

Summary of Treasury Management Activity - April to July 2022

Investment Activity April to July 2022

	Credit Rating	01-Apr-22 £'000	Investments		31-Jul-22 £'000
			Made £'000	Repaid £'000	
Specified investments					
Call Accounts	AA-	0	0	0	0
Call Accounts	A+/A/A-	8,048	23,077	(19,367)	11,758
Notice Accounts (DMO)	AA-	0	42,095	(39,960)	2,135
Money Market Funds	AAA	16,255	3,745	0	20,000
Non specified investments					
Equity Shares	-	12	0	0	12
Total		24,315	68,917	(59,327)	33,905

Investment Activity 2021/22

	Credit Rating	01-Apr-21 £'000	Investments		31-Mar-22 £'000
			Made £'000	Repaid £'000	
Specified Investments					
Call Accounts	AA-	0	0	0	0
Call Accounts	A+/A/A-	7,620	46,375	(45,947)	8,048
Term Accounts (DMO)	AA-	0	72,970	(72,970)	0
Money Market Funds	AAA	7,261	47,489	(38,495)	16,255
Non Specified Investments					
Equity Shares	Not rated	12	0	0	12
		14,893	166,834	(157,412)	24,315

Comment:

At 31 July 2022 investment balances totalled £33.91m. This compares with a balance of £24.32m at 31 March 2022 and £26.16m at 31 July 2021. The average investment balance during the period was £32.24m. This compares with an average of £28.85m for the corresponding period last year. Underpinning this average balance are the significant cash balances associated with various grant support packages and other measures implemented by central government in response to Covid-19 pandemic and cost of living crisis, along with the cash flow impact of capital grants received in advance. In accordance with the Council's approved Investment Strategy, all investments made during the period were restricted to approved investment instruments with counterparties holding a credit rating of not less than A-. The term of all investments made did not exceed the maximum permitted durations determined by reference to the creditworthiness of the counterparty.

Borrowing Activity April to July 2022

	01-Apr-22 £'000	New Borrowing £'000	Borrowing Repaid £'000	31-Jul-22 £'000
Long-term				
PWLB – fixed rates	15,871	0	(89)	15,782
Short-term				
Local Bonds	31	0	0	31
Trust Funds	54	0	0	54
	15,956	0	(89)	15,867

Borrowing Activity 2021/22 (full year)

	01-Apr-21 £'000	New Borrowing £'000	Borrowing Repaid £'000	31-Mar-22 £'000
Long-term				
PWLB – fixed rates	16,563	0	(692)	15,871
Short-term				
Local Bonds	31	0	0	31
Trust Funds	54	0	0	54
	16,648	0	(692)	15,956

Comment:

No new borrowing or rescheduling of existing loans took place during the period April to July 2022. At 31 July 2022 the total premature redemption premium payable was £8.91m (31 March 2022: £11.77m)

Composition of PWLB loans portfolio

	31 July 2022 £'000	31 Mar 2022 £'000	31 Dec 2021 £'000	30 Sept 2021 £'000	31 July 2021 £'000
Maturity loans	8,000	8,000	8,000	8,000	8,000
Annuity loans	1,316	1,365	1,373	1,414	1,415
EIP Loans	6,466	6,506	6,804	6,804	7,063
Total	15,782	15,871	16,177	16,218	16,478
Redemption Value*	24,817	27,844	31,294	30,497	32,659
Average interest %	5.13%	5.14%	5.08%	5.09%	5.05%
Average maturity (Yrs)	24	24	24	24	24
Weighted average life (Yrs)	21	21	21	21	21

* including accrued interest

Prudential and Treasury Indicators

	2021/22 Actual £000	2022/23 Approved £000	2022/23 At 31.7.22 £000	2022/23 Forecast £000
Actual capital expenditure ¹	3,040	25,554	891	9,173
Capital financing requirement (31 March) ²	20,292	24,889	19,298	19,984
Gross debt & CFR: (under)/over borrowing (31 March)	(4,336)	(2,622)	(3,431)	(2,899)
Ratio of Financing Costs to Net Revenue Stream (%)	12.6	13.3	-	12.5
Authorised Limit for External Debt ²	25,000	27,500	27,500	27,500
Operational boundary for external debt ²	23,000	25,500	25,500	25,500
Principal sums invested - investments with no fixed maturity date ³	12	20	12	12

¹ £19,761k approved plus approved 2021-22 budget carry-forwards and adjustments

² Element related to borrowing only (i.e. excluding lease element); CFR based on current budget: £24,871k

³ Measured at fair value. The nominal value (historic cost) of principal sums investment at 31 July is £1k

Maturity profile of borrowing (inc. non PWLB)

	31 July 2022 £'000	31 Mar 2022 £'000	31 Dec 2021 £'000	30 Sept 2021 £'000	31 July 2021 £'000
Less than 1 year	791	786	784	781	781
Between 1 & 2yrs	715	710	709	705	705
Between 2 & 5yrs	2,212	2,195	2,192	2,178	2,178
Between 5 & 10yrs	1,861	1,904	2,086	2,115	2,295
Between 10 & 20yrs	2,248	2,281	2,371	2,404	2,404
Between 20 & 30yrs	40	80	120	120	200
Between 30 & 40yrs	8,000	8,000	8,000	8,000	8,000
Between 40 & 50yrs	0	0	0	0	0
	15,867	15,956	16,262	16,303	16,563

Lower/upper limits on % of borrowing maturing in each period

	At 31.3.22 Actual %	Lower limit 2021/22 %	Upper limit 2021/22 %	At 31.7.22 Actual %	Forecast at 31.3.23 %
Under 12 months	4.92	0	20	4.98	5.19
12 months to 2 years	4.44	0	20	4.51	4.76
2 years to 5 years	13.76	0	20	13.94	12.59
5 years to 10 years	11.94	0	30	11.73	13.16
10 years to 20 years	14.3	0	40	14.17	14.21
20 years to 30 years	0.5	0	40	0.25	1.57
30 years to 40 years	50.14	0	80	50.42	47.68
40 years to 45 years	0	0	80	0	0.42
46 years to 50 years	0	0	80	0	0.42