

Audit, Risk and Governance Committee
Meeting to be held on Monday, 26 July 2021

Electoral Division affected: None;

Treasury Management Activity 2020/21
Appendix A refers

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Executive Summary

The report at Appendix A provides a review of the council's treasury management activities occurring in the financial year 2020/21 and the position at 31 March 2021 which was reflected in the overall 2020/21 outturn report noted and approved at Cabinet in June.

Recommendation

The committee is asked to note the review of treasury management activities.

Background and Advice

The council's treasury management activity was underpinned by the Chartered Institute of Public Finance and Accountancy's Code of Practice on Treasury Management. This report covers the code's recommendation that a treasury management report for members is produced after the end of each financial year. Part of the remit of the Audit, Risk and Governance committee is to oversee treasury management activities.

The report at Appendix A provides a review of the council's treasury activities that occurred in 2020/21 and provides details of the investments and borrowing outstanding at 31 March 2021.

A key feature of the treasury management activity has been the actions taken to rebalance the maturity profile of the debt portfolio. This started in 2019/20 and continued in 2020/21 with the council issuing a second bond for £250m in August 2020.

The report also highlights the high level of economic uncertainty during the year. This has resulted in significant volatility in bond markets which has been a major

factor in enabling a net underspend of £24.5m against the treasury management budgets being achieved in the year.

Consultations

Arlingclose are the council's external treasury advisers and their advice and analysis is referenced in the council's treasury management activity review.

Implications:

This item has the following implications, as indicated:

Risk management

The council's treasury management strategy sets out a policy in respect of managing the risks associated with the council's borrowing and investment activity. The review at Appendix A describes how the council performed in relation to this strategy

Local Government (Access to Information) Act 1985 List of Background Papers

Paper	Date	Contact/Tel
The Chartered Institute of Public Finance and Accountancy Treasury Management Code of Practice	2017	Paul Dobson 01772 534725

Reason for inclusion in Part II, if appropriate

N/A