

THE VALE OF GLAMORGAN COUNCIL

COUNCIL: 9<sup>TH</sup> DECEMBER, 2019

REFERENCE FROM CABINET: 18<sup>TH</sup> NOVEMBER, 2019

**“C141 TREASURY MANAGEMENT MID-YEAR REPORT 2019/20 (L / PR)  
(SCRUTINY – CORPORATE PERFORMANCE AND RESOURCES) –**

The Executive Leader and Cabinet Member for Corporate Performance and Resources presented the report which provided an update on the Council's Treasury Management operations for the period 1<sup>st</sup> April to 30<sup>th</sup> September, 2019. All activities were in accordance with the Council's approved strategy on Treasury Management. Total external borrowing as at 30<sup>th</sup> September, 2019 was £155.024m at an average rate of 4.67%. No new external borrowing was undertaken during the first six months of 2019/20. The Council invested with the Debt Management Deposit Facility and Local Authorities. Total investments as at 30<sup>th</sup> September, 2019 stood at £99.8m at an average rate of 0.775%.

The Council had to ensure that the Prudential Code was complied with, which had been developed by CIPFA as a professional code of practice. To demonstrate the Council had fulfilled these objectives, the Code set out prudential indicators that should be used and the factors that needed to be taken into account. The Council fully complied with these prudential indicators during the first six months of 2019/20.

The Council had commenced using a new investment tool, Treasury Bills, as proposed in the 2019/20 Investment Strategy and was currently seeking advice with the Council's legal department with a view to commence investing in Money Market Funds during this financial year.

This was a matter for Executive and Full Council decision.

Cabinet, having considered the report and all the issues and implications contained therein

RESOLVED –

- (1) T H A T the Treasury Management mid-year report for the period 1<sup>st</sup> April, 2019 to 30<sup>th</sup> September, 2019 be noted.
- (2) T H A T the latest Treasury Management indicators be noted.
- (3) T H A T the report be forwarded to the next Corporate Performance and Resources Scrutiny Committee for consideration.

(4) T H A T the amended approach to the use of Treasury Bills and proposed use of Money Market Funds as investment tools be approved.

(5) T H A T approval be given to the Section 151 Officer to sign the set off agreement for Lloyds Bank.

**(6) T H A T the report be forwarded to Council for approval.**

Reasons for decisions

(1) To present the Treasury Management mid-year report as required by the CIPFA Treasury Management in the Public Services: Code of Practice.

(2) To present an update of the Treasury Management indicators which are included in the Treasury Management Strategy.

(3) To present the report to the Corporate Performance and Resources Scrutiny Committee.

(4) To ensure Cabinet are aware of current Treasury Management practices.

(5) To enable the set off agreement to be signed.

**(6) To comply with the Treasury Management Strategy.”**