24.

Throughout 2023/24 the council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators are found in the main body of the report.

The Assistant Director for Finance (Interim Section 151 Officer) confirms that borrowing was only undertaken for a capital purpose and the statutory borrowing limit (the authorised limit) was not breached.

The investment activity during the year conformed to the approved strategy and the council had no liquidity issues.

This annual review report is a backward-looking review of the treasury management operation for the previous financial year and is the last report in the 2023/24 reporting cycle.

The annual report covers:

- Capital expenditure and financing during the year;
- Impact of this activity on the council's underlying indebtedness (the Capital Financing Requirement (CFR));
- Reporting of the required prudential and treasury indicators;
- Overall treasury position identifying how the council has borrowed in relation to its indebtedness and the impact on investment balances;
- Summary of interest rate movements in year;
- Detailed debt activity, and
- Detailed investment activity.

In treasury management terms the 2023/24 financial year largely continued the challenging environment of previous years.

Comments/Views of the Cabinet Member: (c)

There has been good performance in 2023/24 against the guidelines laid down through the Treasury Strategy approved by Cabinet on 31 January 2023 and Council on 23 February 2023.

The return on investments has exceeded the recognised benchmark and new short-term borrowing has been taken in line with interest rate expectations, minimising debt costs.

Recommendation(s) of Cabinet Member: (d)

The Cabinet is asked to recommend that the Council Meeting:

- Approve the actual 2023/24 prudential and treasury indicators in this report;
 - Note the Annual Treasury Management Report for 2023/24.
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Relevant Scrutiny Committee (if decision called in): (e)

Corporate, Resource Management & Governance Scrutiny Committee

Background Papers (if report for publication): (f)

Contact person for accessing

Officer: Lorna Soufian

Lorna Soufian

background papers and discussing the report

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'Urgent Business': (g)

Yes/ No (Please circle)

Certification (if applicable)

This report should be considered as 'urgent business' and the decision exempted from 'call-in' for the following reason(s):

The written consent of Councillor _____ and the Chief Executive/Monitoring Officer/ Borough Treasurer for the decision to be treated as 'urgent business' was obtained on /will be obtained before the decision is implemented.
