

Item No	Referred from:	Finance, Audit and Risk Committee
6G	Date:	10 June 2026
	Title of item:	Treasury Management End of Year Review 2025-26
To be considered alongside agenda item:		Agenda Item 16

The report considered by the Finance, Audit and Risk Committee at the meeting held on 10 June 2026 can be found here: [Agenda for Finance, Audit and Risk Committee on Wednesday, 10th June, 2026, 7.30 pm | North Herts Council](#)

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

- (1) Cabinet is asked to note the position of Treasury Management activity as at the end of March 2026.
- (2) Cabinet is asked to recommend this report to Council and ask Council to:
 - a. Approve the actual 2025/26 prudential and treasury indicators as detailed in Appendix B.
 - b. Note the annual Treasury Management Review for 2025/26 (Appendix B).

REASONS FOR RECOMMENDATIONS: 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 – 2 hours 16 minutes 13 seconds

N.B. Councillor Paul Ward declared an interest in this item due to his employment and left the Chamber and did not return.

The Director – Resources presented the report entitled 'Treasury Management End of Year Review 2025-26' and advised that:

- This report detailed how the Council invested any surplus cash and provided an end of year picture. Overall, the balances were declining due to the planned capital spend and therefore there was less available to invest, but interest rates had stayed higher than expected.
- However, inflation was not coming down as quickly, therefore there were likely to be increased costs in some areas.
- The report detailed how investments were identified, including considering the security, liquidity (linked to cashflow) and yield of the investment.
- The detail of investments was included in the Appendix to the report.

N.B. Councillor Elizabeth Dennis returned to the Chamber at 21.49.

The following Members asked questions:

- Councillor Ruth Brown
- Independent Member John Cannon

In response to questions, the Director – Resources advised that:

- The short term, high interest investments from other authorities were offered to the Council as it was the best way for Council to get the funds they needed to balance their cash requirements.
- Investments can still be made in other authorities despite potential changes through Local Government Reorganisation. Any investments would be transferred to the new authority and it would be for the legacy authorities to decide how this repayment should be split.
- The referenced DMO investments were government investments.

Councillor Ruth Brown noted that it was positive to see investments moving away from organisations which did not meet the Environmental, Social and Governance requirements of the Council, following a motion passed at Full Council.

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

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