

Audit, Risk and Governance Committee
Meeting to be held on Monday, 22 July 2024

Electoral Division affected:
None;

Treasury Management Activity 2023/24
(Appendix 'A' refers)

Contact for further information:

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Brief Summary

The report provided at Appendix 'A' provides a review of the council's treasury management activities occurring in the financial year 2023/24 and the position at 31 March 2024.

Recommendation

The Audit, Risk and Governance Committee is asked to review the treasury management activity for the year ending 31 March 2024.

Detail

The council's treasury management activity is underpinned by the Chartered Institute of Public Finance and Accountancy's Code of Practice on Treasury Management. This report addresses the Code's recommendation that a treasury management report for members is produced after the end of each financial year. The Audit, Risk and Governance Committee oversees treasury management activities as part of its role.

The report provided at Appendix 'A' provides a review of the council's treasury management activities that occurred in 2023/24 and provides details of the investments and borrowing at 31 March 2024.

Overall, there was a fall in the level of borrowing of £69m at 31 March from the previous year while investments reduced by £190m. The large reduction in investments was mainly due to the prepayment of pension contributions to the Pension Fund. This payment totalled £140.7m and covered the three years from 2023/24. In exchange for a prepayment, the council was able to receive a discount on the annual pension contribution payable for the three years.



The capital financing budget overspent by £15.7m, primarily due to higher than anticipated borrowing costs and a lower than budgeted return on investments. A specific treasury management reserve that was established to cover variations in delivery was used to finance the net overspend.

Appendices

Appendix 'A' is attached to this report. For clarification they are summarised below and referenced at relevant points within this report.

Appendix	Title
Appendix 'A'	Review of Treasury Management Activity 2023/24

Consultations

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

Implications:

This item has the following implications, as indicated:

Legal

N/A

Finance

The financial implications are outlined in the report.

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	2021	Paul Dobson 01772 534725
The Chartered Institute of Public Finance and Accountancy Prudential Code	2021	Paul Dobson 01772 534725

Reason for inclusion in Part II, if appropriate

N/A

