

Activity 2014/15**PWLB Borrowing**

The Council has not taken any new loans from the PWLB during the first quarter.

As at 1 April 2014 the Authority's total outstanding PWLB debt amounted to £105,100,000. The profile of the outstanding debt is analysed as follows: -

| PWLB Borrowing | Maturity Profile |
|------------------------|-------------------------|
| Term | 30 June 2014 |
| | £ |
| 12 Months | 1,000,000 |
| 1-2 years | 1,000,000 |
| 2-5 years | 1,000,000 |
| 5-10 years | 19,000,000 |
| 10-15 years | 21,100,000 |
| over 15 years | 62,000,000 |
| Total PWLB Debt | 105,100,000 |

At 30 June 2014 no repayments have been made to the PWLB.

PWLB Interest

The total interest cost to the Council of the PWLB debt for 2014/15 will be £3,687,050. This cost is split between the HRA and General Fund based on the level of debt outstanding. Interest paid to the PWLB in the first quarter was £323,187.

Temporary Borrowing

Cash flow monitoring and management identifies the need for short term borrowing to cover delays in the receipt of income during the year. Interest charges of £703.69 were incurred during the first quarter which effectively arose from overdrawn bank balances. At the 30 June 2014 the only temporary borrowing undertaken by the Council is £450,526 which is the investment balances held on behalf of Parish Councils.

Temporary Investments

The following table shows the investments and interest earned to 30 June 2014:

| Counterparty | Balance at 1/4/14 | Deposits | Withdrawals | Interest received | Balance at 30/6/14 |
|----------------------|------------------------------|-------------------|---------------------|------------------------------|-------------------------------|
| | £ | £ | £ | £ | £ |
| Bank of Scotland | 4,900,000 | 100,000 | 0 | 3,782 | 5,003,782 |
| Barclays | 5,000,000 | 0 | 0 | 2,493 | 5,002,493 |
| BNP Paribas (MMF) | 0 | 12,707,000 | (9,750,000) | 3,081 | 2,960,081 |
| Ignis (MMF) | 1,990,000 | 7,103,000 | (4,093,000) | 4,532 | 5,004,532 |
| Natwest | 5,000,000 | 0 | 0 | 6,193 | 5,006,193 |
| | <u>16,890,000</u> | <u>19,910,000</u> | <u>(13,843,000)</u> | <u>20,081</u> | <u>22,977,081</u> |

Interest Received

Interest received on investments at 30 June 2014 was £20,081. This level of interest is slightly below the profiled estimate for the annual investment interest of £20,661. During July in consultation with Treasury Management advisors, officers will look to place short term, fixed investments in line with cash flow forecasts and the appropriate credit ratings as detailed in the Council's Borrowing and Investment Strategy.

Compliance with Treasury Limits

During the financial year the Council continued to operate within the treasury limits set out in the Council's Borrowing and Investment Strategy.

| | Actual to Date 2014/15 | Approved limits 2014/15 |
|---|---------------------------------------|--|
| Authorised Limit (total Council external borrowing limit) | 106,077,000 | 114,199,000 |
| Operational Boundary | 106,077,000 | 109,199,000 |