

Meeting: Audit Committee **Date:** 26 March 2024

Wards affected: All wards in Torbay

Report Title: Treasury Management Mid-Year Review 2024/25 - Revisions

When does the decision need to be implemented? Immediate

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1. Purpose of Report

- 1.1 The 2024/25 Treasury Management Mid-Year Review was presented to Audit Committee at the November 2024 meeting. Unfortunately, a number of small errors were identified in the report, this update identifies the errors and provides the committee with the correct figures.
- 1.2 The majority of the figures in the mid-year report are providing information as at a point in time, the errors related to the investment balance figures as at the reporting period end (30th September 2024).
- 1.3 The Finance team have reviewed practices and procedures to ensure that the likelihood of this happening is eliminated for future reports to the committee.

2. Reason for Proposal and its benefits

- 2.1 To update the committee on errors identified in the 2024/25 Mid-Year Treasury Management report and report the correct figures to the committee.

3. Recommendation(s) / Proposed Decision

- 3.1 That audit committee note the errors and the updated figures in respect of the 2024/25 Treasury Management Mid-Year Report.

Appendices

Appendix 1: Updated Borrowing and Investment Portfolio at 30th September 2024

Background Documents

[Treasury Management Strategy 2425.pdf \(torbay.gov.uk\)](#)

Supporting Information

1. Introduction

1.1 The 2024/25 Treasury Management Mid-Year Review was presented to Audit Committee at the November 2024 meeting. Unfortunately, a number of small errors were identified in the report, this update identifies the errors and provides the committee with the correct figures.

2. Report Errors and Corrections

2.1 There were two tables in the main report that contained incorrect figures and Appendix 3 - Borrowing and Investment Portfolio at 30th September 2024. The tables with incorrect figures were:

- Table 2: Treasury Management Summary
- Table 4: Treasury Investment Position

2.2 Table 2 included a figure of £80m as total investments as at 30.9.24, this figure should have been £79m with the long-term investment figure reducing by £1m. The table included in report is detailed below.

Table 2: Treasury Management Summary

	31.3.24 Balance £m	Movement £m	30.9.24 Balance £m	30.9.24 Rate %
Long-term borrowing	359	(3)	356	2.91
Short-term borrowing	0	0	0	0
Total borrowing	359	(3)	356	2.91
Long-term investments	(15)	(6)	(21)	4.72
Short-term investments	(35)	(24)	(59)	5.00
Cash and cash equivalents	(0)	(0)	(0) ✓	
Total investments	(50)	(30)	(80)	4.93

The long-term investment figure is £20m which reduces the investment balance as at 30.9.24, see updated table below.

UPDATED - Table 2: Treasury Management Summary

	31.3.24 Balance £m	Movement £m	30.9.24 Balance £m	30.9.24 Rate %
Long-term borrowing	359	(3)	356	2.91
Short-term borrowing	0	0	0	0
Total borrowing	359	(3)	356	2.91
Long-term investments	(15)	(5)	(20)	4.72
Short-term investments	(35)	(24)	(59)	5.00
Cash and cash equivalents	(0)	(0)	(0)	
Total investments	(50)	(29)	(79)	4.93

This figure feeds through to table 4, see below for the revised balances.

- 2.3 Table 4 which is the Treasury Investment Position included a number of errors. The '30.9.24 Balance £m' had an addition error of £2m and the total of £86.6m was incorrect and should have totalled £79m. The table 4 included in the November report is below:

Table 4: Treasury Investment Position

	31.3.24 Balance £m	Net Movement £m	30.9.24 Balance £m	30.9.24 Income Return %	30.9.24 Weighted Average Maturity days
Banks & Building Societies	0.3	0.0	0.3	3.20	1
Government Bonds	3.3	14.3	17.6	4.50	5,601
Local Authorities	35.0	12.0	47.0	4.78	198
Corporate Bonds	2.0	0.0	2.0	4.28	1,599
Money Market Funds	4.6	10.7	15.3	4.94	1
Other Pooled Funds:					
- Property fund	4.4	0.0	4.4	4.86	-
Total Investments	49.6	37.0	86.6	4.73	1,189

The correct table and figure are shown below and the amended figures are highlighted:

UPDATED - Table 4: Treasury Investment Position

	31.3.24 Balance £m	Net Movement £m	30.9.24 Balance £m	30.9.24 Income Return %	30.9.24 Weighted Average Maturity days
Banks & Building Societies	0.3	0.0	0.3	3.20	1
Government Bonds	3.3	14.3	17.6	4.50	5,601
Local Authorities	35.0	12.0	47.0	4.78	198
Corporate Bonds	2.0	0.0	2.0	4.28	1,599
Money Market Funds	4.6	10.7	7.8	4.94	1
Other Pooled Funds:					
- Property fund	4.4	0.0	4.4	4.86	-
Total Investments	49.6	37.0	79.0	4.73	1,189

- 2.4 Appendix 3 of the November report detailed the borrowing and investment portfolio as at 30th September 2024. The appendix included an error in respect of the short term investments and the total value of the investments.
- 2.5 The total value included in the report was £9.55m, the correct balance as at 30th September for short term investment was £58.75m. The updated appendix is attached to this report.