

MINUTE EXTRACT

AUDIT AND RISK MANAGEMENT COMMITTEE

Tuesday 28 January 2025

33 TREASURY MANAGEMENT STRATEGY 2025/26

The Senior Finance Manager introduced the report of the Director of Finance which presented the Treasury Management Strategy for 2025/2026. The strategy outlined the process for the management of the Council's cash flows, borrowing and investments, and risks associated with those activities. It was reported that Council had substantial sums of money both borrowed and invested and was therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. It was explained that the successful identification, monitoring and control of financial risk was therefore central to the Council's prudent financial management.

Members discussed how a diversification of investment within treasury management mitigated risks associated with market fluctuations.

Resolved – That

- 1. the report be noted; and**
- 2. The report be referred to Policy and Resources Committee with an onward recommendation to Council to approve:**
 - (1) The Treasury Management Strategy for 2025/2026, as set out in Appendix A to the report.**
 - (2) The Treasury Management Policy Statement, as set out in Appendix B of the report.**
 - (3) The Treasury Management Prudential Indicators for 2025/2026, as set out in Appendix C to the report.**