

---

## Annual Treasury Year-End Report 2023/24 - Report of the Leader and Executive – Item for Decision

Executive Member: Councillor Bill Revans – Leader of the Council and Lead Member for Governance and Communications

Division and Local Member: All

Lead Officers: Duncan Sharkey – Chief Executive and Alyn Jones – Executive Director for Strategy, Workforce and Localities

Author: Scott Wooldridge – Head of Governance and Democratic Services and Deputy Monitoring Officer and Mike Bryant – Service Manager - Democratic Services

Contact Details: [democratic@somerset.gov.uk](mailto:democratic@somerset.gov.uk) / 01823 357628

### 1. Summary

- 1.1 This report sets out the Leader’s and Executive’s recommendations to Council arising from their scheduled consideration of reports at the Executive meeting on 15 July 2024. The Executive also met on 5 June 2024, but there were no items considered at this meeting that require Full Council approval.

**Note: The references in this report to Paper A relate to the relevant report considered by the Executive containing specific recommendations for Full Council to consider and are appended to this report for reference.**

- 1.2 **Paper A (Annual Treasury Year-End Report 2023/24)** is scheduled to be considered at the Executive meeting on 15 July. The report recommends that the Executive endorse the report as being in compliance with the CIPFA Code of Practice for Treasury Management and recommends it to Full Council for consideration and approval.

This report provides a summary of the treasury management activity of Somerset Council for the financial year 2023-24, in compliance with the CIPFA Code of Practice and the Local Government Act 2003.

The Code requires Full Council to receive as a minimum, an annual strategy and plan in advance of the year, a mid-year review, and an annual report after its close. This is the year-end review for the 2023-24 financial year.

The report highlights that the debt portfolio at the start of year was £803.7m, which included £53m of loans between legacy councils and that

the overall position as at 31<sup>st</sup> March 2024 was a small reduction to £793.01 million by the end of the year with the average rate paid on debt increasing from 3.45% to 4.26%, mainly due to refinancing short-term borrowing at higher rates.

The report further details the inherited investment portfolio of £295.75 million from the five legacy councils, noting that was reduced to £192.15 million by the end of the year. The report further details that the average return on investments was 4.80%, slightly below the benchmark rates.

## **2. Recommendations**

- 2.1 Paper A (Annual Treasury Year-End Report 2023/24)** – see Paper A and its appendices that the Executive is scheduled to consider at its meeting on 15 July 2024.

**The Council is recommended to approve the Annual Treasury Year-End Report 2023/24 as being in compliance with the CIPFA Code of Practice for Treasury Management.**

## **3. Options considered and consultation undertaken**

- 3.1** Options considered and details of consultation undertaken in respect of the recommendations set out above are set out in the reports and appendices within Paper A.

## **4. Implications**

- 4.1** Financial, legal, Human Resources, equalities, human rights and risk implications in respect of the recommendations set out in this report are detailed within Paper A.

It is essential that consideration is given to the legal obligations and in particular to the need to exercise the equality duty under the Equality Act 2010 to have due regard to the impacts based on sufficient evidence appropriately analysed.

The duties placed on public bodies do not prevent difficult decisions being made such as, reorganisations and service reductions, nor does it stop decisions which may affect one group more than another. What the duties do is require consideration of all of the information, including the potential impacts and mitigations, to ensure a fully informed decision is made.

## **5. Background Papers**

- 5.1** These are set out within Paper A and its appendices.