Sussex Police & Crime Commissioner

Decision Notice

To	Police and Crime Commissioner
From	Contact: Iain McCulloch, Chief Finance Officer Email: iain.mcculloch@sussex-pcc.gov.uk
Reference	011/2025
Subject	Approval of the Treasury Management Annual Report 2024/25 (subject to audit).
Date	23 June 2025
Recommendation	The Police and Crime Commissioner APPROVES the Treasury Management Annual Report 2023/24 (subject to audit).
Is the decision of significant public interest	No.
Summary of reasons for decision	The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (the Code) requires the Commissioner to receive a Treasury Management Annual Report on borrowing and investment activity by 30 September each year. There is also a requirement of Financial Regulations 3.9 Treasury Management that the PCC's CFO will prepare treasury management reports for the PCC on policies, practices and activities, including as a minimum, an annual strategy, a mid-year monitoring report and an annual report. This report meets this requirement and informs the PCC of Treasury Management activity during 2024/25. The figures presented are subject to the audit of the Statements of Accounts which should be approved by the Autumn 2025.

	The report was reviewed and recommended for approval by the PCC at the Joint Audit Committee 17 June 2025 noting that the figures presented are subject to audit – Follow this link to our website
Consultation undertaken	Not required
Approved by legal adviser (if appropriate)	Not required.
Approved by finance (if appropriate)	Yes.
Background papers	The report can be downloaded here – https://www.sussex-pcc.gov.uk/media/8888/it-10-treasury-management-year-end-annual-report-2024-25-final-002.pdf
Communication and media	No specific communication is required. Part of financial governance arrangements.
Financial implications	**Main Issues and Performance Overview** Performance Overview • £52.4m of investments were held as of 31 March 2025. • £4.147m interest was received during the year. • Gross investment return of 5.12% was achieved against the 4.50% originally anticipated and compared to SONIA of 4.90%. This translates to a weighted average return of 5.46% which is more when compared with a benchmark group of twenty other local authorities that achieved 4.78%, and a benchmark group of eighteen other policing bodies with a weighted average rate of return of 4.64%. • The Bank of England base rate decreased three times during 2024/25 from 5.25% to 5% on 1 August 2024, 5% to 4.75% on 7 November 2024 and 4.75% to 4.5% on 6 February 2025. On 8

	May 2025, the MPC further cut the base rate to 4.25%. • No new borrowing was undertaken in 2024/25. • A Public Works Loan Board (PWLB) loan of £14.271m at 1.54% for a term of 20 years was taken during 2021/22 to support capital financing programme. This is an EIP loan, Equal Instalments of Principal. Each payment comprises an equal amount of the loan principal together with the interest due on the reducing amount. The total outstanding balance of loan on 31 March 2025 was £11.935m. • The introduction of the IFRS 16 lease accounting standard in April 2024 has raised the level of assets and liabilities (approximately £3.2m), necessitating increases in the capital finance requirement, operational boundary, authorised limit, and the ratio of financing costs to net revenue stream. These Prudential Indicators fall within authorised boundaries. Relevant legislation and guidance have been complied with in the delivery of the Treasury Management activities.
Identified risks	Associated risks have been considered and adequate control measures implemented. All Treasury Management activity during the year is carried out in accordance with the approved Treasury Management Policy Statement and Strategy, which has the underlying aim of minimising risk to ensure the PCC's principal sums are safeguarded. Maximising income is considered secondary to this main aim.
Equality Assessment	Equality Impact Assessment not required.

Officer approval	Signed agreement	Date
Mark Streater Chief Executive & Monitoring Officer		23.06.2025
Iain McCulloch Chief Finance Officer		23.06.2025
Katy Bourne OBE Police and Crime Commissioner for Sussex		23.06.2025