

NORTH DEVON COUNCIL

COUNCIL: 26TH FEBRUARY 2025

NORTH DEVON COUNCIL – TREASURY MANAGEMENT STRATEGY STATEMENT 2025/26

RECOMMENDATIONS OF THE POLICY DEVELOPMENT COMMITTEE HELD ON 13TH FEBRUARY 2025

Minute 69: Treasury Management Strategy Statement 2025/26

The Committee considered a report by the Head of Governance (circulated previously) regarding the Treasury Management Strategy Statement for 2025/26 together with Minute Extract of Strategy and Resources on 3rd February 2025.

The Head of Governance highlighted the following:

- This Treasury Management Strategy covered the borrowing and investment requirements of the Council for the year 2025-26.
- In terms of the Capital Financing Requirement (CFR), the Treasury Management Strategy ensured the Council was able to meet its borrowing needs to cover the capital programme plans.
- It was estimated that the borrowing requirement (CFR) at the end of the financial year 2024-25 would be circa £34m increasing to approximately £40m for the year 2025-26.
- To cover the £40m CFR it was projected to borrow £22m through external borrowing, £5m borrowing through finance lease arrangements, for our vehicle fleet and finally £13m through our own reserves and cash flows (internal borrowing).
- Current external borrowing for 2024-25, excluding finance leases, stood at £8m but an additional £7m short-term borrowing was being projected by year end to cover the approved capital costs.
- Any slippages to the capital programme expenditure and or additional capital receipts or grants received would reduce the amount of actual borrowing undertaken.
- The authorised limit for 2025-26 for the Council to borrow was set to £42.5m.
- In terms of our investment strategy, there were no plans to change the way we currently invested and section 7.1 of the report detailed the guidance the Council adheres to in regard to the investment policy.
- The Council's investment priorities remain as:
 1. Security,
 2. Portfolio liquidity; and
 3. Yield or return.

RESOLVED, that the decisions and recommendations of the Strategy and Resources Committee be endorsed.