

**Revenue Budget Setting 2021/22 to 2023/24**

**Directorate:** Resources and Assets

Bid No.	Type	Bid Name	Cumulative movement from 20/21*			RAG Status
			2021/22	2022/23	2023/24	
R&A.8	Special Item	Reduction in returns of treasury investments	£387,000	£0	£0	Green
		<b>Total</b>	<b>£387,000</b>	<b>£0</b>	<b>£0</b>	

Growth	£0	£0	£0
Invest to Save	£0	£0	£0
Savings	£0	£0	£0
Special Item	£387,000	£0	£0

\* Special Items - Non Cumulative

## Revenue Budget Setting 2021/22 to 2023/24

<b>Directorate</b>	Resources and Assets
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### Bid Details

<b>Bid Type</b>	Special Item	One off budget (i.e. not permanent / recurring). Positive figure for increasing expenditure or reducing income. Negative figure for reducing expenditure or increasing income
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<b>Bid Name</b>	Reduction in returns of treasury investments
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<b>Description of Bid Inc. (Reason for Bid i.e. Demand / Legislative / Discretionary)</b>	Due to Covid19, interest rates are at historic low level and economic uncertainty has increased. This has had a significant impact on market returns from treasury management investments with average returns going from 0.75% – 0.90% to 0.10% - 0.25%.
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<b>Supporting Evidence / Trend Analysis / Business Case ref</b>	Forecasting from Link Asset Services and Capital Economics both indicate that there is no market expectation of a rise in the BoE base rate (currently 0.10%) until at least the third quarter of 2022.
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<b>Impact if bid not successful</b>	Income budget will not be achieved
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<b>Additional comments</b>	Treasury management investments are made within the parameters set out in the treasury management strategy, which has a focus on liquidity and security ahead of yield. Since the start of Covid19, due to uncertainty on cashflow, investments have been kept short term to minimise risks.
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### Finance Information

		Yr 1	Yr 2	Yr 3
		2021/22	2022/23	2023/24
Amount needed per year	Expenditure	£387,000	£0	£0
	Income	£0	£0	£0
<i>Cumulative movement from 20/21 budget</i>		£387,000	£0	£0

<b>RAG Status</b> (Certainty around financial request and project delivery)	Green	High certainty on figures and project delivery
	Amber	Some certainty on figures and project delivery
	Red	Low certainty on figures and project delivery

<b>Select "RAG Status"</b>	Green
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<b>Comments regarding RAG Status</b>	
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### Benchmarking

<b>Supporting benchmarking information</b> (Unit cost, demand stats, comparison to LAs, etc)	
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### Sign Off

Service Manager	Martin Jones
Assistant Director	Post Vacant
Director	Graham Ebers, Deputy Chief Executive
Lead Member Briefed	John Kaiser