



Public Session

Report Reference Number: S/17/15

Agenda Item No: 7

To: Overview and Scrutiny Committee
Date: 22 March 2018
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Title: Treasury Management Monitoring Report for Q3

Summary:

This report reviews the Council's Treasury Management Activity for the 9 month period 1 April 2017 to 31 December 2017 and presents performance against the Prudential Indicators. During this period the Council complied with its legislative and regulatory requirements.

Investments – The Bank of England Bank Base Rate increased on 2 November from 0.25% to 0.5% in line with market speculation earlier in the year. No further bank rate increases are expected until December 2018 at the earliest. Overall average rate achieved up to 31 December is 0.47%. Investment returns are budgeted for £125k and as at Q3, the forecast outturn is expected to be around £253k (£190k allocated to the General Fund; £63k to the Housing Revenue Account).

Borrowing – the council has long term borrowing of £59.3m at 31 December 2017. Interest payments of £2.5m are forecast for 2017/18 (£0.1m allocated to the General Fund; £2.4m to the Housing Revenue Account).

Prudential Indicators – the Council's affordable limits for borrowing were not breached during this period.

The full treasury management report (and Appendices A and B) considered by the Executive on 1 February 2018 is attached to this report at Appendix 1.

Recommendation:

Scrutiny Committee is asked to note the contents of the report and make any comments on the Council's treasury management activities.

Reasons for recommendation

The Committee is asked to consider the information as set out in the report as part of their role in reviewing and scrutinising the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas. The treasury management information contained in the report enables the Council to monitor its financial position and to ensure that legislative and regulatory requirements were complied with.

1. Introduction and background

- 1.1 Please see section 1.1 of the report considered by the Executive on 1 February 2018 attached at Appendix 1 to this report.

2 The Report

- 2.1 Please see section 2 of the report considered by the Executive on 1 February 2018 attached at Appendix 1 to this report.

3 Legal/Financial Controls and other Policy matters

Legal Issues

- 3.4 None.

Financial Issues

- 3.5 Please see section 3 of the report considered by the Executive on 1 February 2018 attached at Appendix 1 to this report.

Impact Assessment

- 3.6 None.

4. Conclusion

- 4.1 The Scrutiny Committee discharges the Council's statutory overview and scrutiny functions and as such has responsibility for reviewing the Council's performance; the Committee's comments and observations on treasury management monitoring are welcomed.

5. Background Documents

None.

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Appendices

Appendix 1 - Report to the Executive 1 February 2018

Appendix 2 – Appendix B of Report to the Executive