

# Pecyn Dogfennau



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**DYDD MAWRTH, 5 EBRILL 2022**

**AT: HOLL AELODAU'R CABINET**

YR WYF DRWY HYN YN EICH GALW I FYNYCHU RHITH-GYFARFOD O'R **CABINET** AM **10.00 YB, DYDD LLUN, 11EG EBRILL, 2022** ER MWYN CYFLAWNI'R MATERION A AMLINELLIR AR YR AGENDA SYDD YNGHLWM

*Wendy Walters*

**PRIF WEITHREDWR**

<b>Swyddog Democrataidd:</b>	<b>Martin S. Davies</b>
<b>Ffôn (llinell uniongyrchol):</b>	<b>01267 224059</b>
<b>E-bost:</b>	<b>MSDavies@sirgar.gov.uk</b>

Wendy Walters Prif Weithredwr, *Chief Executive*,  
Neuadd y Sir, Caerfyrddin. SA31 1JP  
*County Hall, Carmarthen. SA31 1JP*

# Y CABINET

## AELODAETH - 9 AELOD

Cynghorydd	Portffolio
<b>Cynghorydd Emlyn Dole</b>	<b>Arweinydd</b> Arweinyddiaeth a Strategaeth Gorfforaethol; Cadeirydd y Cabinet; Cynrychioli'r Cyngor ar CLILC; Datblygu Economaidd; Yn cynrychioli'r Cyngor ar Ranbarth Dinas Bae Abertawe; Cydweithio; Marchnata a'r Cyfryngau; Penodi Aelodau o'r Cabinet; Penderfynu ar bortffolios AC; Cyswllt â'r Prif Weithredwr; Bwrdd Gwasanaethau Cyhoeddus; Cynllunio strategol Corfforaethol
<b>Cynghorydd Glynog Davies</b>	<b>Addysg a Phlant</b> Ysgolion; Gwasanaethau Plant; Anghenion Addysgol Arbennig; Diogelu; Cartrefi Seibiant; Gwasanaeth Gwella Ysgolion Integredig Rhanbarthol; Dysgu Oedolion yn y Gymuned; Gwasanaethau Ieuenctid; Gwasanaethau Arlwy Ysgolion, Aelod Arweiniol dros Blant a Phobl Ifanc; Llysgennad Ieuenctid; T.G.Ch;
<b>Cynghorydd Ann Davies</b>	<b>Cymunedau a Materion Gwledig</b> Materion Gwledig ac Ymgysylltu â'r Gymuned; Diogelwch Cymunedol; Yr Heddlu; Deddf Gwrthderfysgaeth a Diogelwch 2015; Trechu Tlodi; Llesiant Cenedlaethau'r Dyfodol; Cyswllt y Trydydd Sector; Cydraddoldeb, Strategaeth Newid yn yr Hinsawdd.
<b>Cynghorydd Hazel Evans</b>	<b>Amgylchedd</b> Sbwriel; Glanhau Strydoedd; Gwasanaethau Priffyrdd a Thrafnidiaeth; Cynnal a Chadw Tiroedd; Gwasanaethau Adeiladu (ac eithrio'r stoc dai); Cynlluniau Argyfwng; Llifogydd, Hawliau Tramwy Cyhoeddus, Rheolwr Busnes y Cyngor.
<b>Cynghorydd Linda Evans</b>	<b>Tai</b> Tai - Cyhoeddus; Tai - Preifat; Cynnal a Chadw ac Atgyweirio Tai, a Heneiddio'n dda; Archwilio Cymru;
<b>Cynghorydd Peter Hughes Griffiths</b>	<b>Diwylliant, Chwaraeon a Thwristiaeth</b> Llysgennad Cynghorau Tref a Chymuned; Datblygu'r Iaith Gymraeg; Theatrau; Chwaraeon; Canolfannau Hamdden; Amgueddfeydd; Llyfrgelloedd; Parciau Gwledig; Twristiaeth; T.I.C
<b>Cynghorydd Philip Hughes</b>	<b>Diogelu'r Cyhoedd</b> Safonau Masnach; Iechyd yr Amgylchedd. Gorfodaeth Amgylcheddol; Gorfodaeth Cynllunio; Gwastraff Didrwydded; Gwasanaethau Parcio; Bio amrywiaeth; Adnoddau Dynol; Rheoli Perfformiad; Hyfforddiant.
<b>Cynghorydd David Jenkins</b>	<b>Adnoddau</b> Cyllid a'r Gyllideb; Effeithlonrwydd Corfforaethol; Rheoli Eiddo / Asedau; Gofalu am Adeiladau a Glanhau Adeiladau; Caffael; Budd-daliadau Tai; Refeniw; Gwasanaethau Statudol (Crwneriaid, Cofrestryddion, Etholiadol, Arglwydd Rhaglaw); Hyrwyddwr y Lluoedd Arfog; Canolfannau Cyswllt a Chanolfannau Gwasanaethau Cwsmeriaid; Polisi Cynllunio
<b>Cynghorydd Jane Tremlett</b>	<b>Dirprwy Arweinydd / Gofal Cymdeithasol ac Iechyd</b> Gwasanaethau Cymdeithasol i Oedolion; Gofal Preswyl; Gofal Cartref; Anableddau Dysgu; Iechyd Meddwl; Cyswllt / Cydweithio / Integreiddio â'r GIG; Gwasanaethau Arlwy Cartefi Gofal, Pencampwr Gofalwyr; Llysgennad Anabledd; Pencampwr Gofal Dementia

# AGENDA

1. YMDDIHEURIADAU AM ABSENOLDEB
2. DATGANIADAU O FUDDIANNAU PERSONOL
3. LLOFNODI FEL COFNOD CYWIR GOFNODION CYFARFOD Y CABINET A GYNHALWYD AR 28AIN MAWRTH 2022. 5 - 6
4. CWESTIYNAU Â RHYBUDD GAN YR AELODAU (NID OEDD DIM WEDI DOD I LAW).
5. CWESTIYNAU A RHYBYDD GAN Y CYHOEDD (NID OEDD DIM WEDI DOD I LAW).
6. ADRODDIAD CHWARTEROL YNGYLCH RHEOLI'R TRYSORLYS A DANGOSYDD DARBODAETH EBRILL 1AF 2021 I RHAGFYR 31AIN 2021. 7 - 24
7. UNRHYW FATER ARALL Y GALL Y CADEIRYDD OHERWYDD AMGYLCHIADAU ARBENNIG BENDERFYNU EI YSTYRIED YN FATER BRYN YN UNOL AG ADRAN 100B(4)(B) O DDEDDF LLYWODRAETH LEOL, 1972.

Mae'r dudalen hon yn wag yn fwriadol

## CABINET

Dydd Llun, 28 Mawrth 2022

**YN BRESENNOL:** Y Cynghorydd E. Dole (Cadeirydd)

**Y Cynghorwyr:**

C.A. Davies, G. Davies, H.A.L. Evans, L.D. Evans, P.M. Hughes, P. Hughes-Griffiths, D.M. Jenkins a J. Tremlett

**Hefyd yn bresennol:**

Y Cynghorwr: D.M. Cundy

**Yr oedd y swyddogion canlynol yn gwasanaethu yn y cyfarfod:**

W. Walters, Prif Weithredwr

C. Moore, Cyfarwyddwr Gwasanaethau Corfforaethol

G. Morgans, Cyfarwyddwr Gwasanaethau Addysg a Phlant

L.R. Jones, Pennaeth Gweinyddiaeth a'r Gyfraith

P.R. Thomas, Prif Weithredwr Cynorthwyol (Rheoli Pobl a Pherfformiad)

N. Daniel, Pennaeth Gwasanaethau TGCh a Pholisi Corfforaethol

J. Jones, Pennaeth Adfywio

J. Morgan, Pennaeth Cartrefi a Chymunedau Mwy Diogel

L. Morris, Uwch Swyddog Y Wasg

L. Jenkins, Swyddog Cymorth y Cabinet

M. Evans Thomas, Prif Swyddog Gwasanaethau Democrataidd

E. Evans, Prif Swyddog Gwasanaethau Democrataidd

K. Thomas, Swyddog Gwasanaethau Democrataidd

J. Owens, Swyddog Gwasanaethau Democrataidd

S. Rees, Cyfieithydd Ar Y Pryd

**Rhith-Gyfarfod - 10.00 - 10.12 yb**

**1. YMDDIHEURIADAU AM ABSENOLDEB**

Ni chafwyd ymddiheuriadau am absenoldeb.

**2. DATGANIADAU O FUDDIANNAU PERSONOL**

Ni ddatganwyd unrhyw fuddiannau personol.

**3. LLOFNODI FEL COFNOD CYWIR GOFNODION CYFARFOD Y CABINET A GYNHALWYD AR 14 MAWRTH 2022**

**PENDERFYNWYD YN UNFRYDOL** Iofnodi cofnodion cyfarfod y Cabinet oedd wedi ei gynnal ar 14 Mawrth 2022 gan eu bod yn gywir.

**4. CWESTIYNAU Â RHYBUDD GAN YR AELODAU**

Dywedodd y Cadeirydd nad oedd dim cwestiynau â rhybudd wedi cael eu cyflwyno gan yr Aelodau.

**5. CWESTIYNAU A RHYBYDD GAN Y CYHOEDD**

Dywedodd y Cadeirydd nad oedd dim cwestiynau wedi dod i law gan y cyhoedd.

**6. UNRHYW FATER ARALL Y GALL Y CADEIRYDD OHERWYDD  
AMGYLCHIADAU ARBENNIG BENDERFYNU EI YSTYRIED YN FATER BRYS  
YN UNOL AG ADRAN 100B(4)(B) O DDEDDF LLYWODRAETH LEOL, 1972.**

Dywedodd y Cadeirydd nad oedd unrhyw eitemau eraill o fater brys.

**7. GORCHYMYN I'R CYHOEDD ADAEL Y CYFARFOD**

**PENDERFYNWYD YN UNFRYDOL, yn unol â Deddf Llywodraeth Leol 1972, fel y'i diwygiwyd gan Orchymyn Llywodraeth Leol (Mynediad at Wybodaeth) (Amrywio) (Cymru) 2007, orchymyn i'r cyhoedd adael y cyfarfod tra oedd yr eitem ganlynol yn cael ei hystyried, gan fod yr adroddiad yn cynnwys gwybodaeth eithriedig fel y'i diffiniwyd ym mharagraff 14 o Ran 4 o Atodlen 12A i'r Ddeddf.**

**8. PRYNU ASEDAU - LLITHRFA, MAES PARCIO A SIED WINSIO YM  
MHENTYWYN**

**Yn dilyn cynnal prawf budd y cyhoedd, PENDERFYNWYD yn unol â'r Ddeddf y cyfeiriwyd ati yng nghofnod 7 uchod, beidio â chyhoeddi cynnwys yr adroddiad gan ei fod yn cynnwys gwybodaeth eithriedig am faterion ariannol neu faterion busnes unigolyn penodol (gan gynnwys yr Awdurdod oedd yn meddu ar y wybodaeth honno) (Paragraff 14 o Ran 4 o Atodlen 12A i'r Ddeddf). Roedd prawf budd y cyhoedd mewn perthynas â'r adroddiad hwn yn drech na'r budd i'r cyhoedd o ran datgelu'r wybodaeth a geir ynddo oherwydd byddai datgelu'r wybodaeth hon yn datgelu sefyllfa'r Cyngor mewn perthynas â thrafod telerau i gynigwyr posibl eraill gan arwain at gynigion uwch gan eraill a chostau uwch yn gyffredinol i'r Cyngor.**

Bu'r Cabinet yn ystyried adroddiad oedd yn rhoi manylion am gynnig i gael y llithrfa, y maes parcio a'r hen sied winsio ym Mhentywyn.

**PENDERFYNWYD YN UNFRYDOL:**

- 8.1 Cefnogi'r trafodaethau i brynu'r maes parcio, yr hen sied winsio a'r llithrfa (i'r traeth) ym Mhentywyn.**
- 8.2 Cymeradwyo'r cynigion cyllido a amlinellwyd yn yr adroddiad.**

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**CADEIRYDD**

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**DYDDIAD**

**CABINET**  
**11 EBRILL 2022**

**ADRODDIAD CHWARTEROL YNGYLCH RHEOLI'R TRYSORLYS A  
DANGOSYDD DARBODAETH EBRILL 1AF 2021 I RHAGFYR 31AIN 2021**

**Yr Argymhellion / Penderfyniadau Allweddol Sydd Eu Hangen:**

Bod y Cabinet yn ystyried a cymeradwyo yr adroddiad.

**Y Rhesymau:**

I ddarparu y gwybodaeth diweddaraf i aelodau, ynglyn a gweithgareddau'r adran Rheoli'r Trysorlys yn ystod y cyfnod Ebrill 1af 2021 i Rhagfyr 31ain 2021.

**Ymgynghorwyd â'r pwyllgor craffu perthnasol**

**DO**

**Y pwyllgor craffu a'r dyddiad**

**Pwllgor Craffu Polisi ac Adnoddau 16eg Mawrth 2022**

Angen i'r Cabinet wneud penderfyniad OES

Angen i'r Cyngor wneud penderfyniad NA

YR AELOD CABINET SY'N GYFRIFOL AM Y PORTFFOLIO:-

Y Cyngorydd David Jenkins – yr Aelod Cabinet dros Adnoddau

Y Gyfarwyddiaeth: Gwasanaeth  
Corfforaethol

Cyfarwyddwr: Chris Moore

Awdur yr Adroddiad: Anthony  
Parnell

Swyddi:

Cyfarwyddwr Gwasanaethau  
Corfforaethol

Rheolwr Pensiwn a  
Buddsodiadau Gyllidol

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# EXECUTIVE SUMMARY

## CABINET

### 11/04/2022

<b>Treasury Management and Prudential Indicator Report</b> <b>1st April 2021 to 31<sup>st</sup> December 2021</b>
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#### 1. BRIEF SUMMARY OF PURPOSE OF REPORT.

To provide members with an update on the treasury management activities from 1<sup>st</sup> April 2021 to 31<sup>st</sup> December 2021.

DETAILED REPORT ATTACHED?	YES
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## IMPLICATIONS

**I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :**

Signed: **C Moore** Director

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
<b>YES</b>	<b>NONE</b>	<b>YES</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>

#### 1. Policy, Crime & Disorder and Equalities

Within the requirements of the Treasury Management Policy and Strategy Report 2021-2022

#### 3. Finance

The authority's investments during the period returned an average return of 0.05%, exceeding the 7 day LIBID rate.

Gross interest earned on investments for the period amounted to £61k and interest paid on loans was £9.39m.

The Administrators have confirmed that the dividend received on 19th August 2021 was the final dividend, hence the sum of £3.48m principal and £213k interest was the final total received. This equates to 87.03% of the claim submitted.



# CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: C Moore

Director

## 1. Scrutiny Committee

For information to Policy and Resources Scrutiny Committee on the 2<sup>nd</sup> February 2022.

## 2. Local Member(s) NA

## 3. Community / Town Council NA

## 4. Relevant Partners NA

## 5. Staff Side Representatives and other Organisations NA

## Section 100D Local Government Act, 1972 – Access to Information

### List of Background Papers used in the preparation of this report:

Title of Document	File Ref No.	Locations that the papers are available for public inspection
<b>CIPFA Treasury Management in the Public Services - Code of Practice Revised 2017</b>		<b>County Hall, Carmarthen</b>

Mae'r dudalen hon yn wag yn fwriadol

## **AGENDA ITEM NO.**

### **CABINET**

**DATE: 11<sup>TH</sup> APRIL 2022**

# **QUARTERLY TREASURY MANAGEMENT AND PRUDENTIAL INDICATOR REPORT**

**1<sup>st</sup> April 2021 – 31<sup>st</sup> December 2021**

## **A QUARTERLY TREASURY MANAGEMENT REPORT**

### **1. Introduction**

The Treasury Management Policy and Strategy for 2021-22 was approved by Council on the 3<sup>rd</sup> March 2021. Section B 1.1(2) stated that Treasury Management activity reports would be made during the year. This report outlines the Treasury Management activities in the period 1<sup>st</sup> April 2021 to 31<sup>st</sup> December 2021 and satisfies the reporting requirement stated above.

### **2. Economic Update**

On the 16<sup>th</sup> December 2021 the Monetary Policy Committee (MPC) voted 8-1 to raise the Bank Rate by 0.15%, from 0.10% to 0.25% and unanimously decided to make no changes to its programme of quantitative easing (QE) purchases, which was due to finish in December 2021 at a total of £895bn.

As for the timing of the next increase in Bank Rate, the MPC indicated in the November 2021 statement that Bank Rate would be raised “in the coming months”. That may imply another rise is unlikely at the next meeting in February 2022 and that May 2022 is more likely. However, much could depend on how adversely, or not, the economy is affected by Omicron in the run up to the next meeting on 3<sup>rd</sup> February 2022. Once 0.50% is reached, the Bank would act to start shrinking its stock of QE.

### 3. Investments

One of the primary activities of the Treasury Management operation is the investment of surplus cash for which the Authority is responsible. As well as the Authority's own cash the County Council invests School Trust Funds and other Funds, with any interest derived from these investments being passed over to the relevant Fund.

All surplus money is invested daily on the London Money Markets. The security of the investments is the main priority. Appropriate liquidity should be maintained and return on investments the final consideration. It continues to be difficult to invest these funds as the market continues to be insecure and as a consequence appropriate counterparties are limited.

The total investments at 1<sup>st</sup> April 2021 to 31<sup>st</sup> December 2021 analysed between Banks, Building Societies, Local Authorities and Money Market Funds, are shown in the following table:

Investments	01.04.21				31.12.21			
	Call and notice £m	Fixed Term £m	Total £m	%	Call and notice £m	Fixed Term £m	Total £m	%
Banks	34.50	7.53	42.03	36	41.50	0.52	42.02	35
Building Societies	0.00	0.00	0.00	0	0.00	7.00	7.00	6
Money Market Funds	25.00	0.00	25.00	22	25.00	0.00	25.00	21
DMADF (DMO)	0.00	36.50	36.50	31	0.00	38.50	38.50	32
Local Authorities	0.00	13.00	13.00	11	0.00	7.00	7.00	6
<b>TOTAL</b>	<b>59.50</b>	<b>57.03</b>	<b>116.53</b>	<b>100</b>	<b>66.50</b>	<b>53.02</b>	<b>119.52</b>	<b>100</b>

Investments on call are available immediately on demand.  
Fixed term investments are fixed to a maturity date.

The £119.52m includes £0.52m (12.97% of original claim) invested in Kaupthing Singer and Friedlander which has been reduced from the original £4.0m by distributions.

During the period the total investments made by the Council and repaid to the Council (the turnover) amounted to £1,003.01m. This averaged approximately £25.53m per week or £3.65m per day. A summary of turnover is shown below:

	£m
Total Investments 1st April 2021	116.53
Investments made during the quarter	503.00
Sub Total	619.53
Investments Repaid during the quarter	(500.01)
<b>Total Investments at 31 December 2021</b>	<b>119.52</b>

The main aims of the Treasury Management Strategy is to appropriately manage the cash flows of the Council, the required short term and longer term market transactions and the risks associated with this activity. Lending on the money market secures an optimum rate of return and also allows for diversification of investments and hence reduction of risk, which is of paramount importance in today's financial markets.

The benchmark return for the London money market is the "7 day LIBID rate". For 2021-2022 the Council has compared its performance against this "7 day LIBID rate". For the period under review the average "7 day LIBID rate" was -0.07% whereas the actual rate the Council earned was 0.05%, an out performance of 0.12%.

This outperformance can be quantified to £147k additional interest earned compared to the "7 day LIBID rate".

The LIBID rates ceased from 31<sup>st</sup> December 2021. Work is currently progressing with our Treasury advisors at Link and their clients to replace this rate with a suitable alternative for benchmarking. We will monitor the situation closely and an update will be provided in future Quarterly Reports.

The gross interest earned on investments for the period amounted to £61k.

The income from investments is used by the Authority to reduce the net overall costs to the Council taxpayer.

#### **4. Update on the investments with Kaupthing Singer & Friedlander (KSF)**

The Administrators have confirmed that the dividend received on 19<sup>th</sup> August 2021 was the final dividend, hence the sum of £3.48m principal and £213k interest was the final total received. This equates to 87.03% of the claim submitted.

## 5. Security, Liquidity and Yield (SLY)

Within the Treasury Management Strategy Statement for 2021-2022, the Council's investment priorities are:

- Security of Capital
- Liquidity and
- Yield

The Council aims to achieve the optimum return (yield) on investments commensurate with proper levels of security and liquidity. In the current economic climate it is considered appropriate to keep investments short term to cover short term cash flow needs but also to seek out value available in significantly higher rates in periods up to 12 months with highly credit rated financial institutions.

Attached in Appendix 1 is the Investment Summary and Top 10 Counterparty Holdings (excluding the £0.52m in KSF) as at 31<sup>st</sup> December 2021.

## 6. Borrowing

One of the methods used to fund capital expenditure is long term borrowing. The principal lender for Local Authorities is the Public Works Loan Board (PWLB).

Under the Treasury Management Strategy it was agreed to borrow when interest rates are at their most advantageous.

The total loans at 1<sup>st</sup> April 2021 and 31<sup>st</sup> December 2021 are shown in the following table:

Loans	Balance at 01.04.21 £m	Balance at 31.12.21 £m	Net Increase/ (Net Decrease) £m
Public Works Loan Board (PWLB)	403.38	397.61	(5.77)
Market Loan	3.00	3.00	0.00
Salix, Invest to Save, HILS & TCL	7.46	7.79	0.33
<b>TOTAL</b>	<b>413.84</b>	<b>408.40</b>	<b>(5.44)</b>

The Salix interest free loans have been provided by an independent publicly funded company dedicated to providing the public sector with loans for energy efficiency projects.

This interest free Invest-2-Save funding is to assist in the conversion of traditional street lighting to LED, which will help deliver a legacy of reduced energy costs and associated carbon taxes.

The Home Improvement Loan Scheme (HILS) repayable funding is provided by the Welsh Government to help individual home owners, small portfolio landlords, developers and charities to improve homes and increase housing supply.

The Town Centre Loan (TCL) repayable funding is provided by the Welsh Government to provide loans to reduce the number of vacant, underutilised and redundant sites and premises in town centres and to support the diversification of the town centres by encouraging more sustainable uses for empty sites and premises, such as residential, leisure and for key services.

### **6.1 New Borrowing**

The following loan was borrowed during the period:

<b>Loan Reference</b>	<b>Amount (£m)</b>	<b>Interest Rate</b>	<b>Start Date</b>	<b>Period</b>	<b>Maturity Date</b>
Salix	0.36	0.00%	16th April 2021	8yrs	01/04/2029
<b>Total</b>	<b>0.36</b>				

### **6.2 Interest Paid**

Interest paid on loans in the period was:

<b>PWLB Interest Paid £m</b>	<b>Market Loan Interest Paid £m</b>	<b>Total Interest Paid £m</b>
9.25	0.14	9.39

### **7. Rescheduling and Premature Loan Repayments**

No rescheduling opportunities arose during the period and there were no premature repayments of debt.

### **8. Leasing**

No leases were negotiated in the period ended 31<sup>st</sup> December 2021.

### **9. Conclusion**

The Treasury Management function for the period ended 31<sup>st</sup> December 2021 has been carried out within the policy and guidelines set in the Treasury Management Policy and Strategy 2021-2022.

## **B. QUARTERLY PRUDENTIAL INDICATOR REPORT**

### **1. Introduction**

As part of the 2021-2022 Budget and the Treasury Management Policy and Strategy 2021-2022 Council adopted a number of Prudential Indicators. These Indicators are designed to ensure that any borrowing or other long-term liabilities entered into for capital purposes were affordable, sustainable and prudent.

The Indicators are required by the Local Government Act 2003 and the Revised Prudential Code of Practice in order to control Capital Finance. The Prudential Code also required that those Prudential Indicators that were forward looking should be monitored and reported. Some of the indicators are monitored by officers monthly and are only reported if they are likely to be breached, others are to be monitored quarterly by the Cabinet.

### **2. The Monitored Prudential Indicators**

#### **2.1 Affordability Prudential Indicator**

##### **2.1.1 Ratio of Financing Costs to Net Revenue Stream**

The indicator set for 2021-2022 in the Budget was:

	<b>2021-2022</b>
	<b>%</b>
Non –HRA	4.50
HRA	32.71

An examination of the assumptions made in calculating this indicator concluded that there have been no changes in the period.

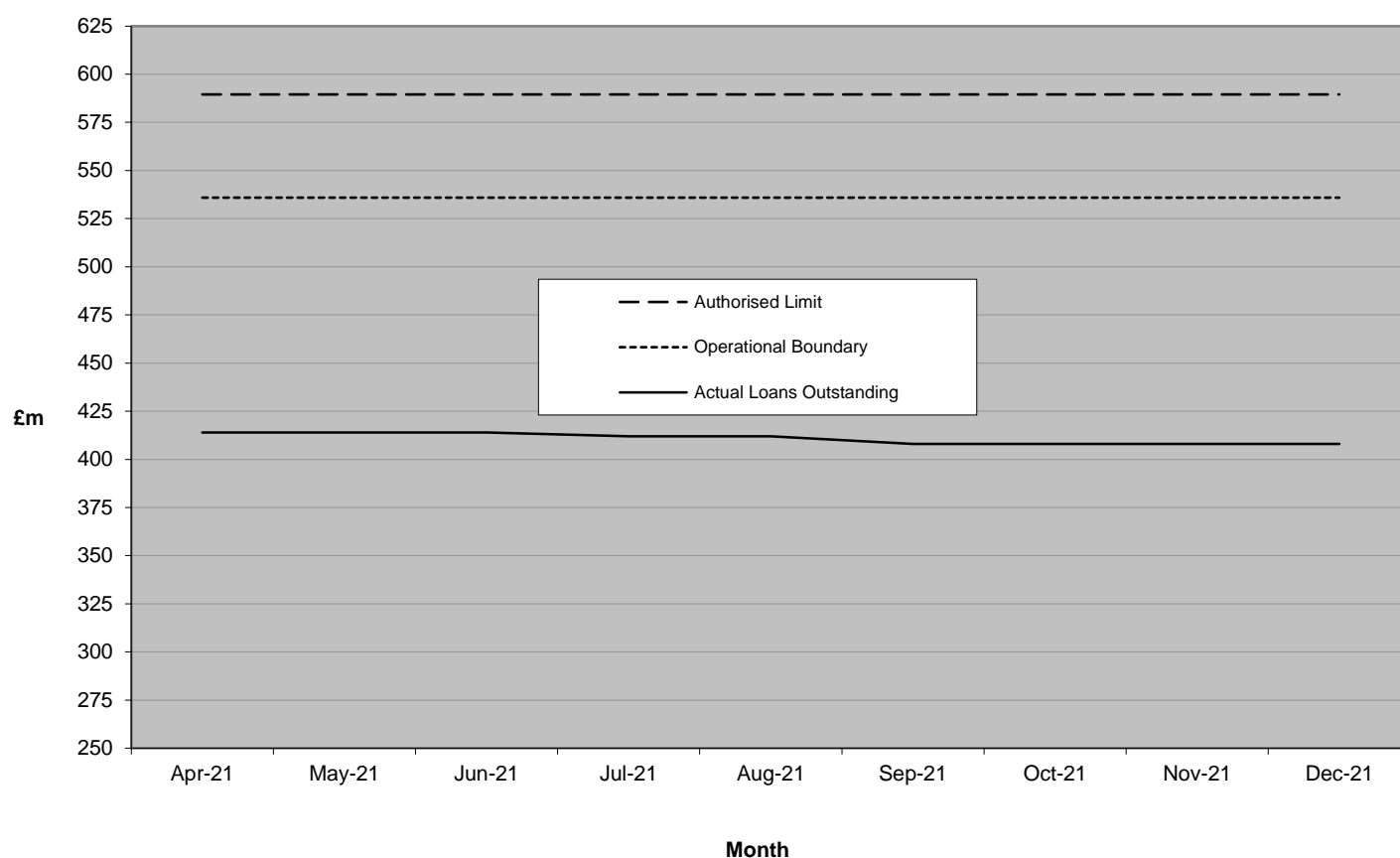
#### **2.2 Prudence Prudential Indicators**

##### **2.2.1 The Gross Borrowing and Capital Finance Requirement (CFR) indicator**

The indicator set by the Budget for Gross Borrowing and CFR was that the Section 151 Officer envisaged no difficulty in meeting the requirement of the Gross Borrowing being less than the accumulated CFR for 2021-2022. An examination of assumptions made when calculating the Prudential Indicator show that there have been no material changes.



## 2.2.2 Authorised Limit and Operational Boundary



The actual value of loans outstanding must not exceed the Authorised Limit. In normal activity actual loans outstanding should be close but less than the Operational Boundary. The Operational Boundary can be breached in the short term due to adverse cash flows.

	Apr-21 £m	Jun-21 £m	Sep-21 £m	Dec-21 £m
Authorised Limit	589.5	589.5	589.5	589.5
Operational Boundary	535.9	535.9	535.9	535.9
Loans Outstanding	414	414	408	408

Neither the Authorised Limit nor the Operational Boundary have been breached.

## **2.3 Treasury Management Prudential Indicators**

### **2.3.1 Interest Rate Exposure**

Position as at 31<sup>st</sup> December 2021:

	<b>Fixed Interest Rate £m</b>	<b>Variable Interest Rate £m</b>	<b>TOTAL £m</b>
Borrowed	405.40	3.00	408.40
Invested	(53.02)	(66.50)	(119.52)
<b>Net</b>	<b>352.38</b>	<b>(63.50)</b>	<b>288.88</b>
Limit	516.00	52.00	
<b>Proportion of Net Borrowing Actual</b>	<b>121.98%</b>	<b>(21.98)%</b>	<b>100.00%</b>
Limit	125.00%	5.00%	

The authority is within limits set by the 2021-2022 indicators.

### **2.3.2 Maturity Structure Of Borrowing**

	<b>Structure at 31.12.21 %</b>	<b>Upper Limit %</b>	<b>Lower Limit %</b>
Under 12 months	2.48	15	0
12 months to 2 years	2.76	15	0
2 years to 5 years	6.69	50	0
5 years to 10 years	9.52	50	0
10 years to 20 years	19.86	50	0
20 years to 30 years	20.42	50	0
30 years to 40 years	23.34	50	0
40 years and above	14.93	50	0

The authority is within the limits set by the 2021-2022 indicators.

### **2.3.3 Maximum principal sums invested longer than 365 days**

	<b>2021-2022 £m</b>
Limit	10
Actual as at 31 <sup>st</sup> December 2021	NIL

### **3. Conclusion**

For the period 1<sup>st</sup> April 2021 to 31<sup>st</sup> December 2021 the actual Prudential Indicators to be monitored by the Cabinet are within the limits set by the Budget 2021-2022 and the Treasury Management Policy and Strategy 2021-2022. This is also true for the indicators being monitored by officers.

### **RECOMMENDATION**

**That Cabinet considers and approves the report.**

Mae'r dudalen hon yn wag yn fwriadol

Investment Summary as at 31st December 2021

Carmarthenshire County Council

Totals			
<b>Total</b>	<b>£119,000,000</b>		
<b>Calls &amp; MMFs</b>	£59,500,000	50%	
<b>Fixed Deposits</b>	£59,500,000	50%	
<b>Specified</b>	£59,500,000	100%	

Weighted Average			
<b>Yield</b>			0.09%
<b>Maturity (Days)</b>			
Total Portfolio	Total Portfolio		52.97
<b>Long Term</b>		<b>Short Term</b>	
AAA	-		1.00
AA	F1		59.86
A	F1		85.51
BBB	F2		0.00
CCC	C		0.00

Risk Factors		
<b>&lt; 1 year</b>	£10,382	0.009%
<b>1 - 2 years</b>	£0	0.000%
<b>2 - 3 years</b>	£0	0.000%
<b>3 - 4 years</b>	£0	0.000%
<b>4 - 5 years</b>	£0	0.000%
<b>Total Portfolio</b>	£10,382	0.009%

Maturity Structure		
<b>&lt; 1 Week</b>	£68,000,000	57%
<b>&lt; 1 Month</b>	£15,000,000	13%
<b>2 - 3 Months</b>	£15,000,000	13%
<b>3 - 6 Months</b>	£7,000,000	6%
<b>6 - 9 Months</b>	£7,000,000	6%
<b>9 - 12 Months</b>	£7,000,000	6%
<b>12 Months+</b>	£0	0%
<b>Total</b>	<b>£119,000,000</b>	<b>100%</b>

**SLY Model**

**Carmarthenshire County Council**

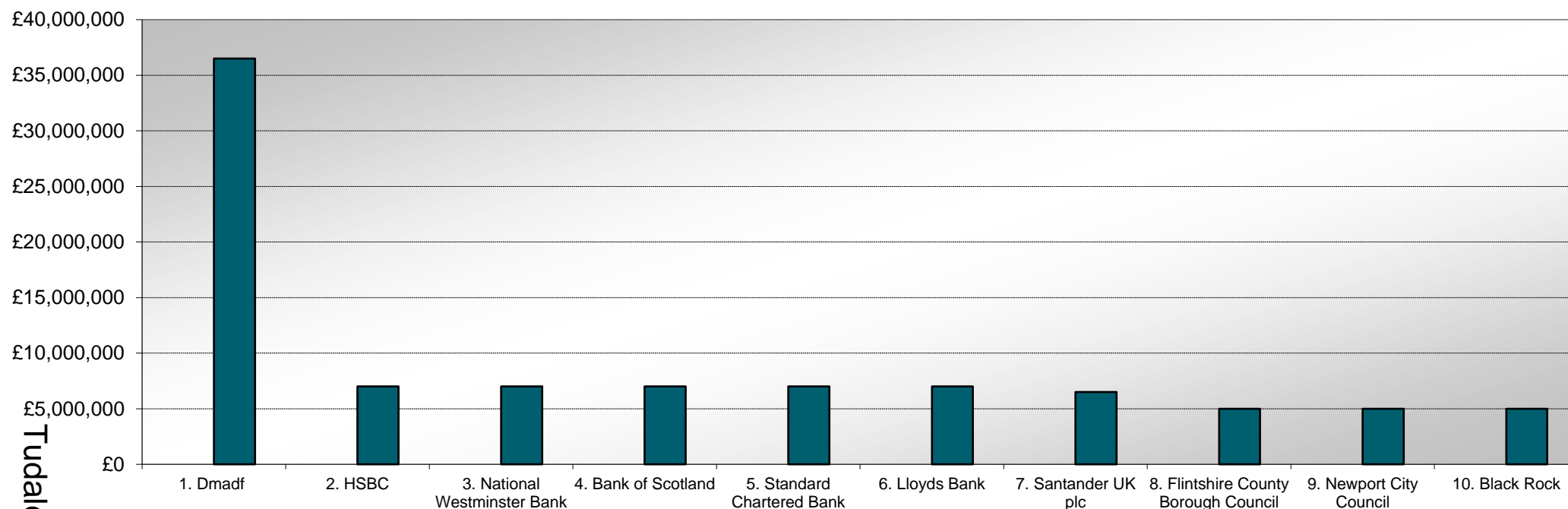
31/12/2021

Mae'r dudalen hon yn wag yn fwiadol

## Top 10 Counterparty Holdings

Carmarthenshire County Council

Counterparty	Principal	% of Total Holding	WAM (Days)	WAYield	WADefault
1. Dmadf	£36,500,000	32.30%	25	0.00%	0.001%
2. HSBC	£7,000,000	6.19%	1	0.03%	0.000%
3. National Westminster Bank	£7,000,000	6.19%	183	0.11%	0.047%
4. Bank of Scotland	£7,000,000	6.19%	1	0.01%	0.000%
5. Standard Chartered Bank	£7,000,000	6.19%	1	0.10%	0.000%
6. Lloyds Bank	£7,000,000	6.19%	1	0.10%	0.000%
7. Santander UK plc	£6,500,000	5.75%	1	0.58%	0.000%
8. Flintshire County Borough Council	£5,000,000	4.42%	54	0.03%	0.002%
9. Newport City Council	£5,000,000	4.42%	19	0.05%	0.001%
10. Black Rock	£5,000,000	4.42%	1	0.01%	0.000%



Mae'r dudalen hon yn wag yn fwiadol