CABINET
6 DECEMBER 2022

MID YEAR PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT MONITORING REPORT 2022/23

Responsible Cabinet Member -
Councillor Scott Durham, Resources Portfolio

Responsible Director -
Elizabeth Davison, Group Director of Operations

SUMMARY REPORT

Purpose of the Report

1. This report seeks approval of the revised Treasury Management Strategy, Prudential Indicators and provides a mid–year review of the Council's borrowing and investment activities. Cabinet are requested to forward the revised Strategy and indicators to Council for their approval and note changes to the MTFP with regard to the Treasury Management Budget (Financing Costs).

Summary

2. The mandatory Prudential Code, which governs Council's borrowing, requires Council approval of controls, called Prudential Indicators, relating to capital spending and borrowing. Prudential Indicators are set in three statutory annual reports, a forward looking annual treasury management strategy, a backward looking annual treasury management report and this mid-year update. The mid-year update follows Council's approval in February 2022 of the 2022/23 Prudential Indicators and Treasury Management Strategy.

3. The key objectives of the three annual reports are:

   (a) to ensure the governance of the large amounts of public money under the Council's Treasury Management activities:

      (i) Complies with legislation
      (ii) Meets high standards set out in codes of practice

   (b) To ensure that borrowing is affordable.

   (c) To report performance of the key activities of borrowing and investments.

4. The key proposed revisions to Prudential Indicators relate to:

   (a) The Operational Boundary will reduce to £156.699m and the Authorised Limit to £239.879m which will allow for any additional cashflow requirement.

5. Investments include £30m in property funds which are expected to increase our net return on investments by around £0.340m in future years.

Recommendation

6. It is recommended that :

   (a) The revised prudential indicators and limits within the report in Tables 1 to 6, 8, 10 and 12 to 17 are examined.

   (b) The Treasury Management Budget (Financing Costs) projected outturn shown in Table 11 is noted.

   (c) That this report is forwarded to Council in order for the updated prudential indicators to be approved.

Reasons

7. The recommendations are supported by the following reasons :-

   (a) In order to comply with the Prudential Code for Capital Finance in Local Authorities;
   (b) To inform Members of the performance of the Treasury Management function;
   (c) To comply with the Local Government Act 2003;
   (d) To enable further improvements to be made in the Council's Treasury Management function.

Elizabeth Davison
Group Director of Operations

Background Papers

(i) Capital Medium Term Financial Plan 2022/23
(ii) Prudential Indicators & Treasury Management Strategy 2022/23
(iii) Accounting records
(iv) The Prudential Code for Capital Finance in Local Authorities

Peter Carrick: Extension 5401

S17 Crime and Disorder	This report has no implications for S17 Crime and Disorder.
Health and Well Being	This report has no implications for the Council's Health and Well Being agenda.
Carbon Impact	There are no carbon impact implications in this report.
Diversity	There are no specific implications for the Council's diversity agenda.
Wards Affected	All Wards.
Groups Affected	All Groups.
Budget and Policy Framework	This report must be considered by Council.
Key Decision	This is not an executive decision.
Urgent Decision	For the purposes of call in this report is not an urgent decision.
Council Plan	This report has no particular implications for the Council Plan.
Efficiency	The report refers to actions taken to reduce costs and manage risks.
Impact on Looked After Children and Care Leavers	This report does not impact on Looked After Children or Care Leavers

MAIN REPORT

Information and Analysis

8. This mid-year review report meets the regulatory framework requirement of treasury management. It also incorporates the needs of the Prudential Code to ensure monitoring of the capital expenditure plans and the Council's prudential indicators (PIs). The Treasury Strategy and the PIs were previously reported to Council on 17 February 2022.

9. This report concentrates on the revised positions for 2022/23. Future year's indicators will be revised when the impact of the MTFP 2023/24 onwards is known.

10. A summary of the revised headline indicators for 2022/23 is presented in Table 1 below. More detailed explanations of each indicator and any proposed changes are contained in the report. The revised indicators reflect the movement in the Capital MTFP since its approval in February 2022 and the means by which it is financed.

Table 1 Headline Indicators

	2022/23 Original Estimate	**2022/23 Revised Estimate**
	£m	£m
Capital Expenditure (Tables 2 and 3)	76.970	71.466
Capital Financing Requirement (Table 4)	243.523	228.456
Operational Boundary for External Debt (Table 4)	185.966	156.699
Authorised Limit for External Debt (Table 6)	255.699	239.879
Ratio of Financing Costs to net revenue stream- General Fund (Table 14)	2.14%	2.14%
Ratio of Financing Costs to net revenue stream- Housing Revenue Account (HRA)(Table 14)	14.79%	14.93%

11. The capital expenditure plans and prudential indicators for capital expenditure are set out initially, as these provide the framework for the subsequent treasury management activity. The actual treasury management activity follows the capital framework and the position against the treasury management indicators is shown at the end.

12. The purpose of the report supports the objective in the revised CIPFA Code of Practice on Treasury Management and the Department for Levelling Up, Housing & Communities Investment Guidance which state that Members receive and adequately scrutinise the treasury service.

13. The underlying economic environment remains difficult for Councils and concerns over counterparty risk are still around. This background encourages the Council to continue investing over the shorter term and with high quality counterparties, the downside is that investment returns remain low.

Key Prudential Indicators

14. This part of the report is structured to update:

    (a) The Council's capital expenditure plans
    (b) How these plans are financed
    (c) The impact of the changes in the capital expenditure plans on the PI's and the underlying need to borrow
    (d) Compliance and limits in place for borrowing activity
    (e) Changes to the Annual Investment Strategy
    (f) The revised financing costs budget for 2022/23

Capital Expenditure PI

15. Table 2 shows the revised estimates for capital expenditure and the changes since the capital programme was agreed at the budget.

Table 2

Capital Expenditure by Service	2022/23 Original Estimate	2022/23 Revised Estimate
	£m	£m
General Fund	40.231	55.315
HRA	32.980	16.359
Total Estimated Capital Expenditure	**73.211**	**71.674**
Loans to Joint Ventures	3.759	(0.208)
Total	**76.970**	**71.466**

16. The changes to the 2022/23 capital expenditure estimates have been notified to Cabinet as part of the Capital Budget monitoring process (Quarterly Project Position Statement Report).

17. The current capital programme that has not already been financed now stands at £207.208m, but this includes a number of schemes that will be spent over a number of years not just in 2022/23. A reduction of £135.742m has been allowed for schemes which are known will be finalised in future years, but it is likely that other schemes will also slip into future years.

Impact of Capital Expenditure Plans

Changes to the financing of the Capital Programme

18. Table 3 draws together the main strategy elements of the capital expenditure plans shown above, highlighting the original elements of the capital programme, and the expected financing arrangements of this capital expenditure. The borrowing element (Borrowing Need) increases the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR). Borrowing need has reduced for 2022/23 due to schemes

that have been estimated to have slipped into future years. This direct borrowing need may also be supplemented by maturing debt and other treasury requirements.

Table 3

Capital Expenditure	2022/23 Original Estimate	2022/23 Revised Estimate
	£m	£m
General Fund	40.231	55.315
HRA	32.980	16.359
Loans to Joint Ventures	7.446	6.165
Total Capital expenditure	80.657	77.839
Financed By:		
Capital Receipts - Housing	0.303	0.303
Capital Receipts –General Fund	3.832	0.794
Capital grants	4.575	39.643
JV Repayments	3.687	6.373
HRA Revenue Contributions	17.618	13.384
HRA Investment Fund	0.000	2.672
Self-Financing - GF	20.000	9.119
Total Financing	50.015	72.288
Borrowing Need	**30.642**	**5.551**

The Capital Financing Requirement (PI), External Debt (PI) and the Operational Boundary

19. Table 4 shows the Capital Financing Requirement (CFR), which is the underlying external need to borrow for capital purposes. It shows the expected actual debt position over the period. This is called the Operational Boundary. The reduction in Borrowing Need (Table 3) is around £25.1m and currently actual borrowing for the Council is £144.082m. The reduction is due to slippage in the Housing programme and the Railway Heritage Quarter which is predominantly grant funded. It is proposed to set an actual borrowing figure of £148.582m this will accommodate the additional borrowing need and any debt requirements for cash flow purposes. Other Long-term liabilities (the PFI scheme) will be added to give the revised operational boundary for 2022/23.

Prudential Indicator- External Debt/ Operational Boundary

Table 4

	2022/23 Original Estimate	2022/23 Revised Estimate
	£m	£m
Prudential Indicator- Capital Financing Requirement		
Opening CFR- Post Audit of Accounts	**225.663**	**224.285**
CFR General Fund	141.661	143.275
CFR General Fund PFI/Leasing IFRS	8.117	8.117
CFR – Housing	77.225	67.225
CFR – Loans to Joint Ventures	16.520	9.839
Total Closing CFR	**243.523**	**228.456**
Net Movement in CFR	17.860	4.171
Borrowing	177.849	148.582
Other long-Term Liabilities	8.117	8.117
Total Debt 31 March- Operational Boundary	**185.966**	**156.699**

Limits to Borrowing Activity

20. The first key control over the treasury activity is a PI to ensure that over the medium term gross borrowing should not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2022/23 and the next two financial years. As shown in **Table 5** below.

Table 5

	2022/23 Original Estimate £m	2022/23 Revised Estimate £m	2023/24 Revised Estimate £m	2024/25 Revised Estimate £m
Gross borrowing	177.849	148.582	163.582	178.582
Plus Other Long Term Liabilities	8.117	8.117	7.011	5.912
Total Gross Borrowing	**185.966**	**156.699**	**170.593**	**184.494**
CFR* (year-end position)	243.523	228.456	241.924	255.398

* includes on balance sheet PFI schemes and finance leases

21. The Group Director of Operations reports that no difficulties are envisaged for the current and future years in complying with this PI.

22. A further PI controls the overall level of borrowing, this is the Authorised Limit which represents the limit beyond which borrowing is prohibited and needs to be set and revised by Members. It reflects the level of borrowing which while not desirable, could be afforded in the short term, but is not sustainable in the longer term. The Authorised Limit is currently set 5% above the Capital Financing Requirement to allow for any additional cashflow needs, the revised figure for 2022/23 has been raised by 5% of the new CFR total.

Whilst it is not expected that borrowing would be at these levels this would allow additional borrowing to take place should market conditions change suddenly and swift action was required. This is a Statutory limit determined under section 3 (1) of the Local Government Act 2003.

23. It is proposed to move the Authorised Limit in **Table 6** in line with the movement in the overall Capital Financing Requirement.

Table 6

Authorised Limit for External Debt	2022/23 Original Indicator £m	2022/23 Revised Indicator £m
Capital Financing Requirement	243.523	228.456
Additional headroom to Capital Financing Requirement	12.176	11.423
Total Authorised Limit for External Debt	**255.699**	**239.879**

Interest Rate Forecasts Provided by Link Asset Services (as at 9 August 2022)

24. A forecast of future interest rates was provided by the Council's treasury management advisors on 9th August to give an update to Audit Committee in September as part of this report. As members will be aware the economic position of the country has changed significantly, since this update was provided, with the financial landscape moving rapidly and possible further interest rates projected. Further updates will be provided in the next treasury management report update.

Table 7

	Bank Rate	**PWLB rates for borrowing purposes***			
		5 year	10 year	25 year	50 year
	%	%	%	%	%
2022/23					
Sept 2022	2.25	2.80	3.00	3.40	3.10
Dec 2022	2.50	3.00	3.20	3.50	3.20
March 2023	2.75	3.10	3.30	3.50	3.20
2023/24					
June 2023	2.75	3.10	3.30	3.50	3.20
Sept 2023	2.75	3.00	3.20	3.50	3.20
Dec 2023	2.50	3.00	3.10	3.40	3.10
March 2024	2.50	2.90	3.10	3.40	3.10
2024/25					
June 2024	2.25	2.90	3.00	3.30	3.00
Sept 2024	2.25	2.80	3.00	3.30	3.00
Dec 2024	2.25	2.80	3.00	3.20	2.90
March 2025	2.25	2.80	2.90	3.20	2.90

*PWLB rates above are for certainty rates (which are provided for those authorities that have disclosed their borrowing/capital plans to the government. Darlington Borough Council will be able to access these certainty rates which are 0.2% below PWLB's normal borrowing rates.

25. The coronavirus outbreak has done huge economic damage to the UK and to economies around the world.

26. Central banks in the developed economies have significantly quickened the pace of their monetary policy tightening. Although their policies are bespoke and reflect the economic backdrop in each of their countries, that is not to say there has not been a similar approach to dampening inflationary pressures that are still spiking upwards. In that respect, the US Federal Open Market Committee (FOMC) has led with increases of 225bps in the year to date, whilst the Bank of England's Monetary Policy Committee (MPC) has increased its Bank Rate by 150bps to 1.75%.

27. The latest Bank Rate increase was implemented on the 4 August. After an 8-1 vote in favour, Bank Rate shifted up 50bps from 1.25% to 1.75%, but the MPC was careful to keep its options open regarding future decision-making (also note that one vote was for only a 25bps increase). It tweaked its forward guidance in a couple of ways. First, it added that "policy is not on a pre-set path" and that the MPC will decide the "appropriate level of Bank Rate at each meeting". Second, it now says that "further changes" rather than "further increases" in Bank Rate "will reflect the Committee's assessment of the economic outlook and inflationary pressures". The first change suggests that rates will not automatically rise by 50bps at the next few meetings and that the higher rates go, the more important the level. The second change appears to open the door to rate cuts further ahead.

28. In addition, the MPC surprised the market with its candidness in respect of its UK economic growth forecast assumptions. It stated that the UK is in for five quarters of recession starting in Q4 2022 and running all the way through to the end of 2023. In the interim, it is projected that CPI inflation will exceed 13% in Q4 2022. Half of this increase can be attributed directly to gas/electricity price inflation and a further 2% - 2.5% to the indirect knock-on effects of higher energy on production/services.

29. Furthermore, the MPC said that it is "provisionally minded" to commence gilt sales of £10bn per quarter from the end of September. That means the balance sheet will soon start to shrink at a faster pace.

30. However, that said, the MPC appeared also to be sending dovish signals further ahead as the forecast recession involves a 2.2% decline in GDP and if interest rates rise to 3.00%, as the markets currently expect, inflation will be below the 2% target in three years' time. That appears to imply that rates don't need to rise as far as 3.00% and/or that at some point in the next three years rates will need to be cut again to boost inflation.

31. The Bank also acknowledged it has not taken account of the prospect of a change in Government policy regarding the potential tax cuts offered up by the new Prime Minister. If this policy change occurs, regardless of whether it is to a lesser or greater extent, it is likely to add to inflationary pressures and will be an additional issue for the MPC to consider in full at its November meeting.

32. There is a lot to digest from what the MPC has said and done but as has been apparent for some time, there is also a huge influence on UK gilt yields and their movements emanating from what happens with US Treasuries. Therefore, in putting together the interest rate

forecasts it is worth noting that should US inflation continue to be stubbornly high (currently the CPI reading is 9.1%) and the jobs reports continue to surprise on the upside (528,000 new jobs reported on Friday and unemployment at a record low of 3.5%), there is the prospect that any downward momentum in UK yields could be offset by Treasury yields shifting higher. Conversely, yield falls could also be supported by the Fed's determination to get inflation down in the US through robust monetary policy tightening.

33. Overall, the pace of the Bank Rate increases in the forecasts have quickened. We still have a peak of 2.75% in Q1 2023 but that is now based on a 50bps hike in September followed by two 25bps increases in Q4 and Q1. At this juncture, we feel the MPC will want to be seen to be remaining tough on inflation, but they will also be cognisant of the cost-of-living squeeze accelerating, following 60%+ gas/electricity price increases in October. Therefore, after Bank Rate moves up to 2.25% in September, we forecast the pace of rate increases will fall back again from Q4. However, the MPC could also reach 2.5% at the end of the year by implementing equal 25bps hikes in September, November and December. A further 25bps increase in Q1 2023 is our best estimate, but by then we should have a better understanding of whether inflation has peaked, how fast it is falling and what is happening in the broader economy following the important Christmas retail sales data and monthly jobs and wages data.

34. Regarding gilt yields, these have been on a march upwards since the turn of the year, but that march has been accompanied by significant bouts of volatility that have sometimes been not only hard to explain but also difficult to predict, including the direction of travel. The best judgment is that gilt yields across the curve have a little further to rise but only by 20 – 30bps, so a lower peak than we were forecasting back in June.

35. However, given the volatility we have witnessed in recent months, we are forecasting more of the same over the next couple of quarters at least. So, those clients looking to borrow will need to ensure they can act nimbly when the opportunity arises for locking out some interest rate certainty at attractive levels, whilst those looking to repay borrowing should take advantage of upward momentum in yields when that arises.

Treasury Management Strategy 2022/23 and Annual Investment Strategy Update

36. The Treasury Management Strategy Statement, (TMSS), for 2022/23 was approved by this Council on 17 February 2022.

37. There are no policy changes to the TMSS.

38. The details in this report update the position in the light of the updated economic position and budgetary changes already approved.

Debt Activity during 2022/23

39. The expected net borrowing need is set out in **Table 8**

Table 8

	2022/23 Original Estimate £m	2022/23 Revised Estimate £m
CFR (year-end position) from Table 4	243.523	228.456
Less other long term liabilities PFI and finance leases	8.117	8.117
Net adjusted CFR (net year end position)	**235.406**	**220.339**
Expected Borrowing	177.849	148.582
(Under)/ Over borrowing	**(57.557)**	**(71.757)**

40. The Council hasn't taken on any new debt in the current year to date.

41. The amount borrowed by the Council now stands at £148.582m, this excludes any additional cashflow loans which may be required.

42. There will still be an element of under-borrowing by the Council at the end of March 2023.

Debt Rescheduling

43. Debt rescheduling opportunities have been very limited in the current economic climate given the consequent structure of interest rates and following the increase in the margin added to gilt yields which has impacted PWLB new borrowing rates since October 2010. No debt rescheduling has therefore been undertaken to date in the current financial year.

Annual Investment Strategy 2022/23

Investment Portfolio

44. In accordance with the Code, it is the Council's priority to ensure security of Capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. It is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous years as rates are very low and in line with the current 0.10% Bank Rate. The continuing potential for a re-emergence of a Eurozone sovereign debt crisis together with other risks which could impact on the creditworthiness of banks prompts a low risk strategy. Given this risk environment investment returns are likely to remain low.

Treasury Management Activity from 1 April 2022 to 31 August 2022

45. Current investment position – The Council held £53.849m of investments at 31/08/2022 and this is made up of the following types of investment.

Table 9

Sector	Country	Up to 1 year
		£m
Banks	UK	12.000
AAA Money Market Funds	Sterling Funds	11.850
Property Funds - CCLA	UK	10.000
Hermes		10.000
Lothbury	UK	9.999
Total		**53.849**

Short Term Cashflow Investments

46. Cash balances are invested on a daily basis to maximise the benefit of temporary surplus funds. These include investments in Money Market Funds, the Government's Debt Management Office and bank short term notice accounts. A total of 61 investments were made in the period 1 April 2022 to 31 August 2022 totalling c£132m these were for short periods of up to 180 days and earned interest of £0.143m on an average balance of £32.893m which equated to an annual average interest rate of 1.02%.

Investment returns measured against the Service Performance Indicators

47. The target for our investment returns is to better or at least match a number of external comparators, this performance indicator is also known as yield benchmarking. As can be seen from Table 10, the short term investment achievements (up to 6 months) are above market expectations.

Table 10

	Cashflow Investments %
Darlington Borough Council - Actual	**1.02%**
External Comparators	
Sterling Overnight Index Average (SONIA) – 6 months	1.00%

Treasury Management Budget

48. There are three main elements within the Treasury Management Budget:-

    (a) Longer term capital investments interest earned – a cash amount of which earns interest and represents the Councils revenue balances, unused capital receipts, reserves and provisions, this will now include Property Funds.

    (b) Cash flow interest earned – the authority has consistently had a positive cash flow. Unlike long term capital investments it does not represent any particular sum but it is the consequence of many different influences such as receipt of grants, the relationship between debtors and creditors, cashing of cheques and payments to suppliers.

(c) Debt serving costs – this is the principal and interest costs on the Council's long term debt to finance the capital programme.

Table 11 - Changes to the Financing Costs Budget 2022/23

	£m	£m
Original Financing Costs Budget 2022/23		**0.637**
Add Increased debt costs	0.302	
Less Increased returns on Investments	(0.554)	
Add net reduced returns on Property Funds	0.252	
Total adjustments		**0.000**
Revised Treasury Management Budget 2022/23		**0.637**

49. This statement concludes that the Treasury Management budget is forecast to Outturn on budget in 2022/23, this will be reflected in the current MTFP projections.

Risk Benchmarking

50. A regulatory development is the consideration and approval of security and liquidity benchmarks. Yield benchmarks are currently widely used to assess investment performance and these are shown in Table 12. Discrete security and liquidity benchmarks are also requirements of member reporting.

51. The following reports the current position against the benchmarks originally approved.

52. **Security** – The Council's maximum security risk benchmarks for the current portfolio of investments, when compared to historic default tables were set as follows;

0.077% historic risk of default when compared to the whole portfolio

Table 12

Maximum	**Benchmark 2022/23**	**Actual May**	**Actual July**
Year 1	0.077%	0.007%	0.001%

N.B. this excludes Property Funds

53. The counterparties that we use are all high rated therefore our actual risk of default based on ratings attached to counterparties is very low.

54. **Liquidity** – In respect of this area the Council set liquidity facilities/ benchmark to maintain

(i) Bank overdraft - £0.100M
(ii) Liquid short term deposits of a least £3.000M available within a weeks notice
(iii) Weighted Average Life benchmark is expected to be 0.4 years with a maximum of 1 year

55. The Group Director of Operations can report that liquidity arrangements have been adequate for the year to date as shown in Table 13.

Table 13

	Benchmark 2022/23	Actual May	Actual July
Weighted Average Life	0.4 – 1 year	0.21 years	0.20 years

56. The figures are for the whole portfolio of cash flow investments deposited with Money Market funds on a call basis (i.e. can be drawn on without notice) as well as call accounts that include a certain amount of notice required to recall the funds.

Treasury Management Indicators

57. **Actual and estimates of the ratio of financing costs to net revenue stream** – This indicator identifies the trend in the cost of capital (financing costs net of interest and investment income) against the net revenue stream.

Table 14

	2022/23 Original Indicator	2022/23 Revised Indicator
General Fund	**2.14%**	**2.14%**
HRA	**14.79%**	**14.93%**

Treasury Management Prudential indicators

58. **Upper Limits on Variable Rate Exposure –** This indicator identifies a maximum limit for variable interest rates based upon the debt position net of investments.

59. **Upper Limits on Fixed Rate Exposure –** Similar to the previous indicator this cover a maximum limit on fixed interest rates

60. Historically for a number of years this Council has used these percentages; together they give flexibility to the treasury management strategy allowing the Council to take advantage of both fixed and variable rates in its portfolio whilst ensuring that its exposure to variable rates is limited.

Table 15

	2022/23 Original Indicator	2022/23 Revised Indicator
Limits on fixed interest rates	100%	100%
Limits on variable interest rates	40%	40%

61. **Maturity Structures of Borrowing -** These gross limits are set to reduce the Council's exposure to large fixed rate loans (those instruments which carry a fixed interest for the duration of the instrument) falling due for refinancing. The higher limits for longer periods reflect the fact that longer maturity periods give more stability to the debt portfolio.

Table 16 - **Maturity Structures of Borrowing**

	2022/23 Original indicator	**2022/23 Actual to Date**	**2022/23 Revised Indicator**
Under 12 months	25%	17%	30%
12 months to 2 years	40%	6%	40%
2 years to 5 years	60%	12%	60%
5 years to 10 years	80%	9%	80%
10 years and above	100%	57%	100%

62. **Total Principal Funds Invested –** These limits are set having regard to the amount of reserves available for longer term investment and show the limits to be placed on investments with final maturities beyond 1 year. This limit allows the authority to invest for longer periods if they give better rates than shorter periods. It also allows some stability in the interest returned to the Authority.

Table 17 - Principal Funds Invested

	2022/23 Original Indicator	**2022/23 Revised Indicator**
Maximum principal sums invested greater than 1 year	£50m	£50m

Conclusion

63. The prudential indicators have been produced to take account of the Council's borrowing position. The key borrowing indicator (the Operational Boundary) is £156.699m. The Council's return on investments has been good, exceeding both of the targets. Based on the first five months of 2022/23 the Council's borrowing and investments is forecast to be on target on the approved 2022/23 budget.

64. The Council's treasury management activities comply with the required legislation and meet the high standards set out in the relevant codes of practice.

Outcome of Consultation

65. No consultation was undertaken in the production of this report.