

<b>Item No</b>	<b>Referred from:</b>	<b>Finance, Audit and Risk Committee</b>
<b>6D</b>	<b>Date:</b>	<b>7 January 2026</b>
	<b>Title of item:</b>	<b>Second Quarter Treasury Management Review 2025/26</b>
<b>To be considered alongside agenda item:</b>		<b>Agenda Item 15</b>

*The report considered by Finance, Audit and Risk Committee at the meeting held on 7 January 2026 can be viewed here: [Agenda for Finance, Audit and Risk Committee on Wednesday, 7th January, 2026, 7.30 pm | North Herts Council](#)*

**RECOMMENDATION TO CABINET:** That Finance, Audit and Risk Committee comment on the recommendations to Cabinet which are:

(1) That Cabinet recommends to Council that it notes the position of Treasury Management activity as at the end of September 2025.

**REASON FOR RECOMMENDATION:** That Cabinet recommends to Council that it notes the position of Treasury Management activity as at the end of September 2025.

*Audio recording – 45 minutes 24 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 ‘Second Quarter Treasury Management Review 2025/26’ and highlighted that:

- There had been over-investment of £1M in this period, which related to a £4M investment in Blackpool Council, against the limit of £3M, and this was outlined at paragraph 8.2 of the report. A further step had been added to the process to ensure this over-investment did not happen again.
- The total interest earned to date, as well as the forecast to year end, was outlined in paragraph 8.3 of the report.
- The mix of investments was outlined a paragraph 8.4 of the report, with most of these being with other Local Authorities, although there were now some monies invested in Building Societies.
- Full details of investments were shown in paragraph 8.5 of the report, which included the risk of default and credit rating details.

In response to questions from Councillor Ruth Brown, the Director – Resources stated that:

- The point of the counterparty limit was to diversify the portfolio and therefore reduce the risk.
- The over-investment in Blackpool Council was for the period from August 2025 to December 2025. However, the money had now been returned in full and the overinvestment risk was over.
- If a Local Authority issued a Section 114 Notice, any investments with that Council would be repaid.

Councillor Vijaiya Poopalasingham proposed and Councillor Sarah Lucas seconded and, following a vote, it was:

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**REASON FOR RECOMMENDATION:** That Cabinet recommends to Council that it notes the position of Treasury Management activity as at the end of September 2025.

*N.B. Cllr Paul Ward returned to the Chamber at 20:32.*