



OFFERYNNAU STATUDOL
CYMRU

WELSH STATUTORY
INSTRUMENTS

2020 Rhif 110 (Cy. 19)

2020 No. 110 (W. 19)

**LLYWODRAETH LEOL,
CYMRU**

**LOCAL GOVERNMENT,
WALES**

**Rheoliadau Awdurdodau Lleol
(Cyllid Cyfalaf a Chyfrifyddu)
(Cymru) (Diwygio) 2020**

**The Local Authorities (Capital
Finance and Accounting) (Wales)
(Amendment) Regulations 2020**

NODYN ESBONIADOL

EXPLANATORY NOTE

(Nid yw'r nodyn hwn yn rhan o'r Rheoliadau)

(This note is not part of the Regulations)

Mae'r Rheoliadau hyn yn diwygio Rheoliadau Awdurdodau Lleol (Cyllid Cyfalaf a Chyfrifyddu) (Cymru) 2003 ("Rheoliadau 2003").

These Regulations amend the Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003 ("the 2003 Regulations").

Mae'r Rheoliadau hyn yn mewnosod rheoliad 24K newydd yn Rheoliadau 2003. Mae'r rheoliad 24K newydd yn darparu na chaiff awdurdod lleol godi swm ar ei gyfrif refeniw i adlewyrchu unrhyw amrywiad yng ngwerth teg buddsoddiad awdurdod lleol mewn cronfa fuddsoddi gyfun. Yn hytrach, rhaid cofnodi'r symiau hynny mewn cyfrif ar wahân sydd wedi ei greu at y diben hwnnw yn unig ac a ddefnyddir at y diben hwnnw yn unig.

These Regulations insert a new regulation 24K into the 2003 Regulations. New regulation 24K provides that a local authority must not charge an amount to its revenue account to reflect any fluctuation in the fair value of a local authority's investment in a pooled investment fund. Instead, such amounts must be recorded in a separate account established and used solely for that purpose.

Caiff gwerth teg buddsoddiad awdurdod lleol mewn cronfa fuddsoddi gyfun ei ganfod yn unol ag arferion cyfrifyddu priodol fel y'u diffinnir yn rheoliad 25 o Reoliadau 2003. Nid yw'r driniaeth gyfrifyddol hon i fod yn gymwys i gydnabyddiaeth o golled yn sgil lleihad yng ngwerth y buddsoddiad hwnnw fel y cydnabyddir o dan yr arferion cyfrifyddu priodol hynny, nac yn gymwys i unrhyw warediad (gan gynnwys gwerthiant) o'r buddsoddiad hwnnw. Nid yw ychwaith yn gymwys i fuddsoddiadau a wneir gan awdurdod lleol yn rhinwedd ei swyddogaeth fel awdurdod gweinyddu cronfa bensiwn llywodraeth leol.

The fair value of a local authority investment in a pooled investment fund is determined in accordance with proper accounting practices as defined in regulation 25 of the 2003 Regulations. This accounting treatment is not to apply to the recognition of an impairment loss to such an investment as recognised under those proper accounting practices, or to any disposal (including a sale) of such an investment. It is also not applicable to investments made by a local authority in its capacity as the administering authority of a local government pension fund.

Bydd rheoliad 24K yn gymwys i gyfrifon a baratoir ar gyfer blynyddoedd ariannol mewn cysylltiad â'r cyfnod sy'n dechrau â 1 Ebrill 2019 ac sy'n gorffen â 31 Mawrth 2023.

Regulation 24K will apply to accounts prepared for financial years in respect of the period beginning with 1 April 2019 and ending with 31 March 2023.

Ystyriwyd Cod Ymarfer Gweinidogion Cymru ar gynnal Asesiadau Effaith Rheoleiddiol mewn perthynas â'r Rheoliadau hyn. Ni luniwyd asesiad effaith rheoleiddiol llawn gan na ragwelir unrhyw effaith ar y sector preifat na'r sector gwirfoddol.

The Welsh Ministers' Code of Practice on the carrying out of Regulatory Impact Assessments was considered in relation to these Regulations. A full regulatory impact assessment has not been produced as no impact on the private or voluntary sectors is foreseen.

2020 Rhif 110 (Cy. 19)

**LLYWODRAETH LEOL,
CYMRU**

**Rheoliadau Awdurdodau Lleol
(Cyllid Cyfalaf a Chyfrifyddu)
(Cymru) (Diwygio) 2020**

Gwnaed 31 Ionawr 2020

*Gosodwyd gerbron Cynulliad Cenedlaethol
Cymru* 04 Chwefror 2020

Yn dod i rym 31 Mawrth 2020

2020 No. 110 (W. 19)

**LOCAL GOVERNMENT,
WALES**

**The Local Authorities (Capital
Finance and Accounting) (Wales)
(Amendment) Regulations 2020**

Made 31 January 2020

Laid before the National Assembly for Wales
04 February 2020

Coming into force 31 March 2020

Mae Gweinidogion Cymru, drwy arfer y pwerau a roddir gan adrannau 21(1), 24 a 123(1) o Ddeddf Llywodraeth Leol 2003(1), yn gwneud y Rheoliadau a ganlyn.

Enwi, cychwyn a dehongli

1.—(1) Enw'r Rheoliadau hyn yw Rheoliadau Awdurdodau Lleol (Cyllid Cyfalaf a Chyfrifyddu) (Cymru) (Diwygio) 2020 a deuant i rym ar 31 Mawrth 2020.

(2) Yn y Rheoliadau hyn ystyr "Rheoliadau 2003" yw Rheoliadau Awdurdodau Lleol (Cyllid Cyfalaf a Chyfrifyddu) (Cymru) 2003(2).

Enillion a cholledion gwerth teg cronfeydd buddsoddi cyfun

2. Yn Rheoliadau 2003, ar ôl rheoliad 24J mewnosoder—

The Welsh Ministers, in exercise of the powers conferred by sections 21(1), 24 and 123(1) of the Local Government Act 2003(1), make the following Regulations.

Title, commencement and interpretation

1.—(1) The title of these Regulations is the Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2020 and they come into force on 31 March 2020.

(2) In these Regulations, "the 2003 Regulations" means the Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003(2).

Fair value gains and losses of pooled investment funds

2. In the 2003 Regulations, after regulation 24J insert—

(1) 2003 p. 26. Diwygiwyd adran 24 gan adran 238(3) o Ddeddf Llywodraeth Leol a Chynnwys y Cyhoedd mewn Iechyd 2007 (p. 28). Mae'r pwerau o dan Ran 1 o Ddeddf Llywodraeth Leol 2003 bellach wedi eu breinio yng Ngweinidogion Cymru i'r graddau y maent yn arferadwy o ran Cymru, yn rhinwedd adran 24 o Ddeddf Llywodraeth Leol 2003 fel y'i diwygiwyd.

(2) O.S. 2003/3239 (Cy. 319), fel y'i diwygiwyd gan O.S. 2004/1010 (Cy. 107), 2006/994 (Cy. 93), 2006/2914, 2007/1051 (Cy. 108), 2008/588 (Cy. 59), 2009/560 (Cy. 52), 2010/685 (Cy. 67), O.S. 2014/481 (Cy. 58), O.S. 2016/102 (Cy. 50) ac O.S. 2018/325 (Cy. 61).

(1) 2003 c. 26. Section 24 was amended by section 238(3) of the Local Government and Public Involvement in Health Act 2007 (c. 28). Powers under Part 1 of the Local Government Act 2003 are now vested in the Welsh Ministers so far as they are exercisable in relation to Wales, by virtue of section 24 of the Local Government Act 2003 as amended.

(2) S.I. 2003/3239 (W. 319), as amended by S.I. 2004/1010 (W. 107), 2006/994 (W. 93), 2006/2914, 2007/1051 (W. 108), 2008/588 (W. 59), 2009/560 (W. 52), 2010/685 (W. 67), S.I. 2014/481 (W. 58), S.I. 2016/102 (W. 50), and S.I. 2018/325 (W. 61).

“Fair value gains and losses of pooled investment funds

24K.—(1) In this regulation—

“administering authority” means an administering authority as defined in Schedule 1 to the Local Government Pension Scheme Regulations 2013⁽¹⁾;

“fair value” has the same meaning as in Regulation 25A to these Regulations;

“fair value gain or loss” means a change in the fair value of an investment;

“pooled investment fund” means—

- (a) a money market fund; or
- (b) an investment scheme approved by the Treasury under section 11(1) of the Trustee Investments Act 1961⁽²⁾ (local authority investment schemes).

(2) Paragraph (3) applies where a local authority—

- (a) invests in a pooled investment fund (other than in its capacity as an administering authority in relation to a pension fund); and
- (b) a fair value gain or loss experienced on the authority’s investment in that pooled investment fund would otherwise be charged to a revenue account by that local authority in accordance with proper practices.

(3) Where this paragraph applies, the local authority—

- (a) must not charge to a revenue account an amount in respect of that fair value gain or loss; and
- (b) must charge that amount to an account established, charged and used solely for the purpose of recognising fair value gains and losses in accordance with this regulation.

(4) Paragraph (3) does not apply in respect of—

- (a) an impairment loss in relation to the authority’s investment in a pooled investment fund as recognised in a revenue account of the authority in accordance with proper practices; or
- (b) a sale or other disposal of the whole or any part of the authority’s investment in a pooled investment fund.

“Fair value gains and losses of pooled investment funds

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“administering authority” means an administering authority as defined in Schedule 1 to the Local Government Pension Scheme Regulations 2013⁽¹⁾;

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(3) Where this paragraph applies, the local authority—

- (a) must not charge to a revenue account an amount in respect of that fair value gain or loss; and
- (b) must charge that amount to an account established, charged and used solely for the purpose of recognising fair value gains and losses in accordance with this regulation.

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⁽¹⁾ O.S. 2013/2356.
⁽²⁾ 1961 p. 62.

⁽¹⁾ S.I. 2013/2356.
⁽²⁾ 1961 c. 62.

(5) This regulation applies in relation to accounts prepared for financial years falling within the period beginning with 1 April 2019 and ending with 31 March 2023.”.

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Julie James

Y Gweinidog Tai a Llywodraeth Lleol, un o
Weinidogion Cymru
31 Ionawr 2020

Minister of Housing and Local Government, one of the
Welsh Ministers
31 January 2020

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Printed and published in the UK by The Stationery Office Limited
under the authority and superintendence of Jeff James,
Controller of Her Majesty’s Stationery Office and Queen’s Printer of
Acts of Parliament.

£4.90

W202002031004 02/2020

<http://www.legislation.gov.uk/id/wsi/2020/110>

ISBN 978-0-348-20509-1



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