

Report to Council

Subject: Annual Treasury Activity Report 2025/26

Date: 30th September 2026

Author: Chief Finance & Section 151 Officer

Purpose

To seek Council approval of the Annual Treasury Activity Report 2025/26, following its consideration by Cabinet on 25 June 2026, and to confirm the outturn position in respect of the 2025/26 Prudential Code Indicators and treasury management activity for the year.

Recommendation(s)

THAT:

- 1) Council approve the Annual Treasury Activity Report 2025/26, as considered by Cabinet on 25 June 2026, in accordance with the requirements of the Council's Treasury Management Strategy.

1 Background

- 1.1 The Council is required to operate its treasury management activities in accordance with the Chartered Institute of Public Finance and Accountancy's Treasury Management Code of Practice and the Prudential Code for Capital Finance in Local Authorities. These require the Council to set and monitor prudential and treasury indicators and to report treasury management activity to Members during and after the financial year.
- 1.2 The Annual Treasury Activity Report 2025/26 was presented to Cabinet on 25 June 2026. The report informed Members of the outturn position

against the 2025/26 Prudential Code Indicators and provided details of treasury activity for the year, as required by the Council's approved Treasury Management Strategy.

- 1.3 Treasury management is concerned with the effective management of the Council's cash flows, borrowing and investments, and the associated risks. The Council's treasury activity is managed in accordance with the principles of security, liquidity and yield, with security of the Council's funds remaining the primary consideration.
- 1.4 Full Council approval is required to complete the formal governance process for the annual treasury activity report and to ensure that Members have considered the Council's treasury management performance for 2025/26.

2 Proposal

- 2.1 It is proposed that Council approve the Annual Treasury Activity Report 2025/26, following its consideration by Cabinet on 25 June 2026.
- 2.2 The report confirms the outturn position in respect of the prudential indicators approved for 2025/26 and sets out the treasury activity undertaken during the year. This provides assurance that treasury management activity has been monitored and reported through the Council's governance arrangements.
- 2.3 Approval of the report will ensure compliance with the Council's Treasury Management Strategy and the associated reporting requirements under the Prudential Code and Treasury Management Code of Practice.
- 2.4 The Annual Treasury Activity Report is attached at Appendix 1 for consideration and approval by Council.

3 Alternative Options

- 3.1 Council could determine not to approve the Annual Treasury Activity Report 2025/26.
- 3.2 This option is not recommended because the report forms part of the Council's treasury management governance framework and is required to demonstrate that Members have received and considered the annual outturn position.
- 3.3 Failure to approve the report would weaken the Council's treasury management reporting arrangements and would not support compliance with the Council's approved Treasury Management Strategy and relevant professional codes.

4 Financial Implications

- 4.1 The financial implications arising from treasury management activity during 2025/26 are set out in the Annual Treasury Activity Report attached at Appendix 1.
- 4.2 Treasury management activity supports the effective management of the Council's cash flow, investments and borrowing requirements. This contributes to the delivery of the Council's approved revenue and capital budgets and its wider financial strategy.
- 4.3 There are no additional financial implications arising directly from this report beyond those set out in the Annual Treasury Activity Report.

5 Legal Implications

- 5.1 The Council is required to have regard to the Prudential Code and Treasury Management Code of Practice when carrying out its treasury management functions.
- 5.2 The annual reporting of treasury management activity supports compliance with the Council's approved Treasury Management Strategy and ensures that Members are informed of treasury performance and prudential indicator outturns.
- 5.3 There are no further legal implications arising directly from this report.

6 Local Government Reorganisation Implications

- 6.1 There are no direct Local Government Reorganisation implications arising from this report.
- 6.2 Treasury management activity will continue to be managed prudently during the period of local government reorganisation, with appropriate regard to cash flow, investment security and the Council's approved financial strategies.
- 6.3 The Annual Treasury Activity Report provides assurance on the 2025/26 position and supports sound financial governance during a period of wider organisational change.

7 Equalities Implications

- 7.1 There are no direct equality implications arising from this report.
- 7.2 Treasury management activity is a corporate financial function and does not directly affect service users or specific groups with protected

characteristics.

- 7.3 Any equality implications arising from the use of Council resources are considered through the relevant service, budget or decision-making processes.

8 Carbon Reduction/Environmental Sustainability Implications

- 8.1 There are no direct carbon reduction or environmental sustainability implications arising from this report.
- 8.2 Treasury management activity is concerned with the management of the Council's cash flows, investments and borrowing and does not directly determine environmental outcomes.
- 8.3 Where financial decisions support specific capital or service activity, any relevant environmental implications are considered through the appropriate project or budget approval process.

9 Appendices

- 9.1 Appendix 1 – Annual Treasury Activity Report 2025/26, considered by Cabinet on 25 June 2026.

Statutory Officer approval

Approved by:

Date:

On behalf of the Chief Financial Officer

Approved by:

Date:

On behalf of the Monitoring Officer