

THE VALE OF GLAMORGAN COUNCIL

COUNCIL: 9TH MARCH, 2026

REFERENCE FROM CABINET: 26TH FEBRUARY, 2026

**“C216 TREASURY MANAGEMENT AND INVESTMENT STRATEGY
2026/27 AND UPDATE FOR 2025/26 (EL/PR) (SCRUTINY – RESOURCES
SCRUTINY COMMITTEE) –**

The Leader presented the report to provide an interim report on the Council's Treasury Management operations for the period 1st April to 31st December 2025 and to submit for consideration the proposed 2026/27 Treasury Management and Investment Strategy and Treasury Management Policy.

Members had recently had the opportunity to attend the most recent training session on Treasury Management which was a recorded session for those Members who were unable to attend to view before the matter was considered by Full Council on 9th March 2026.

This was a matter for Executive decision and referral to Full Council for consideration.

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

RESOLVED –

(1) T H A T the Treasury Management interim report for the period 1st April to 31st December 2025 be noted.

(2) T H A T the policy for making Minimum Revenue Provision in 2026/27 be approved.

(3) T H A T Cabinet recommends that Full Council approves the proposed 2026/27 Treasury Management and Investment Strategy including the following specific resolutions (detailed in Appendix 2).

- The Authorised Limit for External Debt be set at £265.800m for 2025/26, £308.472m for 2026/27, £370.857m for 2027/28 and £435.486m for 2028/29.
- The Operational Boundary for External Debt be set at £237.168m for 2025/26, £278.201m for 2026/27, £339.237m for 2027/28 and £402.998m for 2028/29.
- The Section 151 Officer be granted delegated authority within the total Authorised Limit and Operational Boundary as estimated for individual years to effect movement between the separately agreed limits for borrowing and other long-term liabilities.

- An upper limit of £0m for 2025/26, £10m in 2026/27, £10m in 2027/28 and £10m in 2028/29 be set for total principal sums invested for over 364 days.
- The amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate be set as shown below and further detailed in Appendix 1.

Table 1 – Upper and lower Limits for fixed rate borrowing

	Upper Limit	Lower Limit
Under 12 months	20%	0%
12 months and within 24 months	40%	0%
24 months and within 5 years	40%	0%
5 years and within 10 years	40%	0%
10 years and above	100%	0%

- Any breaches of the Prudential Indicators will be reported through to the next meeting of Cabinet, with the exception of the Authorised Limit for External Debt which would require prior Council approval.

(4) T H A T the Prudential Indicators set out in Appendices 1 and 2 be approved.

(5) T H A T Cabinet recommends to Full Council that delegated authority be granted to the Head of Finance/Section 151 Officer to approve the Treasury Management Policy Statement and Treasury Management Practices.

(6) T H A T Cabinet recommends to Full Council that delegated authority be granted as set out in paragraph 2.34, to enable the assigned officers to place investments with the Debt Management Account Deposit Facility (DMADF) in line with the daily cash flow projections.

(7) T H A T use of the urgent decision procedure as set out in Section 15.14 of the Council's Constitution be approved in order for the Treasury Management and Investment Strategy 2026/27 and Update for 2025/26 to be considered by Full Council on 9th March 2026.

Reasons for decisions

(1) To present the Treasury Management Interim Report.

(2) To agree the basis of the Minimum Revenue Provision calculation for 2026/27 onwards.

(3) In order for the Treasury Management and Annual Investment Strategy as prepared be approved as required by the Local Government Act 2003.

(4) In order for the Prudential Indicators set out in Appendix 1 and 2 to be approved.

- (5) In order for the Treasury Management Policy Statement and Treasury Management Practices to be approved.
- (6) In order for smooth running of daily cash flow.
- (7) To allow the Treasury Management and Investment Strategy 2026/27 and Update for 2025/26 to be referred to Full Council on 9th March 2026 for consideration and approval.”**

[View Link to Previously Circulated Appendix](#) – Report to Cabinet: 26th February, 2026