

Summary of Treasury Management Activity

Investment Activity August to September 2022

	Credit Rating	01-Aug-22 £'000	Investments		30-Sep-22 £'000
			Made £'000	Repaid £'000	
Specified investments					
Call Accounts	AA-	0	0	0	0
Call Accounts	A+/A/A-	11,758	9,541	(9,546)	11,753
Notice Accounts (DMO)	AA-	2,135	32,105	(30,265)	3,975
Money Market Funds	AAA	20,000	0	0	20,000
Non specified investments					
Equity Shares	-	12	0	0	12
Total		33,905	41,646	(39,811)	35,740

Investment Activity 2022-23 - year to date

	Credit Rating	01-Apr-22 £'000	Investments		30-Sep-22 £'000
			Made £'000	Repaid £'000	
Specified investments					
Call Accounts	AA-	0	0	0	0
Call Accounts	A+/A/A-	8,048	32,618	(28,913)	11,753
Notice Accounts (DMO)	AA-	0	74,200	(70,225)	3,975
Money Market Funds	AAA	16,255	3,745	0	20,000
Non specified investments					
Equity Shares	-	12	0	0	12
Total		24,315	110,563	(99,138)	35,740

Comment:

At 30 September 2022 investment balances totalled £35.74m. This compares with a balance of £24.32m at 31 March 2022 and £33.91m at 31 July 2022. The average investment balance during the period was £39.85m (year to date £34.77m). 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 August to September 2022

	01-Aug-22 £'000	New Borrowing £'000	Borrowing Repaid £'000	30-Sep-22 £'000
Long-term				
PWLB – fixed rates	15,782	0	(260)	15,522
Short-term				
Local Bonds	31	0	0	31
Trust Funds	54	0	0	54
	15,867	0	(260)	15,607

Borrowing Activity 2022-23 - year to date

	01-Apr-22 £'000	New Borrowing £'000	Borrowing Repaid £'000	30-Sep-22 £'000
Long-term				
PWLB – fixed rates	15,871	0	(349)	15,522
Short-term				
Local Bonds	31	0	0	31
Trust Funds	54	0	0	54
	15,956	0	(349)	15,607

Comment:

No new borrowing or rescheduling of existing loans took place during the period August to September 2022. At 30 September 2022 the total net premature redemption premium payable was £4.55m (31 July: £8.91m; 31 March 2022: £11.77m). This comprises premia of £5.16m less discounts of £606k

Composition of PWLB loans portfolio

	30 Sept 2022 £'000	31 July 2022 £'000	31 Mar 2022 £'000	31 Dec 2021 £'000	30 Sept 2021 £'000
Maturity loans	8,000	8,000	8,000	8,000	8,000
Annuity loans	1,315	1,316	1,365	1,373	1,414
EIP Loans	6,207	6,466	6,506	6,804	6,804
Total	15,522	15,782	15,871	16,177	16,218
Redemption Value*	20,261	24,817	27,844	31,294	30,497
Average interest %	5.18%	5.13%	5.14%	5.08%	5.09%
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 30.9.22 £000	2022/23 Forecast £000
Actual capital expenditure ¹	3,040	25,554	1,613	8,954
Capital financing requirement (31 March) ²	20,292	24,889	19,449	19,991
Gross debt & CFR: (under)/over borrowing (31 March)	(4,336)	(2,621)	(3,842)	(2,831)
Ratio of Financing Costs to Net Revenue Stream (%)	12.6	13.3	N/A	12.4
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
Upper limit on total principal invested for periods of more than 365 days 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); 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)

	30 Sept 2022 £'000	31 July 2022 £'000	31 Mar 2022 £'000	31 Dec 2021 £'000	30 Sept 2021 £'000
Less than 1 year	790	791	786	784	781
Between 1 & 2yrs	715	715	710	709	705
Between 2 & 5yrs	2,034	2,212	2,195	2,192	2,178
Between 5 & 10yrs	1,860	1,861	1,904	2,086	2,115
Between 10 & 20yrs	2,168	2,248	2,281	2,371	2,404
Between 20 & 30yrs	40	40	80	120	120
Between 30 & 40yrs	8,000	8,000	8,000	8,000	8,000
Between 40 & 50yrs	0	0	0	0	0
	15,607	15,867	15,956	16,262	16,303

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

	At 31.3.22 Actual %	Lower limit 2021/22 %	Upper limit 2021/22 %	At 30.9.22 Actual %	Forecast at 31.3.23 %
Under 12 months	4.92	0	20	5.06	5.19
12 months to 2 years	4.44	0	20	4.58	4.76
2 years to 5 years	13.76	0	20	13.03	12.60
5 years to 10 years	11.94	0	30	11.92	13.21
10 years to 20 years	14.3	0	40	13.89	14.34
20 years to 30 years	0.5	0	40	0.26	1.59
30 years to 40 years	50.14	0	80	51.26	47.47
40 years to 45 years	0	0	80	0	0.42
46 years to 50 years	0	0	80	0	0.42