

Item No	Referred from:	Finance, Audit and Risk Committee
6B	Date:	11 June 2025
	Title of item:	Investment Strategy (Capital and Treasury) End of Year Review 2024/25
To be considered alongside agenda item:		Agenda Item 12

The report considered by Finance, Audit and Risk Committee at the meeting held on 11 June 2025 can be viewed here: [Agenda for Finance, Audit and Risk Committee on Wednesday, 11th June, 2025, 7.30 pm | North Herts Council](#)

RECOMMENDED TO CABINET: The Finance, Audit and Risk Committee commented on the assumptions and information contained within this report, in the context that Cabinet agrees that:

- (1) That Cabinet notes expenditure of £11.362million in 2024/25 on the capital programme, paragraph 8.3 refers.
- (2) That Cabinet approves the adjustments to the capital programme for 2025/26 as a result of the revised timetable of schemes detailed in table 2, increasing the estimated spend by £5.202million.
- (3) That Cabinet notes the position of the availability of capital resources, as detailed in table 4 paragraph 8.7 and the requirement to keep the capital programme under review for affordability.
- (4) That Cabinet approves the application of £3.787million of capital receipts/set aside towards the 2024/25 capital programme, paragraph 8.7 refers.
- (5) Cabinet is asked to note the position of Treasury Management activity as at the end of March 2025.
- (6) Cabinet is asked to recommend this report to Council and ask Council to:
 - 1) Approve the actual 2024/25 prudential and treasury indicators as detailed in Appendix B.
 - 2) Note the annual Treasury Management Review for 2024/25 (Appendix B).

REASONS FOR RECOMMENDATIONS:

- (1) Cabinet is required to approve adjustments to the capital programme and ensure the capital programme is fully funded.
- (2) 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 7 minutes 15 seconds

N.B. Cllr Paul Ward declared an interest in this item due to his employment and left the chamber.

The Director – Resources presented the report entitled 'Investment Strategy (Capital and Treasury) End of Year Review 2024/25' and highlighted that:

- The schemes in the 2024/25 Capital Programme that would start or continue in 2025/26 were listed in Table 2.
- The changes to the overall costs of schemes in 2024/25 were detailed in Table 3.
- The Council had operated both within the treasury and prudential indicators set out in the Treasury Management Strategy Statement and in compliance with the Treasury Management Practices.
- The average interest rate agreed on new deals during the year was 5.26%. The current performance was achieving interest rates of around 4%, which was demonstrating the downward trajectory predicted.
- One breach of the Treasury Management rules was recorded during the year, which related to the combined balance of the Call Account and Current Account and was due to staff resourcing. The situation was resolved within 1 day. This would be reviewed to see whether it could be prevented from happening again.
- The full Treasury Management report was included as Appendix B to the report.

In response to a question from Independent Member John Cannon, the Director – Resources advised that all information in Appendix B pertained directly to North Herts District Council.

Councillor Vijaiya Poopalasingham proposed and Councillor Stewart Willoughby seconded and, following a vote, it was:

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N.B. Cllr Paul Ward returned to the Chamber at 20:47.