

The Council's main current account is held with Lloyds Bank and the current contract is due to expire on 30th April 2022.

PWLB Borrowing

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

As at 1 April 2020 the Authority's total outstanding PWLB debt amounted to £99,100,000. The profile of the outstanding debt is analysed as follows: -

| PWLB Borrowing Term | Maturity Profile 30-Jun-20 £ |
|----------------------------|---|
| 12 Months | 2,000,000 |
| 1-2 years | 3,700,000 |
| 2-5 years | 14,600,000 |
| 5-10 years | 20,800,000 |
| 10-15 years | 23,000,000 |
| over 15 years | 35,000,000 |
| Total PWLB Debt | 99,100,000 |

At 30 June 2020 nothing has been repaid to the PWLB as no repayments were due.

PWLB Interest

The total interest cost to the Council of the PWLB debt for 2020/21 is estimated at £3,474,355. This cost is split between the HRA and General Fund based on the level of debt outstanding. Interest paid to the PWLB in the three months was £246,313.

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. Minimal interest charges were incurred during the first three months on overdrawn bank balances (<£10). At 30 June 2020 the only temporary borrowing undertaken by the Council was £639,080 which is the investment balances held on behalf of Parish Councils.

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 2020/21 | Approved Limits 2020/21 |
|---|------------------------|-------------------------|
| Authorised Limit (Total Council external borrowing limit) | £121,041,944 | £126,688,000 |
| Operational Boundary | £121,041,944 | £121,688,000 |

Temporary Investments

Interest Received

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

| | 3 months Actual | 3 months Budget | 3 months Variance |
|---------------------------|------------------------|------------------------|--------------------------|
| Interest generated (£) | (75,054) | (52,479) | (22,575) |
| Average rate of interest | 0.58% | 0.68% | - |
| Bank of England base rate | 0.10% | 0.75% | - |

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

The Bank of England base rate is currently 0.10%, the above actual figure is the 3 month average rate. The base rate was cut from 0.75% to 0.25% on 11th March and then from 0.25% to 0.10% on 19th March, both reductions were in light of the expected economic downturn due to the Coronavirus.

Interest rates offered by most institutions remain low.

The following tables show the investments and interest earned to 30 June 2020:

Investments on call

| Counterparty | Balance at 1/4/20 | Deposits | Withdrawals | Interest received | Balance at 30/06/20 |
|---------------------|--------------------------|-------------------|---------------------|--------------------------|----------------------------|
| | £ | £ | £ | £ | £ |
| Aberdeen (MMF) | 0 | 5,000,000 | (4,272) | 4,272 | 5,000,000 |
| Federated (MMF) | 3,500,000 | 6,000,000 | (5,002,614) | 2,614 | 4,500,000 |
| Invesco (MMF) | 0 | 14,000,000 | (9,001,934) | 1,934 | 5,000,000 |
| SSGA (MMF) | 0 | 4,000,000 | (4,000,429) | 429 | 0 |
| CCLA (MMF) | 5,000,000 | 0 | (4,286) | 4,286 | 5,000,000 |
| | 8,500,000 | 29,000,000 | (18,013,535) | 13,535 | 19,500,000 |

Fixed-term investments

| Counterparty | Term of Loan | Balance at 1/4/20 | Deposits | Withdrawals | Interest received at three months | No of Days Interest at three months | Balance at 30/06/20 |
|------------------------------|--------------|-------------------|-----------|--------------|-----------------------------------|-------------------------------------|---------------------|
| | | £ | £ | £ | £ | | £ |
| Local Authorities | | | | | | | |
| Thurrock Council (Unitary) | 1 year | 5,000,000 | | (5,008,815) | 8,815 | 65 | 0 |
| Conwy County Borough Council | 9 months | 2,500,000 | | (2,502,752) | 2,752 | 49 | 0 |
| West Dunbartonshire Council | 1 year | 5,000,000 | | | 10,721 | 91 | 5,010,721 |
| Kingston Upon Hull | 9 months | 5,000,000 | | (5,009,863) | 9,863 | 90 | 0 |
| Monmouthshire County Council | 8 months | 5,000,000 | | | 10,845 | 91 | 5,010,845 |
| Shirebrook Town Council | 3 months | 453,888 | | (454,027) | 139 | 14 | 0 |
| Flintshire County Council | 9 months | 5,000,000 | | | 14,959 | 91 | 5,014,959 |
| Shirebrook Town Council | 6 months | 0 | 454,813 | | 576 | 77 | 455,389 |
| Thurrock Council (Unitary) | 1 year | 0 | 5,000,000 | | 2,849 | 26 | 5,002,849 |
| | | 27,953,888 | 5,454,813 | (12,975,457) | 61,519 | | 20,494,763 |