

Item No	Referred from:	CABINET
8B	Date:	16 JANUARY 2024
	Title of item:	SECOND QUARTER INVESTMENT STRATEGY (CAPITAL AND TREASURY) REVIEW 2023-24
To be considered alongside agenda item:		Agenda Item 11

The report considered by Cabinet at the meeting held on 16 January 2024 can be viewed here: [Agenda for Cabinet on Tuesday, 16th January, 2024, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#)

RECOMMENDED TO COUNCIL:

- (1) That it notes the position of Treasury Management activity as at the end of September 2023 including the new Capital items.
- (2) That it confirms the addition of the Local Authority Housing Fund Phase 2 to the capital programme for 2023/24 and approves the reprofiling of Bancroft & Priory Splash Pads from 2024/25 into 2023/24. Both as detailed in table 3.

REASON FOR RECOMMENDATION: To ensure the Council's continued compliance with CIPFA's code of practice on Treasury Management and the Local Government Act 2003 and that the Council manages its exposure to interest and capital risk.

Audio recording 1 hour 21 minutes 55 seconds

The Chair invited Councillor Sean Nolan, as Chair of the Finance, Audit and Risk Committee, to present the referral on this item. Councillor Nolan advised that the committee had raised a few items with increased costs, which included that:

- Options were still being sought for museum storage at Burymead, which was currently on hold.
- There were some concerns regarding the associated costs with the John Barker Place development and the impact of the contractor going into administration.
- There has been reduced costs of resurfacing of carparks, which was due to the better than expected conditions of the existing surfaces.
- Delays may mean that schemes would cost more due to inflation, but this would be partly off-set by increased returns from investing the money in the interim period.

Councillor Ian Albert, as Executive Member for Finance and IT, presented the report entitled 'Second Quarter Investment Strategy (Capital and Treasury) Review 2023/24' and advised that:

- This report detailed the reasons for the increase in investment income.
- Details of how the Council had complied with the Investment Strategy treasury and prudential indicators were detailed in the report and at Appendix B.

- The Local Authority Housing Fund allocation was fully funded by the grant and was to be referred to Council to confirm that it is in the capital programme as the amount is large, but the majority of the risk had been assumed by settle.
- Approval was sought for the replacement of CCTV cameras.

Councillor Ian Albert proposed and Councillor Keith Hoskins seconded and, following a vote, it was:

RESOLVED: That Cabinet

- (1) Noted the forecast expenditure of £8.225M in 2023/24 on the capital programme, paragraph 8.3 refers.
- (2) Approved the adjustments to the capital programme as a result of the revised timetable of schemes detailed in table 2, increasing the overall estimated spend in 2024/25 and beyond by £3.898M.
- (3) Noted the position of the availability of capital resources, as detailed in table 4 paragraph 8.6 and the requirement to keep the capital programme under review for affordability.
- (4) Approved the additional 40K spend on CCTV Replacement, as detailed in table 3.

REASON FOR DECISION: Cabinet is required to approve adjustments to the capital programme and ensure the capital programme is fully funded.

RECOMMENDED TO COUNCIL:

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REASON FOR RECOMMENDATION: To ensure the Council's continued compliance with CIPFA's code of practice on Treasury Management and the Local Government Act 2003 and that the Council manages its exposure to interest and capital risk.