

## Teignbridge District Council Treasury Management Year End Review 2019-20

Teignbridge District Council has adopted CIPFA's *Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes 2017 Edition*. One of the requirements is the provision of a year-end report of treasury management activities.

Activities Undertaken: Daily lending and borrowing from 1 April 2019 to 31 March 2020:

### Fixed-term lending

<b>Borrower</b>	<b>Terms %</b>	<b>Amount Lent £</b>	<b>Dates</b>	<b>Days Lent in year</b>	<b>Interest Earned in Year £</b>
Close Brothers**	1.15	1,000,000	15/03/19 – 23/12/19	266	8,412.33
Thurrock Council**	1.06	1,000,000	15/03/19 – 15/01/20	289	8,421.92
Debt Management Office	0.51	500,000	02/04/19 – 19/04/19	16	111.78
Debt Management Office	0.50	8,100,000	15/04/19 – 18/04/19	3	332.88
Debt Management Office	0.50	500,000	18/04/19 – 30/04/19	12	82.19
Debt Management Office	0.50	1,000,000	25/04/19 – 26/04/19	1	13.70
Debt Management Office	0.50	2,500,000	15/05/19 – 20/05/19	5	171.23
Debt Management Office	0.50	2,000,000	15/05/19 – 28/05/19	13	356.16
Debt Management Office	0.50	3,000,000	15/05/19 – 29/05/19	14	575.34
Nationwide Building Society	0.75	1,000,000	15/05/19 – 08/08/19	85	1,746.58
Coventry Building Society	0.89	1,000,000	17/06/19 – 13/12/19	179	4,364.66
Nottingham Building Society	0.85	1,000,000	17/06/19 – 13/09/19	88	2,049.32
Debt Management Office	0.50	2,400,000	17/06/19 – 19/06/19	2	65.75
Debt Management Office	0.50	2,000,000	17/06/19 – 24/06/19	7	191.78
Debt Management Office	0.50	1,000,000	17/06/19 – 04/07/19	17	232.88
Debt Management Office	0.50	500,000	26/06/19 – 04/07/19	8	54.79
Debt Management Office	0.50	3,000,000	01/07/19 – 04/07/19	3	123.29
Debt Management Office	0.50	4,000,000	15/07/19 – 22/07/19	7	383.56
Debt Management Office	0.50	1,000,000	15/07/19 – 23/07/19	8	109.59
Debt Management Office	0.50	1,000,000	24/07/19 – 08/08/19	15	205.48
Coventry Building Society	0.65	1,000,000	24/07/19 – 23/09/19	61	1,086.30
Debt Management Office	0.50	3,700,000	01/08/19 – 08/08/19	7	354.79
Debt Management Office	0.50	3,000,000	15/08/19 – 19/08/19	4	164.38
Debt Management Office	0.50	1,000,000	15/08/19 – 23/08/19	8	109.59
Debt Management Office	0.51	1,000,000	15/08/19 - 16/09/19	32	447.12
Principality Building Society	0.56	1,000,000	15/08/19 – 16/09/19	32	490.96
Debt Management Office	0.50	500,000	29/08/19 – 16/09/19	18	123.29
Debt Management Office	0.50	2,600,000	02/09/19 – 16/09/19	14	498.63
Debt Management Office	0.50	1,000,000	10/09/19 – 23/09/19	13	178.08
Debt Management Office	0.50	700,000	13/09/19 – 30/09/19	17	163.01
Debt Management Office	0.50	1,500,000	16/09/19 – 19/09/19	3	61.64
Santander UK plc	0.80	1,000,000	16/09/19 – 10/02/20	147	3,221.92
Principality Building Society	0.72	1,000,000	16/09/19 – 13/12/19	88	1,735.89
Debt Management Office	0.50	1,000,000	23/09/19 – 27/09/19	4	54.79
Debt Management Office	0.50	1,100,000	30/09/19 – 01/10/19	1	15.07

**Appendix 3**

<b>Borrower</b>	<b>Terms %</b>	<b>Amount Lent £</b>	<b>Dates</b>	<b>Days Lent in year</b>	<b>Interest Earned in Year £</b>
West Yorkshire Fire & Rescue Authority	0.65	4,000,000	01/10/19 – 15/10/19	14	997.26
Debt Management Office	0.5	1,000,000	01/10/19 – 14/10/19	13	178.08
Debt Management Office	0.5	11,000,000	15/10/19 – 21/10/19	6	904.11
Debt Management Office	0.5	1,000,000	21/10/19 – 23/10/19	2	27.40
Debt Management Office	0.5	1,000,000	30/10/19 – 11/11/19	12	164.38
Debt Management Office	0.51	2,000,000	1/11/19 – 19/11/19	18	503.01
Debt Management Office	0.51	1,000,000	01/11/19 – 22/11/19	21	293.42
Debt Management Office	0.515	500,000	01/11/19 – 25/11/19	24	169.32
Debt Management Office	0.5	8,000,000	15/11/19 – 26/11/19	11	1205.48
Santander UK plc	0.76	1,000,000	28/11/19 – 27/03/20	120	2498.63
Debt Management Office	0.5	2,000,000	02/12/19 – 09/12/19	7	191.78
Debt Management Office	0.505	1,650,000	02/12/19 – 19/12/19	17	388.09
Coventry Building Society	0.67	1,000,000	13/12/19 – 13/03/20	91	1670.41
Principality Building Society	0.7	1,000,000	13/12/19 – 13/03/20	91	1745.21
Debt Management Office	0.5	3,500,000	16/12/19 – 18/12/19	2	95.89
Debt Management Office	0.5	1,000,000	16/12/19 – 19/12/19	3	41.10
Debt Management Office	0.5	3,800,000	16/12/19 – 03/01/20	18	936.99
Debt Management Office	0.5	3,000,000	18/12/19 – 03/01/20	16	657.53
Nationwide Building Society	0.74	1,000,000	19/12/19 – 30/03/20	102	2067.95
Debt Management Office	0.5	1,000,000	23/12/19 – 02/01/20	10	136.99
Debt Management Office	0.505	1,000,000	02/01/20 – 20/01/20	18	249.04
Debt Management Office	0.5	1,500,000	02/01/20 – 06/01/20	4	82.19
Debt Management Office	0.5	2,000,000	02/01/20 – 03/01/20	1	27.40
Debt Management Office	0.5	500,000	03/01/20 – 15/01/20	12	82.19
Thurrock Council	0.72	1,000,000	15/01/20 – 17/03/20	62	1223.01
Debt Management Office	0.465	7,000,000	15/01/20 – 10/02/20	26	2318.63
Debt Management Office	0.5	1,000,000	15/01/20 – 20/01/20	5	68.49
Debt Management Office	0.5	800,000	15/01/20 – 23/01/20	8	87.67
Coventry Building Society	0.57	1,000,000	03/02/20 – 17/03/20	43	671.51
Debt Management Office	0.5	1,000,000	17/02/20 – 21/02/20	4	54.79
Debt Management Office	0.5	2,500,000	17/02/20 – 19/02/20	2	68.49
Debt Management Office	0.15	1,500,000	13/03/20 – 17/03/20	4	24.66
Debt Management Office	0.15	2,700,000	16/03/20 – 17/03/20	1	11.10

Deposits were also made into the following call accounts, dependent upon cash flow:

<b>Bank</b>	<b>Account terms</b>	<b>Interest Earned £</b>
Barclays Bank	0.12% instant access	0.11
Clydesdale Bank	0.15% 30 days' notice	0.96
Clydesdale Bank	0.15% instant access	0.44
Royal Bank of Scotland	0.15% instant access	1.87
Santander UK plc	0% to 0.40% instant access	311.64
Lloyds plc 175-day notice	1.13% 175-day notice	16,640.00
Lloyds plc 95-day notice	0.45% to 1.10% 95-day notice	4,001.81
Lloyds plc	0.0% to 0.65% current account	369.70
Lloyds plc Deposit account	0.0% to 0.65% instant access	3,374.52

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Deposits were also made into the following money market funds, dependent on cash flow:

Public Sector Deposit Fund	0.47% to 0.79% instant access	21,244.39
Aberdeen Standard (formerly Standard Life)	0.42% to 0.73% instant access	18,134.06

Temporary Borrowing 1 April 2019 to 31 March 2020:

Lender	Terms %	Amount lent £	Dates	Days lent in year	Interest paid in year £
Lloyds Bank	Base + 1%	0	Overdraft agreement	5	6.96

### Teignbridge District Council Performance Report for the Period 1 April 2019 to 31 March 2020

	Apr-Mar 2018-19	Apr-Mar 2019-20
<b>(i) Short Term Funds Invested</b>		
Interest received and receivable for the period	£102,999	£120,632.37
Maximum period of investment on any one loan made in the period	346 days	179 days
“Fixed” investment rates in period.	0.25% – 1.15%	0.15% - 0.89%
<b>(ii) Short Term Funds Borrowed</b>		
Interest paid and payable for the period	£34.52	£6.96
Number of new loans borrowed in the period	1	0
Maximum period of borrowing on any one loan borrowed in the period.	3 days	n/a
“Fixed” borrowing rates.	0.42%	n/a
<b>(iii) Average Net Interest Rate Earned</b>	0.71%	0.75%
<b>(iv) Average Short Term Net Lending</b>	£14,566,511	£15,916,175

#### Regular Monitoring

Two monthly reports are prepared for the Chief Finance Officer: a forecast of interest receivable for the year, and an investment comparison, which shows the sum available for investment compared to the previous year. The Chief Finance Officer presents a monthly report to CMT and updates the Executive Committee on a quarterly basis. These reports include any policy updates, such as changes to the official lending list, based on the latest ratings information. Full council receives an annual review and strategy statement and a mid-year review.

### **Appendix 3**

Total net interest received in 2019-20 was £120,625.41. This compares to £102,964.70 in 2018-19. The increase is mainly due to having more funds available for lending out (average daily lending is slightly higher in 2019-20 at £15.9 million compared to £14.6 million in 2018-19) although the average interest rate earned is also slightly higher (an average of 0.75% in 2019-20, compared to 0.71% in 2018-19). Average benchmark 7-day LIBOR rate for 2019-20 was 0.69%.

#### Treasury Management Indicators

These are part of the Prudential Indicators, as agreed at Full Council on 24 February 2020. They are available on request or on the Teignbridge website agenda for that meeting.