

## Treasury Management Update - Quarter 2 2024/25

The Council's main current account is held with Lloyds Bank. The current contract is due to expire on 9th February 2025, but using a framework, a new contract has been entered into for 7 years plus an optional 3 years extension. This has meant the Council has been able to secure the equivalent of a years' free banking (£12k), and it is felt the most advantageous deal for the Council has been secured with Lloyds Bank.

### PWLB Borrowing

As at 1 April 2024 the Authority's total outstanding PWLB debt amounted to £86,000,000.

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

At 30 September 2024 £3,800,000 has been repaid to the PWLB in the current financial year.

The profile of the outstanding debt is analysed as follows:

<b>PWLB Borrowing Term</b>	<b>Maturity Profile 30-Sep-24 £</b>
12 Months	5,400,000
1-2 years	0
2-5 years	14,800,000
5-10 years	22,000,000
10-15 years	25,000,000
over 15 years	15,000,000
<b>Total PWLB Debt</b>	<b>82,200,000</b>

### PWLB Interest

The total interest cost to the Council of the PWLB debt for 2024/25 is estimated at £2,836,828. This cost is split between the HRA and General Fund based on the level of debt outstanding. Interest paid to the PWLB in the six months was £1,498,800

### 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. No interest charges were incurred during the first six months on overdrawn bank balances. At 30 September 2024 the only temporary borrowing undertaken by the Council was £2,346,535 which is the investment balances held on behalf of Parish Councils.

### Compliance with Treasury Limits

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

	Actual to Date 2024/25	Approved Limits 2024/25
Authorised Limit (Total Council external borrowing limit)	£143,453,779	£159,969,000
Operational Boundary	£143,453,779	£154,969,000

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### Temporary Investments

#### Interest Received

The performance of the Council's investments is as follows:

	6 months Actual	6 months Budget	6 months Variance
Interest generated (£)	(596,003)	(380,937)	(215,067)
Average rate of interest	5.06%	4.56%	-
Bank of England base rate	5.00%	4.50%	-

The investments have been made in accordance with the Council's Treasury Management Strategy.

The Bank of England base rate at 30.9.2024 was 5.00%. In the table above, the actual figure is the 6 month average rate and the budget figure is the base rate used when setting the budget.

Interest rates offered by most institutions still remain below the bank base rate.

The following tables show the investments and interest earned to 30 September 2024:

#### Investments on call

Counterparty	Balance at 1/4/24	Deposits	Withdrawals	Interest received	Balance at 30/09/24
	£	£	£	£	£
Aberdeen (MMF)	5,000,000	2,000,000	(2,127,637)	127,637	5,000,000
Federated (MMF)	5,000,000	0	(129,602)	129,602	5,000,000
Invesco (MMF)	1,500,000	8,000,000	(8,518,666)	18,666	1,000,000
CCLA (MMF)	5,000,000	21,000,000	(21,073,983)	73,983	5,000,000
Aviva (MMF)	5,000,000	0	(129,804)	129,804	5,000,000
BNP Paribas (MMF)	5,000,000	4,000,000	(4,116,313)	116,313	5,000,000
	26,500,000	35,000,000	(36,096,005)	596,005	26,000,000

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Fixed-term investments

Counterparty	Term of Loan	Balance at 1/4/24	Deposits	Withdrawals	Interest received at six months	No of Days Interest at six months	Balance at 30/09/24	Maturity Date
		£	£	£	£		£	
Local Authorities								
Elmton with Creswell Parish Council	152 days	0	104,000	0	1,376	92	105,376	29/11/24
		0	104,000	0	1,376	92	105,376	29/11/24