

MINUTES OF THE TREASURY MANAGEMENT AND INVESTMENT SUB COMMITTEE

held on 13th October 2025

Present:

Councillor K. Franks (Chair)

Councillors S. Hall, M. Sismey, A. Sosin, N. Walsh and R. Whitehead

Also in attendance:

Councillors P. Clark, C. Davidson

1. Apologies for Absence and Substitutions

No apologies were received.

2. Minutes

The minutes of the meeting held on 16 June 2025, were agreed as a correct record.

3. Declaration of Interests

All Members were reminded to declare any Disclosable Pecuniary interests or other registerable interests where appropriate in any items of business on the meeting's agenda. None were made.

4. Public Question Time

No public questions or statements were received for the meeting.

5. Treasury Management Mid-Year Review 2025/26

The Sub-Committee received the Mid-Year Review report on Treasury Management activities for 2025/26 as required by the CIPFA Code of Practice for Treasury Management.

In accordance with the CIPFA Code of Practice, the mid-year review of the Council's treasury management function and activities in 2025/26 was presented to the Sub-Committee. The review examined the position with the Council's investments on 31 August 2025 and compared treasury activity to the approved Treasury Management Strategy. The Sub-Committee was asked to consider whether any amendments to the Strategy were necessary and, if so, to recommend them to Cabinet and then Full Council.

The Sub-Committee was advised that all Investment and borrowing undertaken was within rules set in the Treasury Management strategy approved by February Council.

Officers advised that no external borrowing had been undertaken to date but the latest forecast for Year-end external borrowing is £34m, this is lower than previously forecast due capital expenditure being later than estimated.

The Sub-Committee was advised that the Council continued to invest in three Multi Asset Diversified Income Funds. It was noted that the annualised income yield across the funds was 4.81% on the April 2025 valuation. The performance of the asset funds as a whole had provided a higher income return than cash investments, however the CCLA Cautious Multi Asset Diversified Income Fund continued to underperform compared to the rest of the portfolio. Holdings of the Cautious fund were likely to be reduced or fully disposed under delegation by the s151 officer.

In response to questions, it was reported that the CCLA fund was showing a £300,000 loss and had not recovered value during the financial year, unlike the other two funds held by the Council. Its performance had been discussed with the fund manager, who indicated that recovery would be slow, over many years. The Council had a reserve that could be used to finance the loss if the fund were disposed of. The source of the reserve was the capital gain made on disposal of the Council's holding of the CCLA property fund. While there had been some improvement in value of the Cautious fund in September, overall performance had remained volatile. It was noted that the yield on the fund remained low. The current position was that the fund was likely to be disposed of in stages.

It was RESOLVED that:

1. The Treasury Management and Investment Sub-Committee noted the contents of the Mid-Year Review report on Treasury Management activities for 2025/26.
2. The Sub-Committee agreed to ask Cabinet to seek Full Council approval of the report and confirm that no changes to the 2025/26 Treasury Management Strategy are required.

(7.02pm to 7:11pm)

6. Urgent Business

There were no matters of urgent business.

The meeting closed at pm.

Chair