



CYNGOR CAERDYDD CARDIFF COUNCIL

COUNCIL:

27 OCTOBER 2022

TREASURY MANAGEMENT ANNUAL REPORT 2021/22

Annexes B & C to Appendix 1 to this report are not for publication as they contain exempt information of the description in Paragraphs 14 and 21 of Schedule 12A of the Local Government Act 1972.

Reason for this Report

1. To inform members of the Council's treasury management activities between 1 April 2021 and 31 March 2022.

Background

2. The Council's treasury management activities are governed by legislation and a Code of Practice developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) updated in 2021.

Issues

3. In accordance with regulatory requirements, reports were submitted to Council in March 2021 indicating the Treasury Management Strategy for 2021/22 and a Mid-Year report in November 2021. The following paragraphs cover the main highlights of the Annual Report for 2021/22 which is a backward looking summary of Treasury Management activities during that period.
4. At 31 March 2022, investments stood at £226.4 million. The annual report includes charts indicating who the investments are placed with and for how long. All investments are deemed recoverable and so no losses are required to be recognised in the Council's Statement of Accounts for activities during 2021/22. Interest receivable from treasury investments totalled £0.3 million during the year.
5. At 31 March 2022, the Council had £855.6 million of external borrowing, with £72.4 million of new borrowing and £27.5 million of scheduled repayments during 2021/22. Interest payable during the year from its revenue budget on this debt was £34.1 million of which £13.2 million was paid for by the Housing Revenue Account.

6. At the start of the financial year, the Council is required to set a number of prudential indicators for capital expenditure and its treasury management activities. During 2021/22, there was no breach of indicators requiring a separate report to Council.
7. Governance and Audit Committee have undertaken the scrutiny of Treasury Management in accordance with Council's Treasury Management Policies and reviewed the Annual Report for 2021/22 at its meeting in September 2022.

Reasons for Recommendations

8. Council policy requires the Treasury Management Annual Report 2021/22 update to be submitted to Council.

Legal Implications

9. No direct legal implications arise from this report.

Financial Implications

10. The Council's treasury management activities are undertaken in accordance with the policies adopted by Council and under professional codes of conduct established by CIPFA, the Welsh Government and the Corporate Director Resources as part of Treasury Management Practices. This report is part of a suite of reports that members receive on the Council's treasury management activities during the course of a year. Whilst there are no direct financial implications arising from this report, the risks involved with treasury management are continuously reviewed as part of the Council's Medium term Financial Plan.

RECOMMENDATION

Council is recommended to note the Treasury Management Annual Report 2021/22 (Appendix 1).

CHRISTOPHER LEE

Corporate Director Resources
27 October 2022

The following Appendix is attached:-

- Appendix 1: Treasury Management Annual Report 2021/22
- Annexe A – Treasury Management Policy Extract
 - Annexe B – Investments at 31 March 2022 (Confidential)
 - Annexe C – Investment Charts at 31 March 2022 (Confidential)
 - Annexe D – Maturity Analysis of borrowing as at 31 March 2022
 - Annexe E – Glossary of Treasury Management terms