	Audit and Standards Advisory Committee 30 November 2026
	Report from the Corporate Director, Finance and Resources
	Lead Member - Deputy Leader & Cabinet Member for Finance & Resources (Councillor Gwen Grahl)

Treasury Management Strategy Report 2027/28

Wards Affected:	All
Key or Non-Key Decision:	Not Applicable
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
List of Appendices:	Four Appendix 1: Draft Treasury Management Strategy 2027/28 – incorporating Appendix 2: Economic Commentary & Interest Rate Forecast Appendix 3: Average Rate Vs Credit Risk Appendix 4: Existing Investment & Debt Portfolio
Background Papers:	None
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1.0 Executive Summary

1.1 This report presents the draft Treasury Management Strategy (TMS) for 2027/28 for consideration by the Committee. The final version of the TMS incorporating the views of this Committee will be included in the annual Budget Setting Report to be presented to Cabinet and Full Council in

February 2027. Highlighted areas to be updated for the final version of the report.

1.2 Key emerging points are as follows:

1. Growth in Council debt to fund the capital programme as shown in Table 1.

2. Council's capital programme based on Period 6 forecast (subject to change) as shown in Table 2.

3. Borrowing Strategy as set out in paragraph 27.

4. Treasury Investment Strategy as set out in paragraph 43.

5. Investment limits and approved counterparties shown in paragraph 49.

6. Treasury management prudential indicators are set out in paragraph 72.

2.0 Recommendation(s)

2.1 That the Audit and Standards Advisory Committee considers and comments on the draft Treasury Management Strategy 2027/28 included in Appendix 1.

3.0 Detail

3.1 Contribution to the Council Plan, *Believe in Brent 2026 – 2030* & Strategic Context

3.1.1 Treasury Management underpins all aspects of financial management within the Council which enables the delivery of the priorities and objectives within the Borough Plan. Treasury Management activities are strictly regulated, and the Audit & Standards Advisory Committee have the responsibility of scrutinising the Treasury Management function in line with CIPFA's Prudential Code (2021) including reviewing the draft Strategy each year.

3.1.2 The Strategy sets out the framework for Treasury Management activity in 2027/28 and includes details on:

- Borrowing Strategy and sources of debt finance
- Investment Strategy, investment types and prescribed limits
- Treasury Management Indicators for 2027/28
- Alternative options/strategies
- External context
- Local context

3.1.3 The draft Strategy is included in Appendix 1 and is currently based on October 2026 capital programme budget data from Programme Managers.

This highlighted content is subject to change in the subsequent version of the Strategy to reflect the ongoing work that is currently being undertaken by the Capital Team with Programme Managers in determining the most accurate budget profiles and any growth in capital budgets. Such changes will be presented to Cabinet and Council in February 2027.

4.0 Stakeholder and Ward Member Consultation and Engagement

4.1 Given the nature of this report, there has been no stakeholder and ward member consultation and engagement.

5.0 Financial Considerations

5.1 The planned treasury management activity outlined in Appendix 1 will result in interest costs associated with borrowing, as well as the generation of investment income for the Council. The Council's draft capital financing budget for 2027/28, including provisions for Minimum Revenue Provision (sums set aside for the repayment of debt), has been aligned with this Strategy and will form part of the overall budget setting report scheduled to be presented to Full Council in February 2027.

6.0 Legal Considerations

6.1 The Local Government Act 2003 provides local authorities with powers to borrow and invest for purposes relevant to their functions and for the prudent management of their financial affairs. The statutory framework requires the Council to ensure that its borrowing and capital financing activities are affordable, prudent and sustainable.

6.2 The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (as amended) require the Council, in carrying out its capital finance functions, to have regard to the Prudential Code for Capital Finance in Local Authorities published by CIPFA. The Council also has regard to the CIPFA Treasury Management Code of Practice in the exercise of its treasury management functions.

6.3 The Treasury Management Strategy has been prepared in accordance with the CIPFA Treasury Management Code of Practice (2021), the Prudential Code for Capital Finance in Local Authorities and the statutory investment guidance issued by the Secretary of State under the Local Government Act 2003.

7.0 Equity, Diversity & Inclusion (EDI) Considerations

7.1 There are no equity, diversity and inclusion considerations arising from this report.

8.0 Climate Change and Environmental Considerations

8.1 As part of the Council's Treasury Management Strategy, the Council will

ensure an assessment is made with regards to environmental, social and governance (ESG) matters for the council's long-term investments.

9.0 Human Resources/Property Considerations

9.1 There are no human resources or property considerations arising from this report.

10.0 Communication Considerations

10.1 No additional communication strategies are required for this report.

Report sign off:

Minesh Patel
Corporate Director, Finance and Resources