**Annex 5**

# TREASURY MANAGEMENT STRATEGY 2023/24

Quarter 1

## 1. Introduction

The Council has adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Council to approve, as a minimum, treasury management semi-annual and annual outturn reports.

This report satisfies the new requirement in the 2021 Code, mandatory from 1 April 2023, of quarterly reporting of the treasury management prudential indicators.

The non-treasury prudential indicators are incorporated in the Council's quarterly revenue and capital monitoring update.

The Treasury Management Strategy for 2023/24 was approved by Council on 20 July 2023.

The Council has invested significant sums and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates.

The successful identification, monitoring and control of risk therefore remains central to the Council's treasury management strategy.

## 2. External Context

(provided by the Council's Treasury Management Advisor, Arlingclose)

***Economic background:*** *From the start of the quarter until May it looked like peak global monetary policy rates were in sight as inflation continued to ease and central banks turned more dovish in tone. Only a few weeks later, stronger and more persistent inflation data, particularly in the UK, changed the picture.*

*The UK situation was not welcome news for the Bank of England. GDP growth was weak, confirmed at 0.1% in Q1, although more recent monthly GDP data has been somewhat better. The housing market has stalled, consumer demand is weak but seemingly recovering despite higher interest rates, and labour demand remained strong, with repercussions for wage growth which is accelerating.*

*April data showed the unemployment rate increased to 3.8% (3mth/year) while the employment rate rose to 76.0%. Pay growth was 6.5% for total pay (including bonuses) and 7.2% for regular pay, the largest growth rate of the latter outside of the Covid pandemic. Once adjusted for inflation, however, growth in total pay and regular pay remained negative.*

*Inflation fell from its peak of 11.1% reached in October 2022, but annual headline CPI in May 2023 was higher than the consensus forecast at 8.7% (8.4% expected), largely driven by services inflation, while the annual measure of underlying core inflation rose to 7.1% from 6.8%.*

*After a sharp rise in interest rate expectations, with clearly serious implications for mortgage markets due to higher inflation and wage data, the Bank of England's Monetary Policy Committee reaccelerated monetary policy tightening over the period with a 0.25% rise in May to a 0.5% rise in June, taking Bank Rate to 5.0%. At both meetings the vote was 7-2 in favour of increasing rates, with the two dissenters preferring to keep rates on hold.*

*Interest rate expectations priced in further hikes in policy rates. Arlingclose, the authority's treasury adviser, revised its forecast to forecast a further 0.5% of monetary tightening to take Bank Rate to 5.5%. The risks, however, are that rates could be higher; financial markets are forecasting policy interest rates above 6%.*

*With many mortgages at low fixed rates now systematically being re-set over the next 12-24 months at higher rates at the end of their fixed rate period, there has been a lagged effect of the feed through of monetary policy on households' disposable income. The economic slowdown is expected to develop over time and therefore, despite the GfK measure of consumer confidence rising to -24 in June, it is likely confidence will be negatively affected at some point. The manufacturing sector contracted during the quarter according to survey data, which will eventually feed into services, whose expansion is slowing.*

*Despite the US Federal Reserve increasing its key interest rate to 5.00-5.25% over the period, activity in the region continued to defy monetary tightening, particularly in labour markets which have so far appeared robust, supporting the Fed's assertations of two more rate hikes after it paused in June. Annual US inflation continued to ease, falling from 4.9% in April to 4.0% in May, the lowest level since March 2021. US GDP growth at 2% annualised in the first calendar quarter of 2023 was also significantly stronger than expected against the initial estimate of 1.3%.*

*In the euro zone, the picture was somewhat different. The European Central Bank maintained its hawkish tone and increased its key deposit, main refinancing, and marginal lending interest rates to 3.50%, 4.00% and 4.25% respectively. There were signs of weakening activity, particularly in Germany whose manufacturing sector has taken a hit from high energy prices and weaker global demand. However, inflation* *remained sticky, annual headline CPI fell to 5.5% in June while annual core inflation rose to 5.4% from 5.3%, which means the ECB is unlikely to stop monetary tightening.*

***Financial markets:*** *Financial market sentiment and bond yields remained volatile, the latter continuing their general upward trend as uncertainty and concern over higher inflation and higher interest rates continued to dominate.*

*Gilt yields rose over the period. The 5-year UK benchmark gilt yield rose from 3.30% to 4.67%, the 10-year gilt yield from 3.43% to 4.39%, and the 20-year yield from 3.75% to 4.51%. The Sterling Overnight Rate (SONIA) averaged 4.37% over the quarter.*

***Credit review:*** *Having completed a review of its credit advice on unsecured deposits at UK and non-UK banks following concerns of a wider financial crisis after the collapse of Silicon Valley Bank purchase of Credit Suisse by UBS, as well as other well-publicised banking sector issues, in March Arlingclose reduced the advised maximum duration limit for all banks on its recommended counterparty list to 35 days.*

*Over the period S&P upgraded NatWest Group and related entities to A+ (except NatWest Markets which was upgraded to A), revised the UK sovereign outlook to stable from negative, and upgraded both Barclays Bank PLC and Barclays Bank UK PLC to A+.*

*Fitch put the US sovereign rating on Rating Watch Negative following increased political partisanship which at the time was hindering the latest resolution to raise the debt ceiling. It also upgraded the outlook on United Overseas Bank to stable, the outlook on Clydesdale to positive, and the outlook on Bank of Montreal to stable.*

*Moody's withdrew Guildford BC's rating (who chose not to continue being rated) and affirmed the Aaa (AAA) rating of the European Investment Bank.*

*Arlingclose continued to monitor and assess credit default swap levels for signs of ongoing credit stress but made no changes to the counterparty list or recommended durations over the quarter. Nevertheless, heightened market volatility is expected to remain a feature, at least in the near term and, as ever, the institutions and durations on the Council's counterparty list recommended by Arlingclose remains under constant review.*

## 3. Local Context

On 31 March 2023, the Council had net investments of £9.0m arising from its revenue and capital income and expenditure.

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying resources available for investment.

These factors are summarised in the table below.

| **Table 1: Balance Sheet Summary** | **31/03/2023 Actual £000** | **31/03/2024 Forecast £000** |
|---|---|---|
| General Fund CFR | 94,300 | 74,400 |
| External borrowing[1] | (7,000) | - |
| **Internal borrowing** | 87,300 | 74,400 |
| Less: Balance sheet resources | 103,294 | 67,100 |
| **Investments/ (borrowing)** | **15,994** | **(7,300)** |

NOTE 1: Loans to which the Council is committed; excludes optional refinancing

The treasury management position at 30 June 2023 and the change over the quarter is shown in the table below.

| **Table 2: Treasury Management Summary** | **31/03/2023 Balance £000** | **Movement £000** | **30/06/2023 Balance £000** | **30/06/2023 Rate %** |
|---|---|---|---|---|
| Short term Borrowing | (7,000) | (1,000) | (8,000) | 4.39% |
| Cash and cash equivalents | 15,994 | (3,740) | 12,254 | 4.83% |
| **Net investments** | **8,994** | **(4,740)** | **4,254** | **0.44%** |

### Borrowing

CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement and so may lead to new borrowing, unless directly and primarily related to the functions of the Council.

PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes.

The Council has not invested in assets primarily for financial return or that are not primarily related to the functions of the Council. It has no plans to do so in future.

## Borrowing Strategy and Activity

At 30 June 2023 the Council held £8.0m of loans due to mature mid-July 2023, an increase of £1.0m compared to 31 March 2023.

The Council has historically been largely debt free and has borrowed on a temporary basis to fund short term cash flow shortfalls.

This strategy is likely to remain the most effective in future.

Outstanding loans at 30 June are summarised in the table below.

| Table 3: Borrowing Position | 31/03/2023 Balance £000 | Net Movement £000 | 30/06/2023 Balance £000 | 30/06/2023 Weighted Average Rate % | 30/06/2023 Weighted Average Maturity (months) |
|---|---|---|---|---|---|
| Local authorities (short-term) | - | (8,000) | (8,000) | 4.39% | 0.6 |
| Other Lenders[1] | (7,000) | 7,000 | - | - | - |
| **Total borrowing** | **(7,000)** | **(1,000)** | **(8,000)** | **4.39%** | **0.6** |

NOTE 1: Housing Association

Over the April to June 2023 quarter, short-term borrowing rates were 4.00% - 4.39%.

The chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should long-term plans change being a secondary objective.

The borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.

## Treasury Investment Activity

CIPFA's revised Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes, define treasury management investments as investments that arise from the organisation's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.

The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held.

During the year, investment balances ranged between £12.3 million and £50.8 million due to timing differences between income and expenditure.
The investment position is set out in the table below.

| Table 4: Treasury Investment Position | 31/03/2023 Balance £000 | Net Movement £000 | 30/06/2023 Balance £000 | 30/06/2023 Income Return % | 30/06/2023 Weighted Average Maturity (Days) |
|---|---|---|---|---|---|
| Banks & building societies (unsecured) | 8,994 | (3,740) | 5,254 | 4.90% | 1 |
| Money Market Funds | 7,000 | - | 7,000 | 4.77% | 1 |
| **Total investments** (Weighted Average) | **15,994** | **(3,740)** | **12,254** | **4.83%**[1] | **1**[1] |

NOTE 1: Weighted Average

Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield.

The objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

Bank Rate increased by 0.75%, from 4.25% at the beginning of April to 5% by the end of June, with the prospect of further increases to come.

Short-dated cash rates rose commensurately, with 3-month rates rising to around 5.25% and 12-month rates to nearly 6%.

The rates on DMADF (HM Treasury) deposits also rose, ranging between 4.8% and 5.4% by the end of June and Money Market Rates between 4.16% and 4.77%.

The progression of risk and return metrics are shown in the extracts from Arlingclose's quarterly investment benchmarking in the table below.

| Table 5: Investment Benchmarking – Treasury investments managed in-house | Credit Score | Credit Rating | Bail-in Exposure | Weighted Average Maturity (days) | Rate of Return % |
|---|---|---|---|---|---|
| Reigate & Banstead Borough Council | | | | | |
| 31/03/2023 | 4.90 | A+ | 100% | 1 | 4.01% |
| 30/06/2023 | 5.06 | A+ | 100% | 1 | 4.83% |
| Similar Local Authorities | 4.66 | A+ | 65% | 45 | 1.54% |
| All Local Authorities | 4.65 | A+ | 63% | 11 | 2.34% |

## Non-Treasury Investments

The definition of investments in the Treasury Management Code now covers all the financial assets of the Council as well as other non-financial assets which the Council holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e., management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).

Investment Guidance issued by the Department for Levelling Up Housing and Communities (DLUHC) and Welsh Government also includes within the definition of investments all such assets held partially or wholly for financial return.

The Council held:

- £1.1m shares in Pathway For Care Limited;
- £0.652m shared in Greensand Holdings Limited; and
- Loans of £13.258m to Greensand Holdings Limited and £0.616m to Horley Business Park Development LLP.

## Treasury Performance

Treasury investments generated an average rate of return 4.83% in the first quarter of the financial year.

The Council's treasury investment income for the year is likely to be above the budget due to the higher interest rates and anticipated capital receipts during the second quarter of the year.

## Compliance

The Chief Finance Officer reports that all treasury management activities undertaken during the quarter complied fully with the principles in the Treasury Management Code and the Council's approved Treasury Management Strategy.

Compliance with specific investment limits is demonstrated in the table below.

| Table 6: Investment Limits | 2023/24 Maximum £000 | 30/06/2023 Actual £000 | 2023/24 Limit £000 | Complied? |
|---|---|---|---|---|
| Any single organisation, except the UK Government | 10,000 | 2,000 | 10,000 | Yes |
| Any group of pooled funds under the same management | - | - | 10,000 | Yes |
| Negotiable instruments held in a broker's nominee account | - | - | 13,000 | Yes |

| Table 6: Investment Limits | 2023/24 Maximum £000 | 30/06/2023 Actual £000 | 2023/24 Limit £000 | Complied? |
|---|---|---|---|---|
| Limit per non-UK country | - | - | 5,000 | Yes |
| The UK Government | - | - | n/a | Yes |
| Local authorities & other government entities | - | - | Unlimited | Yes |
| Secured investments | - | - | Unlimited | Yes |
| Banks (unsecured) (Excluding the Councils Operational bank accounts) | 10 | 10 | Unlimited | Yes |
| Building societies (unsecured) | - | - | 10,000 | Yes |
| Registered providers (unsecured) | - | - | 13,000 | Yes |
| Money market funds | £22m sector (£10m counterparty) | £7m sector (£2m counterparty) | Unlimited (£10m per counterparty) | Yes |
| Strategic pooled funds | - | - | 25,000 | Yes |
| Real estate investment trusts | - | - | 13,000 | Yes |
| Other investments | - | - | 5,000 | Yes |

## Treasury Management Prudential Indicators

As required by the 2021 CIPFA Treasury Management Code, the Council monitors and measures the following treasury management prudential indicators.

### 1. Liability Benchmark

This new indicator compares the Council's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing.

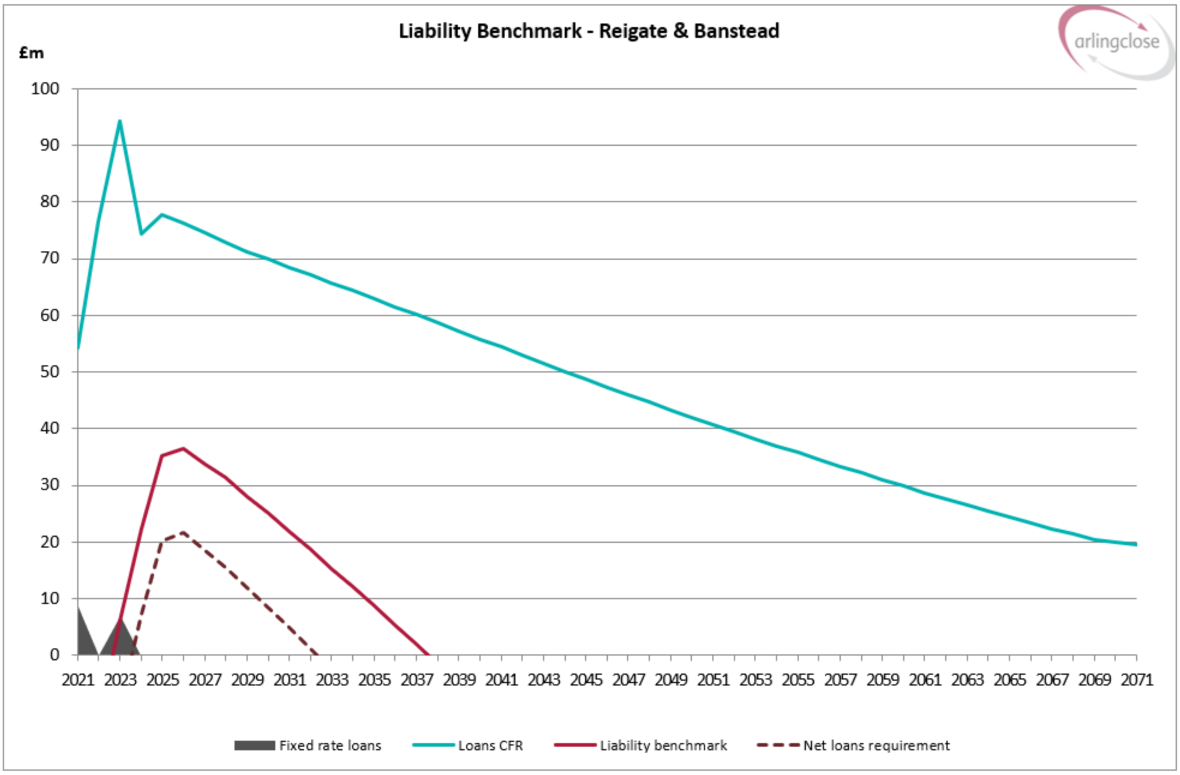
The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making.

It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level of £15.0m required to manage day-to-day cash flow.

| Table 7: Liability Benchmark | 31/03/2023 Actual £000 | 31/03/2024 Forecast £000 | 31/03/2025 Forecast £000 | 31/03/2026 Forecast £000 |
|---|---|---|---|---|
| Loans CFR | 94,300 | 74,400 | 77,800 | 76,200 |
| Less: Balance sheet resources | 103,300 | 67,100 | 57,600 | 54,600 |
| **Net loans requirement** | **(9,000)** | **7,300** | **20,200** | **21,600** |
| Plus: Liquidity allowance | 15,000 | 15,000 | 15,000 | 15,000 |
| **Liability benchmark** | **6,000** | **22,300** | **35,200** | **36,600** |

| | | | | |
|---|---|---|---|---|
| **Existing borrowing** | **(7,000)** | **-** | **-** | **-** |

Following on from the medium-term forecast in the table above, the long-term liability benchmark assumes no capital expenditure will be funded by borrowing after 2023-24 and that reserves will increase by 2.5%. This illustrated in the chart below:




A borrowing requirement of £22.3million is expected by 31 March 2024 and increasing by £35.2million and £36.6million respectively for 31 March 2025 and 31 March 2026 and declining thereafter from 2027 onwards.

The net loans requirement on the graph is a lower figure and represents the borrowing that would be required if investment balances were kept at nil.

The graph represents only a snapshot in time at year end when balances are typically at their lowest and borrowing needs are highest. In year balances are expected to fluctuate to up to £65.3 million.

Borrowing is therefore in practice only likely to be required in the short term for some parts of the year.

2. **Maturity Structure of Borrowing**

This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

| Table 7: Maturity Structure of Borrowing | Upper Limit | Lower Limit | 30/06/2023 Actual | Complied? |
|---|---|---|---|---|
| Under 12 months | 100% | 0% | 8,000 | Yes |
| 12 months and within 24 months | 100% | 0% | - | Yes |
| 24 months and within 5 years | 100% | 0% | - | Yes |
| 5 years and within 10 years | 100% | 0% | - | Yes |
| 10 years and above | 100% | 0% | - | Yes |

Time periods start on the first day of each financial year.

The maturity date of borrowing is the earliest date on which the lender can demand repayment.

As the Council has relatively modest and short term overall borrowing requirement there is no significant refinancing risk associated with having all loans maturating within the timescales shown above.

At present the Council would wish to retain maximum flexibility as to the periods in which it borrows over. If the debt portfolio becomes more extensive, then the indicator will be reviewed to ensure that it remains suitable.

### 3. Long-term Treasury Management Investments

The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management limits are:

| Table 8: Long Term Investments | 2023/24 | 2024/25 | 2025/26 | No fixed date |
|---|---|---|---|---|
| Limit on principal invested beyond year end | £10.0m | £10.0m | £10.0m | £10.0m |
| Actual principal invested beyond year end | £0m | £0m | £0m | £0m |
| Complied? | Yes | Yes | Yes | Yes |

Long-term investments with no fixed maturity date include strategic pooled funds, real estate investment trusts and directly held equity but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

### Additional indicators

Security**:** The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average rating / credit score of its investment portfolio.

This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

| Table 9: Credit Risk | 2023/24 Target | 30/06/2023 Actual | Complied? |
|---|---|---|---|
| Portfolio average credit | A | A+ | Yes |

Liquidity**:** The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period.

| Table 10: Liquidity Risk | 2023/24 Target | 30/06/2023 Actual | Complied? |
|---|---|---|---|
| Total cash available within 3 months | £5.0 million | £12.254 million | Yes |

Interest Rate Exposures: This indicator is set to control the Council's exposure to interest rate risk. Bank Rate rose by 0.75% during the quarter, from the prevailing rate of 4.25% on 1st April to 5% by 30th June.

| Table 11: Interest rate risk indicator | 2023/24 Target | 30/06/2023 Actual | Complied? |
|---|---|---|---|
| Revenue impact of a 1% change in interest rates | £0.078 million pa | £0.068 million pa | Yes |

For context, the changes in interest rates during the quarter were:

| | 31/3/23 | 30/6/23 |
|---|---|---|
| Bank Rate | 4.25% | 5.00% |
| 1-year PWLB certainty rate, maturity loans | 4.78% | 6.22% |
| 5-year PWLB certainty rate, maturity loans | 4.31% | 5.71% |
| 10-year PWLB certainty rate, maturity loans | 4.33% | 5.25% |
| 20-year PWLB certainty rate, maturity loans | 4.70% | 5.36% |
| 50-year PWLB certainty rate, maturity loans | 4.41% | 4.95% |

The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at new market rates.

# Prudential Indicators 2023/24

Quarter 1

The Local Government Act 2003 requires the Council to adopt the CIPFA Prudential Code and produce prudential indicators. Each indicator either summarises the expected activity or introduces limits upon the activity and reflects the outcome of the Council's underlying capital appraisal systems.

The Prudential Code requires authorities to look at capital expenditure and investment plans in the light of overall organisational strategy and resources and ensure that decisions are being made with sufficient regard to financing implications and potential risks to the authority.

The Council measures and manages its capital expenditure, borrowing and commercial and service investments with references to the following indicators.

It is now a requirement of the CIPFA Prudential Code that these are reported on a quarterly basis.

## 1. Capital Expenditure

This indicator requires reasonable estimates of the total capital expenditure to be incurred. The Council's planned capital expenditure is summarised below. The 2023/24 forecast at 30 June 2023 is set out in the table below.

| | **2022/23 actual £000** | **2023/24 forecast[1] £000** | **2024/25 budget £000** | **2025/26 budget £000** |
|---|---|---|---|---|
| General Fund services | 21,154 | 23,398 | 4,322 | 3,805 |
| Capital investments | - | 1,308 | - | - |

NOTE 1: Approved slippage from 2022/23 of £24,116 has been included in the above figure.

The Council is planning to incur £1.3m of capital expenditure on investments by 31 March 2024.

## 2. Capital Financing Requirement

The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure (that is not financed by grants, capital receipts or direct revenue contributions) and reduces with MRP (minimum revenue provision) and capital receipts used to replace debt.

| | 31/03/2023 actual £000 | 31/03/2024 forecast £000 | 31/03/2025 budget £000 | 31/03/2026 budget £000 |
|---|---|---|---|---|
| General Fund Services | 94,300 | 73,092 | 77,800 | 76,200 |
| Capital Investments | - | 1,308 | - | - |
| **TOTAL CFR** | **94,300** | **74,400** | **77,800** | **76,200** |

The CFR for has reduced to reflect capital receipts received in the second quarter of the current financial year.

## 3. Gross Debt and the Capital financial Requirement

Statutory guidance is that debt should remain below the capital financing requirement, except in the short term. The Council has complied and expects to continue to comply with this requirement in the medium term as is shown below.

| | 31/03/2023 actual £000 | 31/03/2024 forecast £000 | 31/03/2025 budget £000 | 31/03/2026 budget £000 | Debt at 30/06/2023 £000 |
|---|---|---|---|---|---|
| Debt (incl. PFI & leases) | 7,000 | - | - | - | 8,000 |
| Capital Financing Requirement | 94,300 | 74,400 | 77,800 | 76,200 | |

## 4. Debt and Authorised Limit and Operational Boundary

The Council is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year and to keep it under review. In line with statutory guidance, a lower "operational boundary" is also set as a warning level should debt approach the limit.

| | Maximum debt Q1 2023/24 £000 | Debt at 30/06/2023 £000 | 2023/24 Authorised Limit £000 | 2023/24 Operational Boundary £000 | **Complied?** Yes/No |
|---|---|---|---|---|---|
| Borrowing | 8,000 | 8,000 | 35,000 | 40,000 | Yes |

Since the operational boundary is a management tool for in-year monitoring it is not significant if the boundary is breached on occasions due to variations in cash flow; this is not counted as a compliance failure.

## 5. Net Income from Service and Commercial Investments Compared to Net Revenue Stream

The Council's income from commercial and service investments as a proportion of its net revenue stream is forecast to be as set out below.

| | 2022/23 actual £000 | 2023/24 forecast £000 | 2024/25 budget £000 | 2025/26 budget £000 |
|---|---|---|---|---|
| Total net income from service and commercial investments | 2,013 | 2,085 | 2,397 | 2,757 |
| Proportion of net revenue stream | 13.52% | 9.39% | 10.80% | 12.42% |

## 6. Proportion of Finance Costs to Net Revenue Stream

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue.

This net annual charge is known as financing costs and is compared to the net revenue stream i.e., the amount funded from council tax, business rates and general government grants.

| | 2022/23 actual £000 | 2023/24 forecast £000 | 2024/25 budget £000 | 2025/26 budget £000 |
|---|---|---|---|---|
| Financing costs (£m) | 606 | 637 | 727 | 743 |
| Proportion of net revenue stream | 4.07% | 2.87% | 3.27% | 3.35% |

**Treasury Management Indicators**: These indicators (Liability Benchmark, Maturity Structure of Borrowing and Long-Term/Short Term Treasury Management Investments are set out within the Treasury Management Report Q1 2023/24 above.