

THE VALE OF GLAMORGAN COUNCIL

COUNCIL: 26TH JULY, 2021

REFERENCE FROM CABINET: 19TH JULY, 2021

**“C631 ANNUAL TREASURY MANAGEMENT REPORT 2020/21 – (L/PR)
(SCRUTINY – CORPORATE PERFORMANCE AND RESOURCES) –**

The report advised that the Council's borrowing requirement reduced by £315k in 2020/21 giving a Total Capital Financing Requirement of £198.763m at 31st March, 2021. At the same date the Council held £152.735m of Gross External Borrowing. The Council was therefore under borrowed by £46.028m as at 31st March, 2021.

The Council's External Borrowing was well within the Authorised Limit and Operational Boundary set for 2020/21.

The Council held Loans from the Public Works Loan Board (PWLB) £144.417m, Concessionary Loans from Welsh Government (WG) £500k, Market Loans £6m and a Temporary Loan £0.10m at 31st March, 2021. Additional external loans taken out in year amounted to £1.7185m and were advanced by Salix, Salix SEELS and Welsh Government. The Council continued to finance new Capital Expenditure £3.908m from internal borrowing.

Land Appropriation between the Housing Revenue Account (HRA) and the General Fund Account (GF) took place in 2020/21 amounting to £1.095m.

During 2020/21 the Council invested in Money Market Funds and interest yielding Bank Deposit Accounts.

The Council held investments of £92.160m at 31st March, 2021.

The Leader advised that the report outlined the significant financial impact of the pandemic in the UK and globally, having a substantial impact on interest rate forecasts.

This was a matter for Executive decision.

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

RESOLVED – T H A T the annual report on Treasury Management 2020/21 be accepted and that the report be referred to Council for approval.

Reason for decision

To accept and refer the report to Council.”