

## Treasury Management Update - Quarter 2 2025/26

### Treasury Management Update - Quarter 2 2025/26

The Council's main current account is held with Lloyds Bank and the current contract is due to expire on 31st January 2035.

#### PWLB Borrowing

As at 1 April 2025 the Authority's total outstanding PWLB debt amounted to £78,800,000.

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

At 30 September 2025 £2,000,000 has been repaid to the PWLB in the current financial year.

The profile of the outstanding debt is analysed as follows:

| <b>PWLB Borrowing</b>  | <b>Maturity Profile</b> |
|------------------------|-------------------------|
| <b>Term</b>            | <b>30-Sep-25</b>        |
|                        | £                       |
| 12 Months              | 0                       |
| 1-2 years              | 7,000,000               |
| 2-5 years              | 15,800,000              |
| 5-10 years             | 24,000,000              |
| 10-15 years            | 25,000,000              |
| over 15 years          | 5,000,000               |
| <b>Total PWLB Debt</b> | <b>76,800,000</b>       |

#### PWLB Interest

The total interest cost to the Council of the PWLB debt for 2025/26 is estimated at £2,683,728. This cost is split between the HRA and General Fund based on the level of debt outstanding. No interest has been paid to the PWLB in the first six months.

#### 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 six months on overdrawn bank balances. At 30 September 2025 the only temporary borrowing undertaken by the Council was £2,057,307 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 2025/26 | Approved Limits 2025/26 |
|---|------------------------|-------------------------|
| Authorised Limit (Total Council external borrowing limit) | £134,382,388           | £154,125,871            |
| Operational Boundary                                      | £134,382,388           | £149,125,871            |

## Treasury Management Update - Quarter 2 2025/26

### 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 (£)    | (467,090)       | (226,442)       | (240,648)         |
| Average rate of interest  | 4.26%           | 3.94%           | -                 |
| Bank of England base rate | 4.08%           | 4.25%           | -                 |

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

The Bank of England base rate at 30.9.2025 was 4.00%. 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 2025:

#### Investments on call

| Counterparty      | Balance at<br>1/4/25 | Deposits   | Withdrawals  | Interest<br>received | Balance at<br>30/09/25 |
|-------------------|----------------------|------------|--------------|----------------------|------------------------|
|                   | £                    | £          | £            | £                    | £                      |
| Aberdeen (MMF)    | 5,000,000            | 2,200,000  | (2,294,567)  | 94,567               | 5,000,000              |
| Federated (MMF)   | 5,000,000            | 0          | (107,300)    | 107,300              | 5,000,000              |
| Invesco (MMF)     | 1,000,000            | 20,200,000 | (16,243,387) | 43,387               | 5,000,000              |
| CCLA (MMF)        | 1,000,000            | 12,100,000 | (8,180,197)  | 80,197               | 5,000,000              |
| Aviva (MMF)       | 5,000,000            | 0          | (107,536)    | 107,536              | 5,000,000              |
| BNP Paribas (MMF) | 1,000,000            | 1,500,000  | (1,034,103)  | 34,103               | 1,500,000              |
|                   | 18,000,000           | 36,000,000 | (27,967,090) | 467,090              | 26,500,000             |