

THE VALE OF GLAMORGAN COUNCIL

COUNCIL: 29TH SEPTEMBER, 2025

REFERENCE FROM CABINET: 4TH SEPTEMBER, 2025

**“C89 QUARTER 1 TREASURY MANAGEMENT MONITORING 2025/26
(EL/PR) (SCRUTINY – RESOURCES SCRUTINY COMMITTEE) –**

The Leader presented the Quarter 1 Treasury Management 2025/26 Monitoring Report.

The report detailed the changes in the Capital Programme since the last report which all fell within the limits for long-term treasury management investment strategy. Capital had financed new capital expenditure and maturing debt wherever possible from its own resources but reserves and balances were now depleted. Going forward the Council would be required to meet more of its capital requirements through external borrowing from the Public Works Loan Board, which had been discussed as part of the proposals for St Richard Gwyn and Ysgol Iolo schools as borrowing would be required in order to meet the costs.

Due to the high cost of borrowing currently, the Council was taking a prudent approach and borrowing on shorter term loans up to 5 years with an expectation that rates will fall during that period and the Council can then borrow at lower levels in the future. £6m external borrowing had been undertaken so far this financial year to fund capital expenditure at 0.2% below the standard rate.

Most of the Council's investments were placed with the UK Government (DMADF and Treasury Bills) or Local Authorities as they were considered to be safe with a reasonable to good return and protected base capital.

This was a matter for Executive decision.

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

RESOLVED –

(1) T H A T the Quarter One Monitoring report for Treasury Management 2025/26 be noted.

(2) T H A T the Quarter One Monitoring report for Treasury Management 2025/26 be referred to Governance and Audit Committee.

(3) T H A T use of the urgency procedure as set out at Section 15.14 of the Council's Constitution be agreed to allow the report to be considered by Governance and Audit Committee on 15th September, 2025.

Reasons for decisions

- (1) Having regard to the contents of the report and discussions at the meeting.
- (2) To inform Governance and Audit Committee of the position in respect of Treasury Management.
- (3) To allow the report to be considered at the next meeting of the Governance and Audit Committee."**