CYNGOR SIR YNYS MÔN	
Adroddiad i:	**PWYLLGOR GWAITH**
Dyddiad:	**03 MAWRTH 2022**
Pwnc / Testun:	**ADRODDIAD ADOLYGIAD CANOL BLWYDDYN RHEOLI TRYSORLYS 2021/22**
Deilydd(ion) Portffolio:	**Y CYNGHORYDD R WILLIAMS**
Pennaeth Gwasanaeth / Cyfarwyddwr:	**MARC JONES, CYFARWYDDWR SWYDDOGAETH (ADNODDAU) A SWYDDOG ADRAN 151**
Awdur yr Adroddiad: Ffôn: E-bost:	**JEMMA ROBINSON** **01248 752675** **JemmaRobinson@ynysmon.gov.uk**
Aelodau Lleol:	**Amherthnasol**

A – Argymhelliad / Argymhellion a Rheswm / Rhesymau

- Ystyried Adroddiad Adolygiad Canol Blwyddyn Rheoli Trysorlys 2021/22 a'i drosglwyddo i gyfarfod nesaf y Cyngor Llawn gydag unrhyw sylwadau.

B – Pa opsiynau eraill wnaethoch chi eu hystyried a beth oedd eich rhesymau dros eu gwrthod ac/neu ddewis yr opsiwn hwn?

Amherthnasol

C – Am ba reswm mae hwn yn benderfyniad i'r Pwyllgor Gwaith?

- Cydymffurfio â rheoliadau a gyhoeddwyd o dan Ddeddf Llywodraeth Leol 2003 a Chynllun Dirprwyo Rheoli Trysorlys y Cyngor ar gyfer 2021/22 (Atodiad 8 Datganiad Strategaeth Reoli'r Trysorlys 2021/22). Yn unol â'r Cynllun Dirprwyo, craffodd y Pwyllgor Llywodraethu ac Archwilio ar yr adroddiad hwn ar 09 Rhagfyr 2021. Bydd yr adroddiad yn cael ei gyflwyno i'r Cyngor llawn unwaith y bydd wedi'i dderbyn gan y Pwyllgor hwn.

CH – A yw'r penderfyniad hwn yn gyson â pholisi a gymeradwywyd gan y Cyngor Llawn?

Ydi

D – A yw'r penderfyniad hwn o fewn y gyllideb a gymeradwywyd gan y Cyngor?

Amherthnasol

DD – Asesu'r effeithiau posibl (os yn berthnasol):

Sut mae'r penderfyniad hwn yn effeithio ar ein hanghenion tymor hir fel Ynys?	
A ragwelir y bydd y penderfyniad hwn yn atal costau / dibyniaethau ar yr Awdurdod i'r dyfodol? Os felly, sut:-	
A ydym wedi bod yn cydweithio â sefydliadau eraill i ddod i'r penderfyniad hwn, os felly, rhowch wybod gyda phwy:-	
A yw dinasyddion Ynys Môn wedi chwarae eu rhan wrth ddrafftio'r ffordd hon ymlaen? Esboniwch sut:-	

Nodwch unrhyw effeithiau posibl y byddai'r penderfyniad hwn yn ei gael ar y grwpiau a warchodir o dan y Ddeddf Cydraddoldeb 2010.		
Os yw hwn yn benderfyniad strategol, nodwch unrhyw effeithiau posibl y byddai'r penderfyniad yn ei gael ar y rhai sy'n profi anfantais economaidd-gymdeithasol.		
Nodwch unrhyw effeithiau posibl y byddai'r penderfyniad hwn yn ei gael ar gyfleoedd i bobl ddefnyddio'r Gymraeg a pheidio â thrin y Gymraeg yn llai ffafriol na'r Saesneg.		

E – Gyda phwy wnaethoch chi ymgynghori?		**Beth oedd eu sylwadau?**
1	**Prif Weithredwr / Uwch Dîm Arweinyddiaeth (UDA)**(gorfodol)	
2	**Cyllid / Adran 151** (gorfodol)	Amherthnasol – y Swyddog Adran 151 yw awdur yr adroddiad hwn
3	**Cyfreithiol / Swyddog Monitro** (gorfodol)	
4	**Adnoddau Dynol (AD)**	
5	**Eiddo**	
6	**Technoleg Gwybodaeth a Chyfathrebu (TGCh)**	
7	**Caffael**	
8	**Sgriwtini**	
9	**Aelodau Lleol**	
10	**Arall**	Penderfynodd y Pwyllgor Llywodraethu ac Archwilio:- • Derbyn Adroddiad Adolygiad Canol Blwyddyn Rheoli Trysorlys 2021/22 a'i argymell i'r Pwyllgor Gwaith heb sylwadau.

F - Atodiadau:

Atodiad A – Adolygiad Canol Blwyddyn Rheoli Trysorlys 2021/22

FF – Papurau cefndir (cysylltwch ag awdur yr Adroddiad am unrhyw wybodaeth bellach):

- Datganiad ar y Strategaeth Rheoli Trysorlys am 2020/21
- Dangosyddion Pwyllog a Rheoli Trysorlys 2020/21
- Adroddiad Rheoli Trysorlys Blynyddol ar gyfer 2020/21

ATODIAD A

1. Cefndir

1.1 Strategaeth Cyfalaf

Ym mis Rhagfyr 2017, cyhoeddodd y Sefydliad Siartredig Cyllid Cyhoeddus a Chyfrifyddiaeth (CIPFA) godau diwygiedig ar gyfer Darbodusrwydd a Rheoli Trysorlys. Maent yn ei gwneud yn ofynnol i bob awdurdod lleol baratoi Strategaeth Gyfalaf y bwriedir iddi ddarparu'r canlynol:-

- trosolwg lefel uchel o sut mae gwariant cyfalaf, cyllido cyfalaf a gweithgareddau rheoli trysorlys yn cyfrannu at ddarparu gwasanaethau;
- trosolwg o sut y rheolir y risg gysylltiedig; a
- goblygiadau ar gyfer cynaliadwyedd ariannol yn y dyfodol.

Aethpwyd ag adroddiad a oedd yn amlinellu ein Strategaeth Gyfalaf i'r Pwyllgor Gwaith ar 1 Mawrth 2021, a bydd Strategaeth ddiwygiedig ar gyfer 2022/23 yn cael ei chyflwyno i'r Cyngor llawn cyn 31 Mawrth 2022.

1.2 Rheoli Trysorlys

Mae'r Cyngor yn gweithredu cyllideb gytbwys, sy'n golygu'n fras y bydd arian a godir yn ystod y flwyddyn yn cwrdd â'i wariant arian parod. Mae rhan o'r gweithgareddau rheoli'r trysorlys yn sicrhau bod y llif arian hwn wedi'i gynllunio'n ddigonol, gydag arian dros ben yn cael ei fuddsoddi mewn gwrthbartïon risg isel, gan ddarparu hylifedd digonol yn y lle cyntaf cyn ystyried sicrhau'r elw uchaf posib o'r buddsoddiadau.

Ail brif swyddogaeth y gwasanaeth rheoli trysorlys yw cyllido cynlluniau cyfalaf y Cyngor. Mae'r cynlluniau cyfalaf hyn yn rhoi syniad o faint y bydd angen i'r Cyngor gael benthyg, yn y bôn y cynllunio llif arian parod tymor hwy i sicrhau y gall y Cyngor gyflawni ei weithgareddau gwariant cyfalaf. Gall y gwaith hwn o reoli arian parod tymor hwy gynnwys trefnu benthyciadau tymor hir neu dymor byr, neu ddefnyddio gwargedion llif arian tymor hwy ac, ar brydiau, gellir ailstrwythuro unrhyw ddyled i fodloni amcanion cost neu risg y Cyngor.

Yn unol â hynny, diffinnir rheoli trysorlys fel:-

"*Rheoli benthyciadau, buddsoddiadau a llif arian yr awdurdod lleol, ei drafodion bancio, marchnad arian a marchnad gyfalaf; rheolaeth effeithiol o'r risgiau sy'n gysylltiedig â'r gweithgareddau hynny; a cheisio'r perfformiad gorau posib sy'n gyson â'r risgiau hynny."*

2. Rhagarweiniad

Ysgrifennwyd yr adroddiad hwn yn unol â gofynion Côd Ymarfer CIPFA ar Reoli Trysorlys (diwygiwyd 2017). Mae prif ofynion y Côd fel a ganlyn:-

(i) Creu a chynnal Datganiad ar y Polisi Rheoli Trysorlys, sy'n nodi polisïau ac amcanion gweithgareddau rheoli trysorlys y Cyngor.

(ii) Creu a chynnal Arferion Rheoli Trysorlys, sy'n nodi'r modd y bydd y Cyngor yn ceisio cyflawni'r polisïau a'r amcanion hynny.

(iii) Bod y Cyngor llawn yn derbyn Datganiad Blynyddol ar y Strategaeth Rheoli'r Trysorlys, sy'n cynnwys y Strategaeth Fuddsoddi Flynyddol a'r Polisi ar y Ddarpariaeth Refeniw Isaf ar gyfer y flwyddyn i ddod, Adroddiad Adolygiad Canol Blwyddyn (yr adroddiad hwn) ac Adroddiad Blynyddol, yn ymdrin â gweithgareddau yn ystod y flwyddyn flaenorol.

(iv) Y Cyngor yn dirprwyo cyfrifoldebau dros weithredu a monitro polisïau ac arferion rheoli trysorlys ac ar gyfer gweithredu a gweinyddu penderfyniadau rheoli trysorlys.

(v) Y Cyngor yn dirprwyo rôl craffu ar y strategaeth a pholisïau rheoli trysorlys i gorff penodol a enwir. Ar gyfer y Cyngor hwn, y corff dirprwyedig hwnnw yw'r Pwyllgor Archwilio.

Paratowyd yr adroddiad canol blwyddyn hwn yn unol â Chôd Ymarfer CIPFA ar Reoli Trysorlys ac mae'n cynnwys y canlynol:-

- Diweddariad economaidd ar gyfer hanner cyntaf blwyddyn ariannol 2021/22;
- Adolygiad o'r Datganiad Strategaeth Rheoli Trysorlys a'r Strategaeth Fuddsoddi Flynyddol;
- Gwariant cyfalaf y Cyngor fel y'i nodir yn y Strategaeth Gyfalaf, a dangosyddion darbodus;
- Adolygiad o bortffolio buddsoddi'r Cyngor ar gyfer 2021/22;
- Adolygiad o strategaeth fenthyca'r Cyngor ar gyfer 2021/22;
- Adolygiad o unrhyw aildrefnu dyledion a wnaed yn ystod 2021/22;
- Adolygiad o gydymffurfiaeth â'r Terfynau Trysorlys a Darbodus ar gyfer 2021/22.

3. Diweddariad Economaidd

3.1 Cafwyd diweddariad economaidd gan ymgynghorwyr trysorlys y Cyngor ac mae i'w weld yn Atodiad 1. Yn ddiweddar maent hefyd wedi darparu'r rhagolwg isod ar gyfer cyfraddau llog:-

	Rhag 2021	Maw 2022	Meh 2022	Medi 2022	Rhag 2022	Maw 2023	Meh 2023	Medi 2023	Rhag 2023	Maw 2024
Cyfradd Banc (%)	0.10%	0.10%	0.25%	0.25%	0.25%	0.25%	0.50%	0.50%	0.50%	0.75%
Cyfradd 5 mlynedd BBGC (%)	1.40%	1.40%	1.50%	1.50%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%
Cyfradd 10 mlynedd BBGC (%)	1.80%	1.80%	1.90%	1.90%	2.00%	2.00%	2.00%	2.10%	2.10%	2.10%
Cyfradd 25 mlynedd BBGC (%)	2.20%	2.20%	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%	2.60%
Cyfradd 50 mlynedd BBGC (%)	2.00%	2.00%	2.10%	2.20%	2.20%	2.20%	2.20%	2.30%	2.30%	2.40%

3.2 Yn ddiweddar, darparodd ymgynghorwyr trysorlys y Cyngor sylwebaeth i gyd-fynd â'r rhagolygon cyfraddau llog uchod. Gellir gweld y sylwebaeth hon yn Atodiad 2.

4. Datganiad Strategaeth Rheoli Trysorlys a diweddariad ar y Strategaeth Fuddsoddi Flynyddol

4.1 Cymeradwywyd y Datganiad Strategaeth Rheoli Trysorlys (DSRhT) ar gyfer 2021/22 gan y Cyngor llawn ar 9 Mawrth 2021. Nid oes unrhyw newidiadau polisi iddo; mae'r manylion yn yr adroddiad hwn yn diweddaru'r sefyllfa yng ngoleuni'r sefyllfa economaidd sydd ohoni a'r newidiadau cyllidebol a gymeradwywyd eisoes.

5. Strategaeth Fuddsoddi Flynyddol

5.1 Yn unol â'r Côd, blaenoriaeth y Cyngor yw sicrhau diogelwch cyfalaf a hylifedd, a sicrhau lefel briodol o enillion sy'n gyson ag archwaeth risg y Cyngor. Yn yr hinsawdd economaidd sydd ohoni, ystyrir ei bod yn briodol cadw'r buddsoddiadau i rai tymor byr er mwyn cwrdd ag anghenion llif arian, ond hefyd i chwilio am y gwerth sydd ar gael mewn cyfnodau hyd at 12 mis gyda sefydliadau ariannol â statws credyd uchel. Fel y dangosir gan y rhagolygon ynghylch cyfraddau llog yn adran 3, mae bellach yn amhosib cael y cyfraddau llog a welwyd yn gyffredin mewn degawdau blaenorol oherwydd prin y mae'r holl gyfraddau buddsoddi wedi codi ers torri'r Gyfradd Banc i 0.10% ym mis Mawrth 2020, hyd at gyfarfod y Pwyllgor Polisi Ariannol ar 24 Medi 2021, pan gododd cyfraddau 6 a 12 mis oherwydd y disgwyliad y bydd y Cyfradd Banc yn codi yn 2022. O ystyried yr amgylchedd risg hwn a'r posibilrwydd mai codiad bychan iawn yn unig fydd yn y Cyfradd Banc cyn canol 2023, neu ddim codiad o gwbl, disgwylir i enillion o fuddsoddiadau barhau i fod yn isel.

5.2 Roedd gan y Cyngor £38.070m o fuddsoddiadau ar 30 Medi 2021 (£25.066m ar 31 Mawrth 2021) a'r elw o'r portffolio buddsoddi am chwe mis cyntaf y flwyddyn oedd 0.01%. Mae rhestr lawn o'r buddsoddiadau ar 30 Medi 2021 i'w gweld yn Atodiad 3. Gellir gweld crynodeb o'r buddsoddiadau a'r cyfraddau yn Atodiad 4.

5.3 Nid aethpwyd yn uwch na'r terfynau a gymeradwywyd yn y Strategaeth Fuddsoddi Flynyddol yn ystod chwe mis cyntaf 2021/22.

5.4 Yr enillion o fuddsoddiadau y mae'r Cyngor wedi cynllunio ar eu cyfer am 2021/22 yw £0.036m ac nid yw'r perfformiad ar gyfer y flwyddyn hyd yma yn unol â'r gyllideb, gyda dim ond £0.005m wedi'i dderbyn hyd ddiwedd Chwarter 2. Rydym yn rhagweld y bydd yr enillion ar ddiwedd y flwyddyn yn is na'r gyllideb oherwydd er bod ein balansau arian parod wedi bod yn uwch na'r arfer, mae hyn yn cael ei wrthbwyso gan gyfraddau llog is nag a ragwelwyd.

5.5 Mae'r meini prawf ar gyfer dewis gwrthbartïon buddsoddi a gymeradwywyd yn y DSRhT yn cwrdd â gofyniad y swyddogaeth rheoli trysorlys.

5.6 Gellir gweld y gwledydd a gymeradwyir ar gyfer buddsoddiadau yn Atodiad 5.

5.7 Mae'r tabl isod yn dangos rhestr o fuddsoddiadau a wnaed i Awdurdodau Lleol eraill yn ystod hanner cyntaf y flwyddyn ariannol hon. O ystyried mai diogelwch yr arian yw dangosydd allweddol y Cyngor hwn, ystyrir mai buddsoddiadau gydag Awdurdodau Lleol eraill yw'r ffordd fwyaf diogel o fuddsoddi arian ac mae hyn yn rhoi enillion uwch na'r mwyafrif o gyfrifon galw gyda banciau.

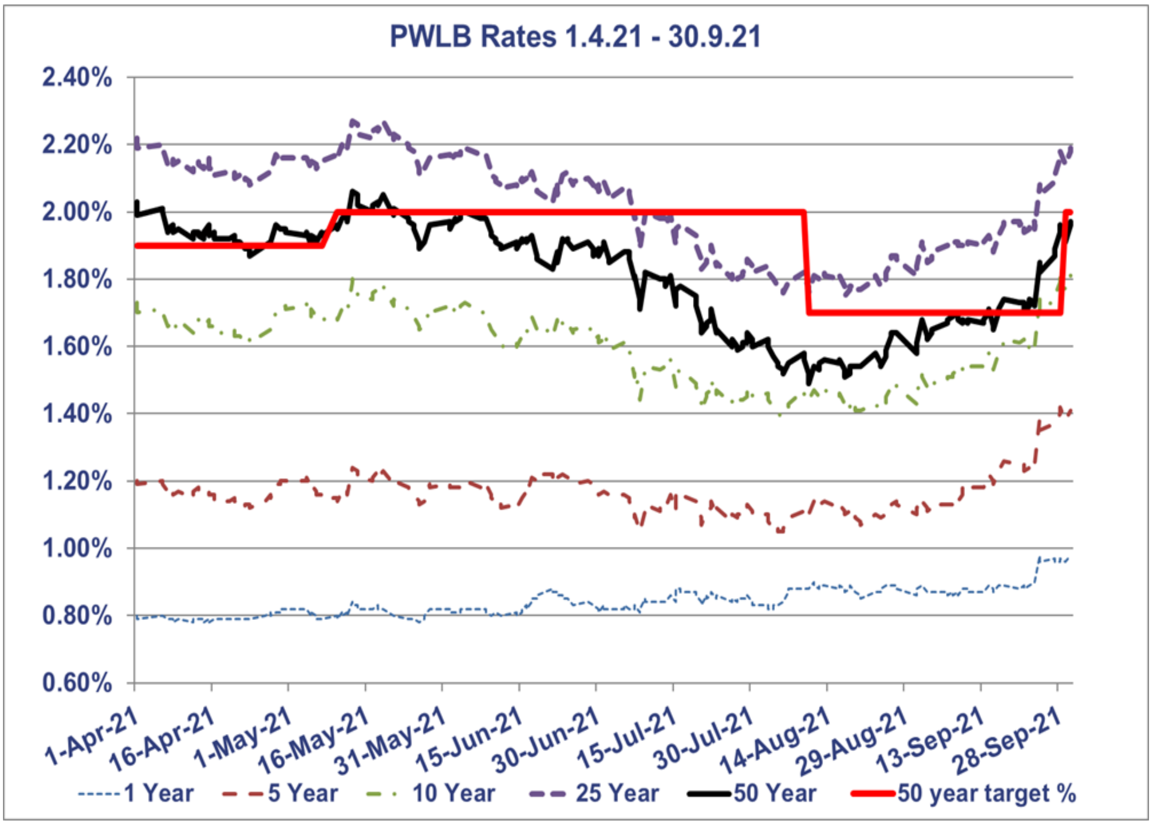
Awdurdod Lleol	Dyddiad Dechrau	Dyddiad Gorffen	Cyfradd Llog %	Swm £
Cyngor Sir Fflint	23/06/2021	23/09/2021	0.03	5,000.000

6. Benthyca

6.1 Y gofyniad cyllid cyfalaf a ragwelir (GCC) ar gyfer 2021/22 yw £140.9m. Mae'r GCC yn dynodi angen sylfaenol y Cyngor i fenthyca at ddibenion cyfalaf. Os yw'r GCC yn bositif, gall y Cyngor fenthyca gan y Bwrdd Benthyciadau Gwaith Cyhoeddus (BBGC) neu'r farchnad (benthyca allanol) neu o falansau mewnol ar sail dros dro (benthyca mewnol). Yn gyffredinol, mae'r cydbwysedd rhwng benthyca allanol a mewnol yn cael ei yrru gan amodau'r farchnad. Mae'r Cyngor wedi rhagweld y bydd wedi cael benthyg £124.9m ar ddiwedd y flwyddyn a bydd wedi defnyddio £16.0m o gronfeydd llif arian yn lle benthyca. Mae hwn yn ddull darbodus a chost-effeithiol yn yr hinsawdd economaidd sydd ohoni, ond bydd angen ei fonitro'n barhaus os bydd yr elw o giltiau yn well na'r disgwyl.

6.2 Derbyniwyd swm o £509k (benthyciad Salix di-log) yn ystod hanner cyntaf y flwyddyn, sef rhandal olaf y benthyciad hwn. Ni chymerwyd benthyg unrhyw arian ychwanegol yn ystod hanner cyntaf y flwyddyn ariannol hon, a ni ragwelir y bydd angen cymryd unrhyw fenthyciadau allanol ychwanegol yn ystod ail hanner y flwyddyn ariannol. Bydd angen benthyca i gyllido rhan o raglen gyfalaf 2021/22, ond gwneir hynny trwy fenthyca mewnol (drwy ddefnyddio balansau arian parod). Bydd hyn yn gohirio costau cyllido cyfalaf tra bod balansau arian parod y Cyngor yn gallu darparu ar gyfer y benthyca mewnol hwn. Yn y tymor mwy canolig, efallai y bydd angen allanoli'r benthyca os bydd balansau arian parod y Cyngor yn isel. Mae'r rhaglen gyfalaf yn cael ei hadolygu'n rheolaidd oherwydd effeithiau coronafeirws a phrinder deunyddiau a gweithwyr. Felly, bydd ein strategaeth fenthyca yn cael ei hadolygu'n rheolaidd hefyd a'i diwygio, os bydd angen, er mwyn sicrhau'r gwerth gorau a'r amlygiad gorau i risg yn y tymor hir.

Mae'r graff a'r tabl isod yn dangos y newid yng nghyfraddau sicrwydd y BBGC ar gyfer chwe mis cyntaf y flwyddyn hyd yn hyn. Roedd enillion o giltiau a chyfraddau BBGC yn gostwng rhwng mis Mai a mis Awst. Fodd bynnag, bu iddynt godi'n sydyn tuag at ddiwedd mis Medi. Ar ddechrau 2021/22, roedd cyfradd darged 50 mlynedd BBGC ar gyfer benthyca newydd tymor hir yn 1.90%, cododd i 2.00% ym mis Mai, disgynnodd i 1.70% ym mis Awst ac yna dychwelyd i 2.00% ddiwedd mis Medi, ar ôl cyfarfod y Pwyllgor Polisi Ariannol ar 23 Medi.



	1 Year	5 Year	10 Year	25 Year	50 Year
Low	0.78%	1.05%	1.39%	1.75%	1.49%
Date	08/04/2021	08/07/2021	05/08/2021	17/08/2021	10/08/2021
High	0.98%	1.42%	1.81%	2.27%	2.06%
Date	24/09/2021	28/09/2021	28/09/2021	13/05/2021	13/05/2021
Average	0.84%	1.16%	1.60%	2.02%	1.81%
Spread	0.20%	0.37%	0.42%	0.52%	0.57%

6.3 Prin iawn fu'r cyfleoedd a gafwyd i aildrefnu dyledion yn yr hinsawdd economaidd sydd ohoni ac yn dilyn y codiadau amrywiol yn yr elw a ychwanegwyd at enillion giltiau sydd wedi effeithio ar gyfraddau benthyca newydd BBGC ers mis Hydref 2010. Felly, nid oes unrhyw ddyledion wedi cael eu haildrefnu hyd yma yn y flwyddyn ariannol gyfredol.

7. Sefyllfa Gyfalaf y Cyngor (Dangosyddion Darbodus)

7.1 Mae'r rhan hon o'r adroddiad wedi ei strwythuro er mwyn rhoi diweddariad ar:-

- Cynlluniau gwariant cyfalaf y Cyngor;
- Sut mae'r cynlluniau hyn yn cael eu cyllido;
- Effaith y newidiadau yn y cynlluniau gwariant cyfalaf ar y dangosyddion darbodus a'r angen sylfaenol i fenthyca; a
- Cydymffurfio â'r cyfyngiadau sydd ar waith ar gyfer gweithgaredd benthyca.

7.2 Dangosydd Darbodus ar gyfer Gwariant Cyfalaf

Mae'r tabl hwn yn dangos yr amcangyfrifon diwygiedig ar gyfer gwariant cyfalaf o'i gymharu â'r gyllideb gyfalaf:-

Gwariant Cyfalaf	Amcangyfrif Gwreiddiol 2021/22 £'000	Sefyllfa ar 30 Medi 2021 £'000	Amcangyfrif Cyfredol 2021/22 £'000
Cronfa'r Cyngor	34,386	8,666	25,427
CRT	22,561	4,583	13,641
Cyfanswm	**56,947**	**13,249**	**39,068**

7.2.1 Mae'r gwariant a ragwelir yn dangos bod mwyafrif y prosiectau ar darged i'w cwblhau o fewn y gyllideb, ond y prif brosiect y rhagwelir y bydd yn tanwario yw Rhaglen Ysgolion yr 21ain Ganrif ynghyd â gwaith ar do Canolfan Addysg y Bont. Rhagwelir tanwariant sylweddol yn y CRT hefyd. Adlewyrchir hyn yn y tabl uchod. Mae dadansoddiad llawn o'r gwariant cyfalaf a gynlluniwyd ar gyfer 2021/22 i'w weld yn Adroddiad Monitro'r Gyllideb Gyfalaf Ch2, a gyflwynwyd i'r Pwyllgor Gwaith ar 29 Tachwedd 2021.

7.3 Newidiadau i Gyllido'r Rhaglen Gyfalaf

7.3.1 Mae rhai newidiadau i sut y cyllidir y rhaglen gyfalaf, fel y gwelir yn y tabl isod. Mae'r prif reswm dros y newid fel y nodwyd ym mharagraff 7.2.1, gan y bydd tanwariant sylweddol yn 2021/22 mewn cynlluniau cyfalaf. Fodd bynnag, bydd y cynlluniau hyn, a'r cyllid ar eu cyfer, yn llithro i 2022/23 ac ni ragwelir, ar hyn o bryd, y bydd unrhyw gyllid yn cael ei golli oherwydd yr oedi.

7.3.2 Mae'r tabl isod yn dwyn ynghyd brif elfennau strategaeth y cynlluniau gwariant cyfalaf (uchod), gan dynnu sylw at ddull cyllido gwreiddiol y rhaglen gyfalaf, a threfniadau cyllido disgwyliedig y gwariant cyfalaf hwn. Mae elfen fenthyca'r tabl yn cynyddu dyled sylfaenol y Cyngor trwy'r Gofyniad Cyllido Cyfalaf (GCC), er y bydd hyn yn cael ei leihau'n rhannol gan daliadau refeniw am ad-dalu dyled (y Ddarpariaeth Refeniw Isaf). Efallai y bydd dyledion sy'n aeddfedu a gofynion trysorlys eraill yn ychwanegu at yr angen benthyca uniongyrchol hwn hefyd.

Cyllido Cyfalaf	Amcangyfrif Gwreiddiol 2021/22 £'000	Amcangyfrif Diwygiedig 2021/22 £'000
Grantiau Cyfalaf	22,217	18,416
Derbyniadau Cyfalaf	463	521
Cronfeydd Wrth Gefn	2,710	1,239
Cyfraniad Refeniw	17,887	10,967
Benthyca â Chefnogaeth	8,765	5,590
Benthyca Digefnogaeth	4,697	2,127
Benthyciad	208	208
Cyfanswm	**56,947**	**39,068**

7.4 Newidiadau i'r Dangosyddion Darbodus ar gyfer y Gofyniad Cyllido Cyfalaf (GCC), Dyled Allanol a'r Terfyn Gweithredol

7.4.1 Mae tablau 7.4.2 a 7.4.3 isod yn dangos y GCC, sef yr angen allanol sylfaenol i fenthyca at bwrpas cyfalaf. Mae hefyd yn dangos y sefyllfa ddyled a ddisgwylir dros y cyfnod. Gelwir hyn yn Derfyn Gweithredol, ac fe'i gosodir yn flynyddol gan y Cyngor fel rhan o'r Datganiad ar y Strategaeth Rheoli Trysorlys (DSRhT).

7.4.2 Dangosydd Darbodus – y Terfyn Gweithredol ar gyfer dyled allanol

	Terfyn Gweithredol 2021/22 yn unol â'r DSRhT 2020/21 £'000	Sefyllfa Fenthyca Agoriadol 2021/22 £'000	Swm o fewn y Terfyn £'000	Amcangyfrif o'r Sefyllfa Fenthyca 2021/22 £'000	Swm o fewn y Terfyn £'000
Dangosydd Darbodus – Dyled Allanol/ Y Terfyn Gweithredol					
Benthyca	188,000	124,524	63,476	124,949	63,051
Rhwymedigaethau tymor hir eraill	5,000	0	5,000	0	5,000
Cyfanswm ar 31 Mawrth	**193,000**	**124,524**	**68,476**	**124,949**	**68,051**

7.4.3 Dangosydd Darbodus – Gofyniad Cyllido Cyfalaf (GCC)

7.4.3.1 Ar hyn o bryd rydym ychydig yn is na'r Gofyniad Cyllido Cyfalaf a ragwelwyd yn wreiddiol oherwydd y tanwariant a ragwelir mewn benthyca, yn bennaf oherwydd y tanwariant a ragwelir yn y CRT ac oherwydd y derbyniwyd cyllid grant ychwanegol fel cyllid amnewid.

	Amcangyfrif Gwreiddiol 2021/22 £'000	Amcangyfrif Diwygiedig 2021/22 £'000
Dangosydd Darbodus – Gofyniad Cyllido Cyfalaf		
GCC – Cronfa'r Cyngor	105,669	102,531
GCC – CRT	40,415	38,415
Cyfanswm GCC	146,084	140,946
Symudiad Net yn y GCC	**3,397**[1]	**4,386**[2]

Rhagolwg GCC Gwreiddiol	**146,084**
Gostyngiad yn y Ddarpariaeth Refeniw Isaf rhwng rhagolygon DSRhT 2021/22 a'r rhagolygon diwygiedig ar gyfer Cyfalaf yn Ch 2 2021/22	620
Tanwariant mewn Benthyca Digefnogaeth ar gyfer y CRT yn 2021/22	-2,000
Gwahaniaeth mewn benthyciad (gwahaniaeth rhwng rhagolygon DSRhT 2021/22 a'r rhagolygon diwygiedig ar gyfer Cyfalaf yn Ch2) – derbyniwyd benthyciad Salix ychwanegol nad oedd yn hysbys pan gynhyrchwyd DSRhT 2021/22	208
Tanwariant mewn Benthyca Digefnogaeth yn 2020/21 a gorwariant yn 2021/22 oherwydd oedi yn y contract gwastraff gan na chafodd ei gwblhau yn ystod blwyddyn 2020/21 a bu iddo lithro i 2021/22, a thanwariant net cyffredinol oherwydd y dyfarnwyd grant ar ddiwedd blwyddyn 2020/21 i gyllido'r rhan fwyaf o'r gwariant ar y fflyd gwastraff yn 2020/21.	-1,089
Tanwariant mewn Benthyca â Chefnogaeth yn 2020/21 oherwydd y derbyniwyd grant ychwanegol yn 2020/21 fel cyllid amnewid a oedd yn golygu bod angen llai o Fenthyca â Chefnogaeth.	-2,877
Rhagolwg GCC Diwygiedig	**140,946**

[1] Symudiad rhwng amcangyfrif 2020/21 ac amcangyfrif 2021/22 yn y DSRhT 2021/22
[2] Symudiad rhwng ffigwr gwirioneddol 2020/21 (yn unol â'r Datganiad Cyfrifon 2020/21) ac amcangyfrif diwygiedig 2021/22

7.5 Cyfyngiadau ar Weithgareddau Benthyca

7.5.1 Y rheolaeth allweddol gyntaf dros weithgareddau trysorlys yw dangosydd darbodus i sicrhau, dros y tymor canol, mai dim ond at ddibenion cyfalaf y bydd benthyca net (benthyciadau llai buddsoddiadau). Ni ddylai benthyca allanol gros, ac eithrio yn y tymor byr, fod yn fwy na chyfanswm y GCC yn y flwyddyn flaenorol ynghyd ag amcangyfrifon unrhyw GCC ychwanegol ar gyfer 2021/22 a'r ddwy flynedd ariannol nesaf. Mae hyn yn caniatáu peth hyblygrwydd ar gyfer benthyca cynnar cyfyngedig ar gyfer blynyddoedd i ddod. Mae'r Cyngor wedi cymeradwyo polisi ar gyfer benthyca cyn yr angen, a glynir wrtho os gwelir bod hynny'n ddarbodus. Y sefyllfa fenthyca gyfredol yw £125.032m, sy'n is na'r rhagolwg GCC ar gyfer eleni a'r ddwy flynedd ariannol nesaf (gweler y tabl isod), felly, ni thorrwyd y dangosydd hwn.

	2021/22 £'000	2022/23 £'000	2023/24 £'000
GCC (rhagolwg diwedd blwyddyn)	**140,946**	**157,552**	**171,960**

	Amcangyfrif Gwreiddiol 2021/22 £'000	Sefyllfa Gyfredol ar 30 Medi 2021 £'000	Amcangyfrif Diwygiedig 2021/22 £'000
Benthyca Allanol	140,991	125,032	124,949
Benthyca Mewnol	5,093	15,914	15,997
Ynghyd â rhwymedigaethau tymor hir eraill	0	0	0
GCC (sefyllfa ar ddiwedd y flwyddyn)	**146,084**	**140,946**	**140,946**

7.5.2 Ni ragwelir y bydd unrhyw anawsterau yn y flwyddyn gyfredol o ran cydymffurfio â'r dangosydd darbodus hwn.

7.5.3 Mae dangosydd darbodus arall yn rheoli lefel gyffredinol y benthyca. Dyma'r Terfyn Awdurdodedig, sef y terfyn y gwaharddir benthyca y tu hwnt iddo, ac mae angen i'r Aelodau ei osod a'i ddiwygio, sef £183m ar hyn o bryd. Mae'n adlewyrchu lefel y benthyca y gellid ei fforddio yn y tymor byr, er na ddymunir, ond nad yw'n gynaliadwy yn y tymor hwy. Dyma'r angen benthyca uchaf a ddisgwylir gyda rhywfaint o hyblygrwydd ar gyfer symudiadau annisgwyl. Dyma'r terfyn statudol a bennir o dan Adran 3 (1) o Ddeddf Llywodraeth Leol 2003.

Terfynau Awdurdodedig ar gyfer Dyled Allanol	Dangosydd Gwreiddiol 2021/22 £'000	Sefyllfa Fenthyca Gyfredol ar 30 Medi 2021 £'000	Amcangyfrif o'r Sefyllfa Fenthyca ar 31 Mawrth 2022 £'000
Benthyca	178,000	125,032	124,949
Rhwymedigaethau tymor hir eraill	5,000	0	0
Cyfanswm	**183,000**	**125,032**	**124,949**

8. Cydymffurfio â Therfynau Trysorlys a Darbodus

8.1 Mae'n ddyletswydd statudol ar y Cyngor i bennu a pharhau i adolygu'r terfynau benthyca fforddiadwy. Yn ystod yr hanner blwyddyn a ddaeth i ben ar 30 Medi 2021, mae'r Cyngor wedi gweithredu o fewn y dangosyddion trysorlys a darbodus a nodwyd yn Natganiad y Cyngor ar y Strategaeth Rheoli Trysorlys ar gyfer 2021/22. Ni ragwelir unrhyw anawsterau eleni nac yn y blynyddoedd i ddod o ran cydymffurfio â'r dangosyddion hyn.

Mae'r holl weithrediadau rheoli trysorlys hefyd wedi'u cynnal yn unol ag Arferion Rheoli Trysorlys y Cyngor.

MARC JONES
CYFARWYDDWR SWYDDOGAETH (ADNODDAU)
A SWYDDOG ADRAN 151

ATODIAD / APPENDIX 1

Diweddariad ar yr Economi hyd yma a'r rhagolygon / Economic Update & Forecasts

- The Monetary Policy Committee (MPC) voted unanimously to leave Bank Rate unchanged at 0.10% and made no changes to its programme of quantitative easing purchases due to finish by the end of this year at a total of £895bn; two MPC members voted to stop the last £35bn of purchases as they were concerned that this would add to inflationary pressures.

- There was a major shift in the tone of the MPC's minutes at this meeting from the previous meeting in August which had majored on indicating that some tightening in monetary policy was now on the horizon, but also not wanting to stifle economic recovery by too early an increase in Bank Rate. In his press conference after the August MPC meeting, Governor Andrew Bailey said, "the challenge of avoiding a steep rise in unemployment has been replaced by that of ensuring a flow of labour into jobs" and that "the Committee will be monitoring closely the incoming evidence regarding developments in the labour market, and particularly unemployment, wider measures of slack, and underlying wage pressures." In other words, it was flagging up a potential danger that labour shortages could push up wage growth by more than it expects and that, as a result, CPI inflation would stay above the 2% target for longer. It also discounted sharp increases in monthly inflation figures in the pipeline in late 2021 which were largely propelled by events a year ago e.g., the cut in VAT in August 2020 for the hospitality industry, and by temporary shortages which would eventually work their way out of the system: in other words, **the MPC had been prepared to look through a temporary spike in inflation.**

- So, in August the country was just put on alert. However, this time the MPC's words indicated there had been a marked increase in concern that more recent increases in prices, particularly the increases in gas and electricity prices in October and due again next April, are, indeed, likely to lead to **faster and higher inflation expectations and underlying wage growth, which would in turn increase the risk that price pressures would prove more persistent next year than previously expected. Indeed, to emphasise its concern about inflationary pressures, the MPC pointedly chose to reaffirm its commitment to the 2% inflation target in its statement;** this suggested that it was now willing to look through the flagging economic recovery during the summer to prioritise bringing inflation down next year. This is a reversal of its priorities in August and a long way from words at earlier MPC meetings which indicated a willingness to look through inflation overshooting the target for limited periods to ensure that inflation was 'sustainably over 2%'. Indeed, whereas in August the MPC's focus was on getting through a winter of temporarily high energy prices and supply shortages, believing that inflation would return to just under the 2% target after reaching a high around 4% in late 2021, now its primary concern is that underlying price pressures in the economy are likely to get embedded over the next year and elevate future inflation to stay significantly above its 2% target and for longer.

- Financial markets are now pricing in a first increase in Bank Rate from 0.10% to 0.25% in February 2022, but this looks ambitious as the MPC has stated that it wants to see what happens to the economy, and particularly to employment once furlough ends at the end of September. At the MPC's meeting in February it will only have available the employment figures for November: to get a clearer picture of employment trends, it would need to wait until the May meeting when it would have data up until February. At its May meeting, it will also have a clearer understanding of the likely peak of inflation.

- **The MPC's forward guidance on its intended monetary policy** on raising Bank Rate versus selling (quantitative easing) holdings of bonds is as follows: -

    1. Placing the focus on raising Bank Rate as "the active instrument in most circumstances".
    2. Raising Bank Rate to 0.50% before starting on reducing its holdings.
    3. Once Bank Rate is at 0.50% it would stop reinvesting maturing gilts.
    4. Once Bank Rate had risen to at least 1%, it would start selling its holdings.

- **COVID-19 vaccines.** These have been the game changer which have enormously boosted confidence that **life in the UK could largely return to normal during the summer** after a third wave of the virus threatened to overwhelm hospitals in the spring. With the household saving rate having been exceptionally high since the first lockdown in March 2020, there is plenty of pent-up demand and purchasing power stored up for services in hard hit sectors like restaurants, travel and hotels. The big question is whether mutations of the virus could develop which render current vaccines ineffective, as opposed to how quickly vaccines can be modified to deal with them and enhanced testing programmes be implemented to contain their spread.

US. See comments below on US treasury yields.

EU. The slow role out of vaccines initially delayed economic recovery in early 2021 but the vaccination rate has picked up sharply since then. After a contraction in GDP of -0.3% in Q1, Q2 came in with strong growth of 2%, which is likely to continue into Q3, though some countries more dependent on tourism may struggle. Recent sharp increases in gas and electricity prices have increased overall inflationary pressures but the ECB is likely to see these as being only transitory after an initial burst through to around 4%, so is unlikely to be raising rates for a considerable time.
German general election. With the CDU/CSU and SDP both having won around 24-26% of the vote in the September general election, the composition of Germany's next coalition government may not be agreed by the end of 2021. An SDP-led coalition would probably pursue a slightly less restrictive fiscal policy, but any change of direction from a CDU/CSU led coalition government is likely to be small. However, with Angela Merkel standing down as Chancellor as soon as a coalition is formed, there will be a hole in overall EU leadership which will be difficult to fill.

China. After a concerted effort to get on top of the virus outbreak in Q1 2020, economic recovery was strong in the rest of the year; this enabled China to recover all the initial contraction. During 2020, policy makers both quashed the virus and implemented a programme of monetary and fiscal support that was particularly effective at stimulating short-term growth. At the same time, China's economy benefited from the shift towards online spending by consumers in developed markets. These factors helped to explain its comparative outperformance compared to western economies during 2020 and earlier in 2021. However, the pace of economic growth has now fallen back after this initial surge of recovery from the pandemic and China is now struggling to contain the spread of the Delta variant through sharp local lockdowns - which will also depress economic growth. There are also questions as to how effective Chinese vaccines are proving. In addition, recent regulatory actions motivated by a political agenda to channel activities into officially approved directions, are also likely to reduce the dynamism and long-term growth of the Chinese economy.

Japan. 2021 has been a patchy year in combating Covid. However, after a slow start, nearly 50% of the population are now vaccinated and Covid case numbers are falling. After a weak Q3 there is likely to be a strong recovery in Q4. The Bank of Japan is continuing its very loose monetary policy but with little prospect of getting inflation back above 1% towards its target of 2%, any time soon: indeed, inflation was negative in July. New Prime Minister Kishida has promised a large fiscal stimulus package after the November general election – which his party is likely to win.

World growth. World growth was in recession in 2020 but recovered during 2021 until starting to lose momentum more recently. Inflation has been rising due to increases in gas and electricity prices, shipping costs and supply shortages, although these should subside during 2022. It is likely that we are heading into a period where there will be a reversal of **world globalisation** and a decoupling of western countries from dependence on China to supply products, and vice versa. This is likely to reduce world growth rates from those in prior decades.

Supply shortages. The pandemic and extreme weather events have been highly disruptive of extended worldwide supply chains. At the current time there are major queues of ships unable to unload their goods at ports in New York, California and China. Such issues have led to mis-distribution of shipping containers around the world and have contributed to a huge increase in the cost of shipping. Combined with a shortage of semi-conductors, these issues have had a disruptive impact on production in many countries. Many western countries are also hitting up against a difficulty in filling job vacancies. It is expected that these issues will be gradually sorted out, but they are currently contributing to a spike upwards in inflation and shortages of materials and goods on shelves.

Rhan o gyngor a dderbyniwyd gan / An extract from advice received from: Link Asset Services

**Sylwadau ar y rhagolygon diweddaraf ar raddfeydd llog /
Commentary on the latest interest rates forecasts**

The coronavirus outbreak has done huge economic damage to the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged at its subsequent meetings.

As shown in the forecast table in 3.1, one increase in Bank Rate from 0.10% to 0.25% has now been included in quarter 2 of 2022/23, a second increase to 0.50% in quarter 2 of 23/24 and a third one to 0.75% in quarter 4 of 23/24.

Significant risks to the forecasts

COVID vaccines do not work to combat new mutations and/or new vaccines take longer than anticipated to be developed for successful implementation.

- The pandemic causes major long-term scarring of the economy.
- The Government implements an austerity programme that supresses GDP growth.
- The MPC tightens monetary policy too early – by raising Bank Rate or unwinding QE.
- The MPC tightens monetary policy too late to ward off building inflationary pressures.
- Major stock markets e.g. in the US, become increasingly judged as being over-valued and susceptible to major price corrections. Central banks become increasingly exposed to the "moral hazard" risks of having to buy shares and corporate bonds to reduce the impact of major financial market sell-offs on the general economy.
- Geo-political risks are widespread e.g. German general election in September 2021 produces an unstable coalition or minority government and a void in high-profile leadership in the EU when Angela Merkel steps down as Chancellor of Germany; on-going global power influence struggles between Russia/China/US.

The balance of risks to the UK economy: -

- The overall balance of risks to economic growth in the UK is now to the downside, including residual risks from Covid and its variants - both domestically and their potential effects worldwide.

Forecasts for Bank Rate

Bank Rate is not expected to go up fast after the initial rate rise as the supply potential of the economy has not generally taken a major hit during the pandemic, so should be able to cope well with meeting demand without causing inflation to remain elevated in the medium-term, or to inhibit inflation from falling back towards the MPC's 2% target after the surge to around 4% towards the end of 2021. Three increases in Bank rate are forecast in the period to March 2024, ending at 0.75%. However, these forecasts may well need changing within a relatively short time frame for the following reasons: -

- There are increasing grounds for viewing the economic recovery as running out of steam during the summer and now into the autumn. This could lead into stagflation which would create a dilemma for the MPC as to which way to face.
- Will some current key supply shortages e.g., petrol and diesel, spill over into causing economic activity in some sectors to take a significant hit?
- Rising gas and electricity prices in October and next April and increases in other prices caused by supply shortages and increases in taxation next April, are already going to deflate consumer spending power without the MPC having to take any action on Bank Rate to cool inflation. Then we have the Government's upcoming budget in October, which could also end up in reducing consumer spending power.
- On the other hand, consumers are sitting on around £200bn of excess savings left over from the pandemic so when will they spend this sum, in part or in total?

- There are 1.6 million people coming off furlough at the end of September; how many of those will not have jobs on 1st October and will, therefore, be available to fill labour shortages in many sectors of the economy? So, supply shortages which have been driving up both wages and costs, could reduce significantly within the next six months or so and alleviate the MPC's current concerns.
- There is a risk that there could be further nasty surprises on the Covid front, on top of the flu season this winter, which could depress economic activity.

In summary, with the high level of uncertainty prevailing on several different fronts, it is likely that these forecasts will need to be revised again soon - in line with what the new news is.

It also needs to be borne in mind that Bank Rate being cut to 0.10% was an emergency measure to deal with the Covid crisis hitting the UK in March 2020. At any time, the MPC could decide to simply take away that final emergency cut from 0.25% to 0.10% on the grounds of it no longer being warranted and as a step forward in the return to normalisation. In addition, any Bank Rate under 1% is both highly unusual and highly supportive of economic growth.

Forecasts for PWLB rates and gilt and treasury yields
As the interest forecast table for PWLB certainty rates above shows, there is likely to be a steady rise over the forecast period, with some degree of uplift due to rising treasury yields in the US.
There is likely to be **exceptional volatility and unpredictability in respect of gilt yields and PWLB rates** due to the following factors: -

- How strongly will changes in gilt yields be correlated to changes in US treasury yields?
- Will the Fed take action to counter increasing treasury yields if they rise beyond a yet unspecified level?
- Would the MPC act to counter increasing gilt yields if they rise beyond a yet unspecified level?
- How strong will inflationary pressures turn out to be in both the US and the UK and so impact treasury and gilt yields?
- How will central banks implement their new average or sustainable level inflation monetary policies?
- How well will central banks manage the withdrawal of QE purchases of their national bonds i.e., without causing a panic reaction in financial markets as happened in the "taper tantrums" in the US in 2013?
- Will exceptional volatility be focused on the short or long-end of the yield curve, or both?

The forecasts are also predicated on an assumption that there is no break-up of the Eurozone or EU within our forecasting period, despite the major challenges that are looming up, and that there are no major ructions in international relations, especially between the US and China / North Korea and Iran, which have a major impact on international trade and world GDP growth.

Gilt and treasury yields
Since the start of 2021, there has been a lot of volatility in gilt yields, and hence PWLB rates. During the first part of the year, US President Biden's, and the Democratic party's determination to push through a $1.9trn (equivalent to 8.8% of GDP) fiscal boost for the US economy as a recovery package from the Covid pandemic was what unsettled financial markets. However, this was in addition to the $900bn support package already passed in December 2020 under President Trump. This was then followed by additional Democratic ambition to spend further huge sums on infrastructure and an American families plan over the next decade which are caught up in Democrat / Republican haggling. Financial markets were alarmed that all this stimulus, which is much bigger than in other western economies, was happening at a time in the US when: -

1. A fast vaccination programme has enabled a rapid opening up of the economy.
2. The economy had already been growing strongly during 2021.
3. It started from a position of little spare capacity due to less severe lockdown measures than in many other countries. A combination of shortage of labour and supply bottle necks is likely to stoke inflationary pressures more in the US than in other countries.
4. And the Fed was still providing monetary stimulus through monthly QE purchases.

These factors could cause an excess of demand in the economy which could then unleash stronger and more sustained inflationary pressures in the US than in other western countries. This could then force the Fed to take much earlier action to start tapering monthly QE purchases and/or increasing the Fed rate from near zero, despite their stated policy being to target average inflation. It is notable that some Fed members have moved forward their expectation of when the first increases in the Fed rate will occur in recent Fed meetings. In addition, more recently, shortages of workers appear to be stoking underlying wage inflationary pressures which are likely to feed through into CPI inflation. A run of strong monthly jobs growth figures could be enough to meet the threshold set by the Fed of "substantial further progress towards the goal of reaching full employment". However, the weak growth in August, (announced 3.9.21), has spiked anticipation that tapering of monthly QE purchases could start by the end of 2021. These purchases are currently acting as downward pressure on treasury yields. As the US financial markets are, by far, the biggest financial markets in the world, any trend upwards in the US will invariably impact and influence financial markets in other countries. However, during June and July, longer term yields fell sharply; even the large non-farm payroll increase in the first week of August seemed to cause the markets little concern, which is somewhat puzzling, particularly in the context of the concerns of many commentators that inflation may not be as transitory as the Fed is expecting it to be. Indeed, inflation pressures and erosion of surplus economic capacity look much stronger in the US than in the UK. **As an average since 2011, there has been a 75% correlation between movements in 10 year treasury yields and 10 year gilt yields. This is a significant UPWARD RISK exposure to our forecasts for longer term PWLB rates. However, gilt yields and treasury yields do not always move in unison.**

There are also possible **DOWNSIDE RISKS** from the huge sums of cash that the UK populace have saved during the pandemic; when savings accounts earn little interest, it is likely that some of this cash mountain could end up being invested in bonds and so push up demand for bonds and support their prices i.e., this would help to keep their yields down. How this will interplay with the Bank of England eventually getting round to not reinvesting maturing gilts and then later selling gilts, will be interesting to keep an eye on.

The balance of risks to medium to long term PWLB rates: -

- There is a balance of upside risks to forecasts for medium to long term PWLB rates.

A new era – a fundamental shift in central bank monetary policy

One of the key results of the pandemic has been a fundamental rethinking and shift in monetary policy by major central banks like the Fed, the Bank of England and the ECB, to tolerate a higher level of inflation than in the previous two decades when inflation was the prime target to bear down on so as to stop it going above a target rate. There is now also a greater emphasis on other targets for monetary policy than just inflation, especially on 'achieving broad and inclusive "maximum" employment in its entirety' in the US before consideration would be given to increasing rates.

- The Fed in America has gone furthest in adopting a monetary policy based on a clear goal of allowing the inflation target to be symmetrical, (rather than a ceiling to keep under), so that inflation averages out the dips down and surges above the target rate, over an unspecified period of time.
- The Bank of England has also amended its target for monetary policy so that inflation should be 'sustainably over 2%' and the ECB now has a similar policy.
- ***For local authorities, this means that investment interest rates and very short term PWLB rates will not be rising as quickly or as high as in previous decades when the economy recovers from a downturn and the recovery eventually runs out of spare capacity to fuel continuing expansion.***
- Labour market liberalisation since the 1970s has helped to break the wage-price spirals that fuelled high levels of inflation and has now set inflation on a lower path which makes this shift in monetary policy practicable. In addition, recent changes in flexible employment practices, the rise of the gig economy and technological changes, will all help to lower inflationary pressures.
- Governments will also be concerned to see interest rates stay lower as every rise in central rates will add to the cost of vastly expanded levels of national debt; (in the UK this is £21bn for each 1% rise in rates). On the other hand, higher levels of inflation will help to erode the real value of total public debt.

Rhan o gyngor a dderbyniwyd gan / An extract from advice received from: Link Asset Services

ATODIAD / APPENDIX 3

Crynodeb Benthyca a Buddsoddi - Chwarteri 1 a 2 2021/22
Borrowing and Investment Summary – Quarters 1 and 2 2021/22

	30 Medi / Sept 2021		30 Mehefin / June 2021	
	£'m	% (talwyd ar fenthyca a derbyniwyd ar fuddsoddi) / % (paid on borrowing and received on investment)	£'m	% (talwyd ar fenthyca a derbyniwyd ar fuddsoddi) / % (paid on borrowing and received on investment)
Benthyca – graddfa sefydlog Borrowing – fixed rate BBGC / PWLB Dim BBGC / Non-PWLB	 121.9 3.1	 4.58 0	 121.9 3.1	 4.59 0
Benthyca – graddfa amrywiol Borrowing – variable rate	Dim / Nil	d/b / n/a	Dim / Nil	d/b / n/a
Adneuon – galw hyd at 30 diwrnod Deposits – Call to 30 days	38.1	0.01	33.1	0.01
Adneuon – Tymor sefydlog < 1 bl. Deposits – Fixed Term < 1 year	Dim / Nil	d/b / n/a	5.0	0.03
Adneuon – Tymor sefydlog 1 bl. + Deposits – Fixed Term 1 year +	Dim / Nil	d/b / n/a	Dim / Nil	d/b / n/a
Cyfanswm Adneuon Total Deposits	38.1	0.01	38.1	0.01
Adneuon Uchaf yn y Chwarter Highest Deposits in the Quarter	47.1	d/b / n/a	42.1	d/b / n/a
Adneuon Isaf yn y Chwarter Lowest Deposits in the Quarter	38.1	d/b / n/a	25.1	d/b / n/a
Cyfartaledd Adneuon yn y Chwarter Average Deposits in the Quarter	42.4	0.01	36.6	0.04

ATODIAD / APPENDIX 4

Graddfeydd Credyd Gwrthbartïon buddsoddi a'r adneuon a ddelir gyda phob un ar 30 Medi 2021*
Credit ratings of investment counterparties and deposits held with each as at 30 September 2021*

Grŵp Bancio/ Banking Group	Sefydliad/ Institution	Adneuon / Deposit £'000	Hyd (Galw/ tymor sefydlog) / Duration (Call / Fixed Term**)	Cyfnod (O / I) / Period (From / To)	Graddfa Dychweliad/ Rate of Return %	Graddfa Tymor Hir Fitch Long Term Rating	Graddfa Tymor Byr Fitch Short Term Rating	Graddfa Tymor Hir Moody's Long Term Rating	Graddfa Tymor Byr Moody's Short Term Rating	Graddfa Tymor Hir Standard & Poor's Long Term Rating	Graddfa Tymor Byr Standard & Poor's Short Term Rating	Lliw Sector/Hyd Awgrymedig/ Sector Colour / Suggested Duration
Lloyds Banking Group plc	Bank of Scotland plc	**7.206**	**Galw/ Call**	**n/a**	**0.01**	**A+**	**F1**	**A1**	**P-1**	**A+**	**A-1**	**Coch – 6 mis / Red - 6 months**
Santander Group plc	Santander UK plc	**7.497**	**Galw/ Call**	**n/a**	**0.02**	**A+**	**F1**	**A1**	**P-1**	**A**	**A-1**	**Coch – 6 mis / Red - 6 months**
The Royal Bank of Scotland Group plc	The Royal Bank of Scotland plc (Rhan / Gwladoli / Part / Nationalised)	**0.002**	**Galw/ Call**	**n/a**	**0.01**	**A+**	**F1**	**A1**	**P-1**	**A**	**A-1**	**Glas - 12 mis / Blue – 12 months**
The Royal Bank of Scotland Group plc	National Westminster Bank Deposit	**23.365**	**Galw/ Call**	**n/a**	**0.01**	**A+**	**F1**	**A1**	**P-1**	**A**	**A-1**	**Glas - 12 mis / Blue – 12 months**

* Ceir y Rhestr Benthyca Gymeradwy yn Atodiad 8 o'r Datganiad Strategaeth Rheoli Trysorlys 2021/22/Strategaeth Fuddsoddi Flynyddol/The Approved Lending List can be found at Appendix 8 of the 2021/22 Treasury Management Strategy Statement / Annual Investment Strategy

** Sef tymor ar pwynt y buddsoddi/Being term at the point of investment.

ATODIAD / APPENDIX 5

Gwledydd cymeradwy ar gyfer buddsoddi
Approved countries for investments

Yn seiliedig ar y gyfradd credyd sofran isaf sydd ar gael
Based upon lowest available sovereign credit rating

AAA

- Awstralia / Australia
- Denmarc / Denmark
- Yr Almaen / Germany
- Lwcsembwrg / Luxembourg
- Yr Iseldiroedd / Netherlands
- Norwy / Norway
- Singapôr / Singapore
- Sweden
- Y Swistir / Switzerland

AA+

- Canada
- Y Ffindir / Finland
- U.D.A. / U.S.A.

AA

- Abu Dhabi (UAE)
- Ffrainc / France

AA-

- Gwlad Belg / Belgium
- Hong Kong
- Qatar
- D.U. / U.K.

Graffiau Ychwanegol / Additional Graphs

Cymhariaeth o baramedrau benthyca â benthyca allanol gwirioneddol /
Comparison of borrowing parameters to actual external borrowing