

Summary of Treasury Management Activity

Investment Activity October to December 2022

	Credit Rating	01-Oct-22 £'000	Investments		31-Dec-22 £'000
			Made £'000	Repaid £'000	
Specified investments					
Call Accounts	AA-	0	0	0	0
Call Accounts	A+/A/A-	11,753	8,025	(9,876)	9,902
Notice Accounts (DMO)	AA-	3,975	67,460	(66,065)	5,370
Money Market Funds	AAA	20,000	0	0	20,000
Non specified investments					
Equity Shares	-	12	0	0	12
Total		35,740	75,485	(75,941)	35,284

Investment Activity 2022-23 - year to date

	Credit Rating	01-Apr-22 £'000	Investments		31-Dec-22 £'000
			Made £'000	Repaid £'000	
Specified investments					
Call Accounts	AA-	0	0	0	0
Call Accounts	A+/A/A-	8,048	40,643	(38,789)	9,902
Notice Accounts (DMO)	AA-	0	141,660	(136,290)	5,370
Money Market Funds	AAA	16,255	3,745	0	20,000
Non specified investments					
Equity Shares	-	12	0	0	12
Total		24,315	186,048	(175,079)	35,284

Comment:

At 31 December 2022 investment balances totalled £35.28m. This compares with a balance of £24.32m at 31 March 2022 and £35.74m at 30 September 2022. The average investment balance during the period was £38.21m (year to date £35.92m). This compares with an average of £32.44m for the corresponding three-month period last year (£30.38m for the nine-month period ending 31 Dec 2021). Underpinning the average investment balance are the significant cash balances associated with various grant support packages and other measures implemented by central government in response to the 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 October to December 2022

	01-Oct-22 £'000	New Borrowing £'000	Borrowing Repaid £'000	31-Dec-22 £'000
Long-term				
PWLB – fixed rates	15,522	0	(44)	15,478
Short-term				
Local Bonds	31	0	0	31
Trust Funds	54	0	0	54
	15,607	0	(44)	15,563

Borrowing Activity 2022-23 - year to date

	01-Apr-22 £'000	New Borrowing £'000	Borrowing Repaid £'000	31-Dec-22 £'000
Long-term				
PWLB – fixed rates	15,871	0	(393)	15,478
Short-term				
Local Bonds	31	0	0	31
Trust Funds	54	0	0	54
	15,956	0	(393)	15,563

Comment:

No new borrowing or rescheduling of existing loans took place during the period October to December 2022. At 31 December 2022 the total net premature redemption premium payable was £4.32m (30 Sept £4.55m; 31 July: £8.91m; 31 March 2022: £11.77m). This comprises premia of £4.77m less discounts of £446k

Composition of PWLB loans portfolio

	31 Dec 2022 £'000	30 Sept 2022 £'000	31 July 2022 £'000	31 Mar 2022 £'000	31 Dec 2021 £'000
Maturity loans	8,000	8,000	8,000	8,000	8,000
Annuity loans	1,271	1,315	1,316	1,365	1,373
EIP Loans	6,207	6,207	6,466	6,506	6,804
Total	15,478	15,522	15,782	15,871	16,177
Redemption Value*	19,961	20,261	24,817	27,844	31,294
Average interest %	5.17%	5.18%	5.13%	5.14%	5.08%
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 31.12.22 £000	2022/23 Forecast £000
Actual capital expenditure ¹	3,040	25,621	3,148	6,694
Capital financing requirement (31 March) ²	20,292	24,929	19,358	19,554
Gross debt & CFR: (under)/over borrowing (31 March)	(4,336)	(2,899)	(3,795)	(4,299)
Ratio of Financing Costs to Net Revenue Stream (%)	12.6	13.3	N/A	12.3
Authorised Limit for External Debt ²	25,000	27,000	27,000	27,000
Operational boundary for external debt ²	23,000	25,000	25,000	25,000
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 in year 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 Dec is £1k

Maturity profile of borrowing (inc. non PWLB)

	31 Dec 2022 £'000	30 Sept 2022 £'000	31 July 2022 £'000	31 Mar 2022 £'000	31 Dec 2021 £'000
Less than 1 year	794	790	791	786	784
Between 1 & 2yrs	719	715	715	710	709
Between 2 & 5yrs	2,050	2,034	2,212	2,195	2,192
Between 5 & 10yrs	1,800	1,860	1,861	1,904	2,086
Between 10 & 20yrs	2,160	2,168	2,248	2,281	2,371
Between 20 & 30yrs	40	40	40	80	120
Between 30 & 40yrs	8,000	8,000	8,000	8,000	8,000
Between 40 & 50yrs	0	0	0	0	0
	15,563	15,607	15,867	15,956	16,262

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

	At 31.3.22 Actual %	Lower limit 2022/23 %	Upper limit 2022/23 %	At 31.12.22 Actual %	Forecast at 31.3.23 %
Under 12 months	4.92	0	20	5.10	5.21
12 months to 2 years	4.44	0	20	4.62	4.72
2 years to 5 years	13.76	0	20	13.17	12.29
5 years to 10 years	11.94	0	30	11.56	11.71
10 years to 20 years	14.3	0	40	13.88	13.63
20 years to 30 years	0.5	0	40	0.26	0.00
30 years to 40 years	50.14	0	80	51.41	52.44
40 years to 45 years	0	0	80	0	0
46 years to 50 years	0	0	80	0	0