



Title of Report:	Treasury Management Mid-year Review 2025 - 2026
Committee Report Submitted To:	Finance Committee
Date of Meeting:	9 October 2025
For Decision or For Information	For information
To be discussed In Committee YES/NO	No

Linkage to Council Strategy (2021-25)	
Strategic Theme	Cohesive Leadership
Outcome	Council has agreed policies and procedures and decision making is consistent with them.
Lead Officer	Chief Finance Officer

Estimated Timescale for Completion	
Date to be Completed	

Budgetary Considerations	
Cost of Proposal	
Included in Current Year Estimates	YES/NO
Capital/Revenue	Revenue
Code	
Staffing Costs	

Legal Considerations	
Input of Legal Services Required	YES/NO
Legal Opinion Obtained	YES/NO

Screening Requirements	Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals.		
Section 75 Screening	Screening Completed:	Yes/No	Date:
	EQIA Required and Completed:	Yes/No	Date:
Rural Needs Assessment (RNA)	Screening Completed	Yes/No	Date:
	RNA Required and Completed:	Yes/No	Date:
Data Protection Impact Assessment (DPIA)	Screening Completed:	Yes/No	Date:
	DPIA Required and Completed:	Yes/No	Date:

1.1 Background

Treasury management is the management of the Authority's cash flows, borrowing and investments, and the associated risks. The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Authority's prudent financial management.

1.2 Detail

Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. In addition, the Department for Communities (DfC) issued *Guidance on Local Authority Investments* in November 2019 that requires the Authority to approve an investment strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the *Local Government Finance Act (Northern Ireland) 2011* to have regard to both the CIPFA Code and the DfC Guidance.

1.3 Review

The purpose of this report is to provide a mid-year review of what has taken place in terms of Treasury Management within the Council thus far during the 2025/26 financial year following on from the annual review of 2024/25 presented to Council in April 2025.

1.4 Borrowing

Council borrowing is used to fund various capital projects as approved by Council and as a result of this activity Council has an extensive portfolio of current loans. The table below shows a breakdown of these loans at the end of each of the last 4 quarters:

	Q3 – Dec 2024	Q4 – Mar 2025	Q1 – Jun 2025	Q2 – Sep 2025
Government loans	£39.92m	£37.93m	£37.93m	£35.99m
LOBO Loans	£2.0m	£2.0m	£0m	£0m
Other Commercial loans	£6.0m	£6.0m	£6.0m	£6.0m
Total Loans	£47.92m	£45.93m	£43.93m	£41.99m

Council continues to hold significant cash reserves therefore no new loans were borrowed during the year to date, Council instead utilising those reserves in the short term to finance capital expenditure thus avoiding incurring interest on loans. With interest rates having peaked officers have assessed whether or not a change of strategy would be prudent to potentially draw down some of the longer terms loans, the advice is currently still to utilize cash reserves and only borrow if necessary for the

short term to avoid locking in potentially higher interest over the life of a longer-term loan.

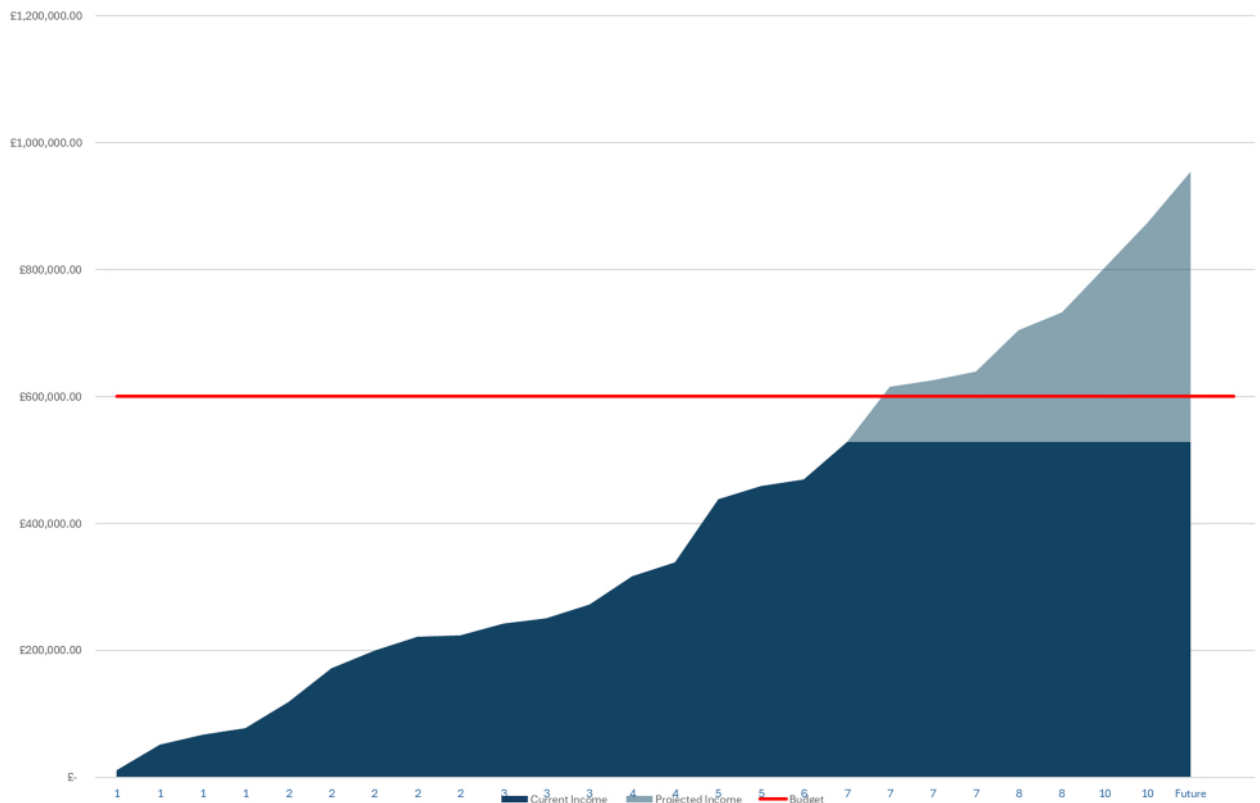
1.5 Investments

Council carried significant cash reserves into 2025/26 and despite the recent cut to interest rates there are still some decent returns to be gained with investment or lending. The table below details the cash held by Council at the end of each of the last 4 quarters up to the end of September 2025

	Q3 – Dec 2024	Q4 – Mar 2025	Q1 – Jun 2025	Q2 – Sep 2025
Cash Reserve	£2.4m	£6.5m	£2.6m	£0.8m

The next table and chart details actual investments made by Council maturing during the current year and the returns associated with those investments, the figures above do not include these investments where the maturity date straddles a quarter end.

Counter party	Principal	Start Date	Maturity Date	Rate	Yield
North Norfolk District Council	£ 2,000,000.00	14/03/2025	14/04/2025	6.35%	£ 10,786.30
Wirral Borough Council	£ 3,000,000.00	21/01/2025	22/04/2025	5.50%	£ 41,136.99
Wirral Borough Council	£ 3,000,000.00	21/03/2025	22/04/2025	6.00%	£ 15,780.82
Wrexham County Borough Council	£ 2,000,000.00	26/03/2025	25/04/2025	6.20%	£ 10,191.78
Canterbury City Council	£ 3,000,000.00	04/02/2025	05/05/2025	5.60%	£ 41,424.66
Bradford Metropolitan District Council	£ 5,000,000.00	03/03/2025	06/05/2025	6.00%	£ 52,602.74
Blackpool Borough Council	£ 2,000,000.00	20/02/2025	20/05/2025	5.70%	£ 27,797.26
Wirral Borough Council	£ 6,000,000.00	22/04/2025	22/05/2025	4.40%	£ 21,698.63
Blackpool Borough Council	£ 2,000,000.00	20/05/2025	29/05/2025	5.70%	£ 2,810.96
Central Bedfordshire Council	£ 5,000,000.00	08/05/2025	09/06/2025	4.25%	£ 18,630.14
Central Bedfordshire Council	£ 2,000,000.00	21/05/2025	23/06/2025	4.25%	£ 7,684.93
Wirral Borough Council	£ 6,000,000.00	22/05/2025	23/06/2025	4.20%	£ 22,093.15
North East Lincolnshire Council	£ 4,000,000.00	04/04/2025	04/07/2025	4.50%	£ 44,876.71
Wirral Borough Council	£ 6,000,000.00	23/06/2025	23/07/2025	4.30%	£ 21,205.48
Rabobank	£ 2,000,000.00	02/08/2024	01/08/2025	5.00%	£ 99,726.03
Wirral Borough Council	£ 6,000,000.00	23/07/2025	22/08/2025	4.15%	£ 20,465.75
Wirral Borough Council	£ 3,000,000.00	22/08/2025	22/09/2025	4.00%	£ 10,191.78
Central Bedfordshire Council	£ 5,000,000.00	23/06/2025	01/10/2025	4.30%	£ 58,904.11
Bradford Metropolitan District Council	£ 5,000,000.00	06/05/2025	06/10/2025	4.20%	£ 88,027.40
Wirral Borough Council	£ 3,000,000.00	22/09/2025	22/10/2025	4.10%	£ 10,109.59
London Borough of Waltham Forest	£ 4,000,000.00	24/09/2025	24/10/2025	4.10%	£ 13,479.45
Canterbury City Council	£ 3,000,000.00	05/05/2025	05/11/2025	4.30%	£ 65,030.14
Nat West 4 month CD	£ 2,000,000.00	17/07/2025	17/11/2025	4.08%	£ 27,498.08
Central Bedfordshire Council	£ 5,000,000.00	01/10/2025	30/01/2026	4.30%	£ 71,273.97
Bradford Metropolitan District Council	£ 5,000,000.00	06/10/2025	30/01/2026	4.40%	£ 69,917.81
Rabobank	£ 2,000,000.00	01/08/2025	31/07/2026	4.07%	£ 81,176.99
					£ -
Totals	£ 24,000,000.00			2025/26 Total	£ 873,344.66
				2026/27 and beyond	£ 81,176.99
				Grand Total	£ 954,521.65



1.6 Treasury Management Strategy

In line with Council's Treasury Management Strategy and despite the recent cut to interest rates Council will seek to continue making investments like those detailed in 1.5 above during the 2025/26 financial year where there are now sufficient returns to justify the action and whilst those returns are still likely to be modest they will still none the less provide an income stream to Council and assist to offset a little of the financial pressures currently being faced. The 2025/26 budget has included an estimated income from investments amounting to £600,000.