

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

**AUDIT AND GOVERNANCE COMMITTEE – WEDNESDAY, 5
AUGUST 2026**



Title of Report		TREASURY MANAGEMENT UPDATE REPORT (Q1)
Presented by	Anna Crouch Head of Finance & Deputy S151	
Background Papers	Council - 19 February 2026 Capital Strategy, Treasury Management Strategy and Prudential Indicators 2026/27 Cabinet - 28 July 2026 2025/26 General Fund Provisional Outturn	Public Report: Yes
Financial Implications	There are no financial implications as a direct result of this report.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	There are no legal implications as a direct result of this report.	
	Signed off by the Deputy Monitoring Officer: yes	
Staffing and Corporate Implications	There are no staffing or corporate implications as a direct result of this report.	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To inform the Committee of the Council's Treasury Management Activity for the period April to June 2026 (Quarter 1).	
Recommendations	THAT THE COMMITTEE NOTES THE TREASURY MANAGEMENT 2026-27 QUARTER 1 ACTIVITY REPORT (APPENDIX A).	

1.0 BACKGROUND

- 1.1 Treasury Management activity is underpinned by the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code), which requires local authorities to produce Prudential Indicators and a Treasury Management Strategy Statement annually on the likely financing and investment activity. The Treasury Management Strategy was approved by Council on 19 February 2026.
- 1.2 As a minimum, the Code requires that the Council approves reports on the performance of the Treasury Management function at least twice per year (mid-year and at year end). The Council goes beyond this requirement by issuing quarterly reports to the Audit and Governance Committee which provide additional updates and includes the new requirement in the 2021 Code, mandatory from 1 April 2023, of quarterly reporting of the treasury management prudential indicators.

- 1.3 Appendix A is the quarter one report for the financial year 2026/27 designed to inform the Committee of the Council's treasury activity and enable scrutiny of activity and performance.

2.0 SUMMARY

- 2.1 In compliance with the requirements of the CIPFA Code, Appendix A provides the Committee with a summary report of the Treasury Management activity for the period April 2026 to June 2026. A prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield.

Policies and other considerations, as appropriate	
Council Priorities:	The Treasury Strategies and Prudential Indicators help the Council achieve all its priorities: - Planning and Regeneration - Communities and Housing - Clean, Green and Zero Carbon - A Well-Run Council.
Policy Considerations:	Not applicable
Safeguarding:	Not applicable
Equalities/Diversity:	Not applicable
Customer Impact:	Not applicable
Economic and Social Impact:	Not applicable
Environment, Climate Change and Zero Carbon	The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing. Where practical, when making investment decisions ESG will be considered and counterparties with integrated ESG policies and commitments to carbon reduction.
Consultation/Community/Tenant Engagement:	Not applicable
Risks:	Borrowing and investment both carry an element of risk. This risk is mitigated through the adoption of the Treasury and Investment Strategies, compliance with the CIPFA Code of Treasury Management and the retention of Treasury Management advisors (Arlingclose) to proffer expert advice. In addition, effective treasury management is critical to ensuring the Council maintains adequate liquidity and access to funding to support the continued delivery of Council services. Failure to maintain robust treasury management arrangements could adversely impact service provision and financial resilience.
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