

<b>Treasury Management Strategy Report 2026/27</b>	
<b>Executive Summary</b>	This report sets out the Council's Treasury Management Strategy for the year 2026/27. It sets out details of the Council's Treasury Management activities and presents a strategy for the prudent investment of the Council's resources. It also sets out the Council's approach to the deployment of capital resources in meeting the Council's overall aims and objectives.
<b>Options considered</b>	No other options considered. It is a requirement that the Treasury Management Strategy report must be approved by full Council each year in advance of the new financial year to ensure the Council is compliant with the CIPFA Treasury Management, CIPFA Prudential Codes and guidance issued by the Ministry of Housing, Communities & Local Government (MHCLG).
<b>Consultation(s)</b>	Portfolio Holder Section 151 Officer  This report has been prepared with the assistance of Link Treasury Services, the Council's Treasury Management advisors.
<b>Recommendations</b>	To recommend to Full Council that the Treasury Management Strategy 2026/27 is approved.
<b>Reasons for recommendations</b>	Approval by Full Council demonstrates compliance with the Prudential Codes to ensure. <ul style="list-style-type: none"> <li>• A flexible investment strategy enabling the Council to respond to changing market conditions.</li> <li>• Ensure compliance with CIPFA and MHCLG guidance.</li> <li>• Confirming capital resources available for delivery of the Council's capital programme.</li> </ul> It is a requirement that any proposed changes to the prudential indicators are approved by Full Council.
<b>Background papers</b>	The Council's Treasury Management Strategy 2025/26.  CIPFA Prudential Code (Treasury Management in the Public Services: Code of Practice 2021 Edition).  CIPFA Prudential Code (Capital Finance in Local Authorities: Code of Practice 2021 Edition).

<b>Wards affected</b>	All
<b>Cabinet member(s)</b>	Cllr. Lucy Shires
<b>Contact Officer</b>	James Moore/Claire Waplington Technical Accountant/Chief Technical Accountant

<b>Links to key documents:</b>	
Corporate Plan:	This report is required to ensure that the Council can demonstrate it is in a sound financial position and able to deliver the projects in the Capital Programme which support the Corporate Plan Objectives.
Medium Term Financial Strategy (MTFS)	This report supports the MTFS in confirming adequate financing is in place for the Council to operate its regular functions alongside delivering the Council's Capital Programme.
Council Policies & Strategies	N/A

<b>Corporate Governance:</b>	
Is this a key decision	No
Has the public interest test been applied	Not an exempt item.
Details of any previous decision(s) on this matter	N/A

## **1. Purpose of the report**

- 1.1 It is a requirement that Treasury Management activities and risk management be conducted within the framework of the Chartered Institute of Public Finance (CIPFA) Code (Treasury Management in the Public Services: Code of Practice 2021 Edition).
- 1.2 Under the provisions of the Local Government Act 2003, Local Authorities are required to comply with the guidance of the Prudential Code with regard to capital decisions.
- 1.3 It is a requirement that any proposed changes to the 2026/27 prudential indicators are approved by Full Council.

## **2. Introduction & Background**

- 2.1 Treasury management is the operation of the Council's cash flows, borrowing and investments alongside the associated risks. The Council has invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.
- 2.2 The strategy (See Appendix) also sets out the Council's approach and deployment of capital resources in meeting the Council's overall aims and objectives.

### **3. Proposals and Options**

3.1 Appendix A shows the Council's full Treasury Management Strategy for the 2026/27 financial year.

### **4. Corporate Priorities**

4.1 Ensuring there is adequate funding in place is essential to delivering the Council's Capital Programme which supports the Corporate Plan and MTFS.

### **5. Financial and Resource Implications**

5.1 This report is financial in nature and financial implications are included within the content of the report.

#### **Comments from the S151 Officer:**

*This report is financial in nature and financial implications are included within the content of the report.*

### **6. Legal Implications**

6.1 None as a direct consequence of this report.

#### **Comments from the Monitoring Officer**

*Whilst there are no specific legal or governance comments. It is noted that this is a necessary financial report to comply with the CIPFA Treasury Management Code of Practice.*

### **7. Risks**

7.1 Any financial risks or implications are included within the content of the report.

### **8. Net Zero Target**

8.1 None as a direct consequence of this report.

### **9. Equality, Diversity & Inclusion**

9.1 None as a direct consequence of this report.

### **10. Community Safety issues**

10.1 None as a direct consequence of this report.

### **11. Conclusion and Recommendations**

11.1 It is recommended that Full Council approves the Treasury Management Strategy 2026/27 to ensure the Council is compliant with the Prudential Codes.