



MUNICIPAL YEAR 2022 / 2023

GOVERNANCE AND AUDIT COMMITTEE 7TH SEPTEMBER 2022	AGENDA ITEM NO 3
REPORT OF THE DIRECTOR OF FINANCE & DIGITAL SERVICES	2021/22 ANNUAL TREASURY MANAGEMENT REVIEW

Author : Barrie Davies (01443) 424026

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide Members with the opportunity to scrutinise the Annual Treasury Management Review presented to Council on 6th July 2022 (Appendix 1).

2.0 RECOMMENDATIONS

It is recommended that Members:

- 2.1 Scrutinise and comment on the information provided.
- 2.2 Consider whether they wish to receive further detail on any matters contained in the report.

3.0 BACKGROUND INFORMATION

- 3.1 The 2021/22 Annual Treasury Management Review was reported to and agreed by Council on 6th July 2022.
- 3.2 The Governance and Audit Committee has responsibility for scrutinising the Council's Treasury Management activity, as agreed by full Council on

[25th May 2022](#), this being consistent with the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Code of Practice and Prudential Code Guidance Notes.

- 3.3 The Treasury Management Code of Practice sets out that “*The treasury management strategy should be supplemented by the provision of monitoring information and regular review by board members/councillors in both executive and scrutiny functions. CIPFA considers clearly defined responsibilities for the approval and scrutiny of treasury management activities to be an essential element of a public service organisation’s treasury management arrangements.*”

4.0 ANNUAL TREASURY MANAGEMENT REVIEW (Appendix 1)

- 4.1 This report details the activities undertaken by the Treasury Management function during 2021/22.

- 4.2 I would like to highlight key points as follows:

- The Council has complied with all relevant Codes of Practice, regulations and guidance (para 4.2).
- The revised guidance on Public Works Loan Board lending (para 6.1).
- The Council continues to adopt a low-risk strategy in terms of investing and borrowing (paras 7.1.8, 8.1 and 11.2).
- Repayable Funding was received from Welsh Government to support investment in rail infrastructure (para 8.3).
- Net Capital Charges for the year were within budget (para 9.4).
- Compliance has been achieved in terms of all Prudential and Treasury indicators (para 10.1).
- Funding packages for Sustainable Communities for Learning will be reported within Treasury management reports (Paras 13.0 to 13.6).

5.0 EQUALITY AND DIVERSITY IMPLICATIONS AND SOCIO-ECONOMIC DUTY

- 5.1 The report provides an overview of the Council’s Treasury Management activities during 2021/22 in line with the Strategy reports approved by Council in March 2021. As a result, there are no equality and diversity or socio-economic duty implications to report.

6.0 WELSH LANGUAGE IMPLICATIONS

- 6.1 There are no Welsh language implications as a result of the recommendations in this report.

7.0 CONSULTATION

- 7.1 Following consideration by Council, the report at Appendix 1 is now being presented to the Governance and Audit Committee in line with the laid

down code of practice “CIPFA Treasury Management in the Public Services 2017” and remit of the Committee.

8.0 FINANCIAL IMPLICATION(S)

8.1 The financial results / implications of the Council’s Treasury Management arrangements in 2021/22 have been incorporated into quarterly Performance Reports during 2021/22, reported to Council on 24th November 2021 as part of the 2021/22 Mid-Year Treasury Management Stewardship Report and also incorporated into the year-end Council Performance Report reported to Cabinet on 18th July 2022.

9.0 LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

9.1 The report ensures the Council complies with its legal duty under the Local Government Act 2003 and in doing so is in line with the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities.

10.0 LINKS TO CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT

10.1 This report evidences the progress made in delivering the Council’s Corporate Plan 2020-24 “Making a Difference” through the ‘Living Within Our Means’ theme by pursuing optimum treasury management performance or return at the same time as managing associated risk.

10.2 The report also supports the Well-being of Future Generations Act in particular ‘a globally responsible Wales’ through responsible management and investment of the Council’s resources.

11.0 CONCLUSION

11.1 This report, together with Appendix 1, provides Members with the opportunity to review the 2021/22 activities of Treasury Management.
