

NORTH DEVON COUNCIL

POLICY DEVELOPMENT COMMITTEE: 2ND JULY 2024

**MINUTE EXTRACT OF THE STRATEGY AND RESOURCES COMMITTEE HELD
ON 1ST JULY 2024 IN RESPECT OF ITEM 8 ON THE POLICY DEVELOPMENT
COMMITTEE AGENDA**

23. ANNUAL TREASURY MANAGEMENT REPORT 2023/24

The Committee considered a report by the Head of Governance (circulated previously), regarding the Annual Treasury Management 2023/24.

The Head of Governance highlighted the following:

- The Council was required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2023/24. This report met those requirements of both the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- The table shown on page 75 of the report detailed the Capital Financing Requirement (CFR) for the financial year 2023/24.
- The Councils CFR as at 31 March 2024 was just over £26 million.
- The figure included projects such as the building of the new leisure centre and the purchase of Green Lanes.
- A further £1.4 million of unfinanced capital expenditure was added to the CFR during 2023/24.
- Despite this increase in borrowing need the external borrowing from the PWLB remained at £3 million for the year.
- There was £2.8 million borrowing in relation to our finance leases bringing the total borrowing to £5.8 million for the year.
- The Council used £20.2 million of its own funds to make up the under borrowed position.
- In terms of investments held by the Council – the Council maintained an average balance of circa £13 million of internally managed funds. The internally managed funds earned £577,506 interest at an average rate of return of 4.45%.

Councillor Prowse gave thanks to the finance team for the report and noted that it was a positive that the Council could borrow from its own funds which lifted the burden on Council tax payers, this indicated good management.

RECOMMENDED:

- (a) That the annual treasury management report for 2023/24 be noted; and
- (b) That the actual 2023/24 prudential and treasury indicators be approved.