

London Borough of Waltham Forest

Report Title	2025-26 Treasury Management Mid-Year Review
Meeting / Date	Full Council Committee, 16 th October 2025
Directorate	Resources
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Wards affected None specifically

Public access Open

Appendices 2025-26 Treasury Management Mid-Year Review

1. Summary

This report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management requires the Council to report on treasury management activities to Full Council at least twice a year (Mid-year and Year end). The Council's Treasury Management Strategy Statement (TMSS) for 2025/26 was approved at the Full Council on the 27th February 2025. This committee has been provided with training as recommended by the CIPFA Code of Practice. The Member's training will take place prior to this meeting commencement.

The Full Council's Committee are asked to approve the 2025-26 Treasury Management Mid-Year Report. This report covers the following: -

- An economic update for the first six months of the current financial year
- A review of the Treasury Management Strategy and Annual Investment Strategy
- The Authority's capital expenditure

- A review of the Council's investments portfolio as at 30th September 2025.
- A review of the Council's borrowing strategy for 2025/26
- A review of any debt rescheduling undertaken during 2025/26
- A review of compliance with Treasury and Prudential Limits for 2025/26.

2. The Key highlights of the Mid-Year report are as follows:

- 2.1 The Council maintained an average investments balance of £49.9m and the average interest earned for the first six months of the year was 4.24% against a benchmark of o/n average SONIA (Sterling Overnight interbank average rate) at 4.21%.

All treasury management activities within the first half of the year have been in accordance with the approved limits and prudential indicators as set out in the Treasury Management Strategy Statement 2025/26. There was no breach of the Council's prudential indicators and treasury indicators.

2.2 Treasury Summary

The Council held £33.4m of investments with an average interest rate of 4.05% as at 30th September 2025. This comprises of (Call account - £71k and money market - £33.3m).

No investment exceeded 365 days.

The debts portfolio as of 30th September 2025 was £489.7m with an average interest payable of 3.92% and an average maturity of 22.5 years. This comprises of (PWLB -386.2m, Market loans 33.5m, Salix loans £68k and temporary loans – 69.9m).

The Council did not execute PWLB long-term borrowing for the 6 months period to 30th September 2025.

3. Recommendation

3.1 The Full Council Committee:

- 3.1.1 To approve the treasury management activities from 1st April 2025 to 30th September 2025 as detailed in 2025-26 Treasury Management Mid -Year Report (page 4-6 on appendix).

4. Background

4.1 Treasury Management in the context of the report is defined as:

“The Management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.” (CIPFA Treasury Management Code of Practice 2021).

4.2. The Council has powers under Part 1 of the Local Government Act 2003 to borrow (i.e. prudential borrowing) and invest money in accordance with statute. In carrying out these functions, the Council is required to have regard to statutory guidance, which is currently found in the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice. As this is statutory guidance, the Council should follow the guidance unless there is good reason not to. The Guidance requires the Council to agree a treasury strategy for borrowing and to prepare an annual investment strategy, an interim report, and an annual treasury management review.

4.3 The attached appendix is presented to the Full Council Committee to approve the mid- year Treasury Management Strategy. The report includes details of the forecasted outturn for capital expenditure, as well as borrowing and investment forecasts based on cash flow and the capital expenditure.

5. Conclusion

5.1 The Treasury Management Team and Treasury Strategy Group are consulted on the content of this report. Members of these groups includes the following officers: Strategic Director of Resources, Corporate Director of Financial Services, Asst. Director of Pensions and Treasury, Chief Accountant, Strategic Finance Advisers and Treasury Manager.

6. Implications

6.1. Finance, Value for Money and Risk

6.1.1 This report details financial activity and possible future proposals in respect of treasury strategy. Any proposed changes will be made to maximise the value and effective utilisation of the Council's finances and in accordance with CIPFA's Code of Practice.

6.2. Legal

6.2.1 The Council's constitution provides that all money held by the Council shall be aggregated for the purposes of Treasury Management and shall be under the control of the officer responsible for the proper administration of the Council's financial affairs the Strategic Director of Resources (Section 151 officer).

6.2.2 This report sets out the Council's position regarding its legal requirements under the CIPFA Prudential Code, Code of Practice on Treasury Management in Local Government, and other regulations.

6.3. Equalities and Diversity

6.3.1 There are no specific implications.

6.4. Sustainability (including climate change, health, crime and disorder).

6.4.1 There are no specific implications.

6.5. Council Infrastructure (e.g. human resources, accommodation or IT issues

6.5.1 There are no specific implications.

Background Information (as defined by Local Government (Access to Information) Act 1985)

There are no background papers for this report which require listing.