

Teignbridge District Council Treasury Management Year End Review 2020-21

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 2020 to 31 March 2021:

Fixed-term lending

Borrower	Terms %	Amount Lent £	Start date	End date	Days Lent in year	Interest Earned in Year £
Debt Management Office	0.100	44,000,000	01/04/2020	08/04/2020	7	843.84
Debt Management Office	0.040	5,000,000	08/04/2020	09/04/2020	1	5.48
Debt Management Office	0.045	4,500,000	08/04/2020	14/04/2020	6	33.29
Debt Management Office	0.095	34,500,000	08/04/2020	16/04/2020	8	718.36
Debt Management Office	0.055	1,000,000	14/04/2020	17/04/2020	3	4.52
Debt Management Office	0.080	1,000,000	15/04/2020	23/04/2020	8	17.53
Debt Management Office	0.080	1,500,000	15/04/2020	27/04/2020	12	39.45
Debt Management Office	0.040	12,500,000	16/04/2020	17/04/2020	1	13.70
Debt Management Office	0.045	18,000,000	16/04/2020	20/04/2020	4	88.77
Debt Management Office	0.080	500,000	17/04/2020	29/04/2020	12	13.15
Debt Management Office	0.040	1,400,000	20/04/2020	21/04/2020	1	1.53
Debt Management Office	0.045	2,000,000	20/04/2020	22/04/2020	2	4.93
Debt Management Office	0.055	1,000,000	20/04/2020	23/04/2020	3	4.52
Debt Management Office	0.060	5,000,000	20/04/2020	24/04/2020	4	32.88
Debt Management Office	0.080	7,200,000	20/04/2020	27/04/2020	7	110.47
Debt Management Office	0.080	1,000,000	22/04/2020	29/04/2020	7	15.34
Debt Management Office	0.080	3,000,000	24/04/2020	30/04/2020	6	39.45
Debt Management Office	0.080	6,500,000	27/04/2020	04/05/2020	7	99.73
Debt Management Office	0.080	1,000,000	29/04/2020	11/05/2020	12	26.30
Debt Management Office	0.080	1,100,000	30/04/2020	19/05/2020	19	45.81
Debt Management Office	0.080	1,400,000	30/04/2020	22/05/2020	22	67.51
Debt Management Office	0.055	2,000,000	01/05/2020	26/05/2020	25	75.34
Debt Management Office	0.055	1,500,000	01/05/2020	27/05/2020	26	58.77
Debt Management Office	0.040	1,000,000	04/05/2020	06/05/2020	2	2.19
Debt Management Office	0.040	1,000,000	04/05/2020	12/05/2020	8	8.77
Debt Management Office	0.050	3,400,000	04/05/2020	19/05/2020	15	69.86
Debt Management Office	0.040	400,000	11/05/2020	27/05/2020	16	7.01
Debt Management Office	0.040	1,000,000	12/05/2020	27/05/2020	15	16.44
Debt Management Office	0.040	2,000,000	14/05/2020	27/05/2020	13	28.49
Debt Management Office	0.040	1,000,000	15/05/2020	18/05/2020	3	3.29
Debt Management Office	0.040	4,500,000	15/05/2020	27/05/2020	12	59.18
Debt Management Office	0.050	1,000,000	15/05/2020	08/06/2020	24	32.88
Debt Management Office	0.050	2,500,000	15/05/2020	22/06/2020	38	130.14
Debt Management Office	0.040	1,000,000	19/05/2020	20/05/2020	1	1.10
Debt Management Office	0.040	1,000,000	19/05/2020	23/06/2020	35	38.36

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Borrower	Terms %	Amount Lent £	Start date	End date	Days Lent in year	Interest Earned in Year £
Debt Management Office	0.040	1,400,000	19/05/2020	26/06/2020	38	58.30
Debt Management Office	0.020	1,000,000	26/05/2020	28/05/2020	2	1.10
Debt Management Office	0.020	1,000,000	29/05/2020	24/06/2020	26	14.25
Debt Management Office	0.035	1,000,000	01/06/2020	03/06/2020	2	1.92
Debt Management Office	0.020	1,000,000	01/06/2020	10/06/2020	9	4.93
Debt Management Office	0.020	1,000,000	01/06/2020	02/07/2020	31	16.99
Debt Management Office	0.020	1,000,000	10/06/2020	07/08/2020	58	31.78
Debt Management Office	0.020	4,000,000	15/06/2020	02/07/2020	17	37.26
Debt Management Office	0.020	4,500,000	15/06/2020	07/08/2020	53	130.68
Debt Management Office	0.010	1,000,000	24/06/2020	02/07/2020	8	2.19
Debt Management Office	0.010	1,000,000	26/06/2020	02/07/2020	6	1.64
Debt Management Office	0.010	2,500,000	01/07/2020	02/07/2020	1	0.68
Debt Management Office	0.010	1,000,000	02/07/2020	06/07/2020	4	1.10
Debt Management Office	0.010	4,000,000	15/07/2020	20/07/2020	5	5.48
Debt Management Office	0.010	1,000,000	15/07/2020	23/07/2020	8	2.19
Debt Management Office	0.010	2,000,000	15/07/2020	07/08/2020	23	12.60
Debt Management Office	0.010	1,000,000	23/07/2020	29/07/2020	6	1.64
Debt Management Office	0.010	500,000	29/07/2020	21/08/2020	23	3.15
Debt Management Office	0.010	1,000,000	31/07/2020	07/08/2020	7	1.92
Debt Management Office	0.010	1,000,000	03/08/2020	07/08/2020	4	1.10
Debt Management Office	0.010	500,000	03/08/2020	12/08/2020	9	1.23
Debt Management Office	0.010	1,250,000	03/08/2020	19/08/2020	16	5.48
Debt Management Office	0.010	1,000,000	07/08/2020	14/08/2020	7	1.92
Debt Management Office	0.010	1,000,000	12/08/2020	19/08/2020	7	1.92
Debt Management Office	0.010	500,000	14/08/2020	26/08/2020	12	1.64
Debt Management Office	0.010	500,000	17/08/2020	28/08/2020	11	1.51
Debt Management Office	0.010	250,000	17/08/2020	04/09/2020	18	1.23
Debt Management Office	0.010	250,000	17/08/2020	09/09/2020	23	1.58
Debt Management Office	0.010	2,000,000	17/08/2020	15/09/2020	29	15.89
Debt Management Office	0.010	2,500,000	17/08/2020	21/09/2020	35	23.97
Debt Management Office	0.010	1,250,000	17/08/2020	23/09/2020	37	12.67
Debt Management Office	0.010	1,500,000	01/09/2020	14/09/2020	13	5.34
Debt Management Office	0.010	2,000,000	01/09/2020	30/09/2020	29	15.89
Debt Management Office	0.010	250,000	08/09/2020	25/09/2020	17	1.16
Debt Management Office	0.010	1,000,000	09/09/2020	12/10/2020	33	9.04
Debt Management Office	0.010	1,500,000	15/09/2020	19/10/2020	34	13.97
Debt Management Office	0.010	500,000	18/09/2020	28/09/2020	10	1.37
Debt Management Office	0.010	1,000,000	21/09/2020	22/09/2020	1	0.27
Debt Management Office	0.010	1,000,000	22/09/2020	21/10/2020	29	7.95
Debt Management Office	0.010	1,250,000	23/09/2020	23/10/2020	30	10.27
Debt Management Office	-0.030	1,000,000	01/10/2020	07/10/2020	6	- 4.93
Debt Management Office	-0.025	1,000,000	01/10/2020	09/10/2020	8	- 5.48
Debt Management Office	-0.020	1,000,000	01/10/2020	12/10/2020	11	- 6.03
Debt Management Office	-	1,000,000	01/10/2020	21/10/2020	20	-
Coventry Building Society	0.020	1,000,000	07/10/2020	26/11/2020	50	27.40
Debt Management Office	0.005	1,000,000	09/10/2020	26/11/2020	48	6.58
Debt Management Office	-0.010	7,000,000	15/10/2020	21/10/2020	6	- 11.51
Coventry Building Society	0.020	1,000,000	15/10/2020	26/11/2020	42	23.01
Debt Management Office	0.010	1,000,000	22/10/2020	05/01/2021	75	20.55

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

Bank	Account terms	Interest Earned £
Clydesdale Bank	0.05% 30 days' notice	0.34
Royal Bank of Scotland	0.01% instant access	0.38
Santander UK plc	0.10% to 0.12% instant access	1,652.71
Lloyds plc bonus account	0.01% to 0.02% instant access	117.81
Lloyds plc treasury account	0.01% instant access	14.81
Lloyds plc 95-day notice	0.45% 95-day notice	1,724.45
Lloyds plc 32-day notice	0.10% to 0.20% 32-day notice	674.06
Lloyds plc	0.0% current account	-
Lloyds plc Deposit account	0.0% instant access	-
Subtotal		4,184.56

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

Public Sector Deposit Fund	0.03% to 0.41% instant access	4,544.23
Aberdeen Standard	0.01% to 0.41% instant access	3,918.98
Subtotal		8,463.21

Total interest on lending **£15,946.24**

Temporary Borrowing 1 April 2020 to 31 March 2021:

Lender	Terms %	Amount lent £	Dates	Days lent in year	Interest paid in year £
Lloyds Bank	Base + 1%	0	Overdraft agreement	2	0.98

Teignbridge District Council Performance Report for the Period 1 April 2020 to 31 March 2021

	Apr-Mar 2019-20	Apr-Mar 2020-21
(i) Short Term Funds Invested		
Interest received and receivable for the period	£120,632	£15,946
Maximum period of investment on any one loan made in the period	179 days	92 days
“Fixed” investment rates in period.	0.15% – 0.89%	-0.07% - 0.10%
(ii) Short Term Funds Borrowed		
Interest paid and payable for the period	£6.96	£0.98
Number of new loans borrowed in the period	0	0
Maximum period of borrowing on any one loan borrowed in the period.	n/a	n/a

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“Fixed” borrowing rates.	n/a	n/a
(iii) Average Net Interest Rate Earned	0.75%	0.07%
(iv) Average Short Term Net Lending	£15,916,175	£23,265,742

Regular Monitoring

A monthly report is prepared for the Chief Finance Officer of forecast of interest receivable for the 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.

Total net interest received in 2020-21 was £15,945.26. This compares to £120,625.41 in 2019-20. The decrease is due to lower interest rates (an average of 0.07% in 2020-21, compared to 0.75% in 2019-20). The Bank of England’s base rate was reduced to 0.1% in March 2020, where it has remained since. Average benchmark 7-day LIBID rate for the year was negative at -0.05%. Average daily lending is higher in 2020-21 at £23.3 million compared to £15.9 million in 2019-20. This is mainly due to one-off payments from central government for Covid-19 grants.

Treasury Management Indicators

These are part of the Prudential Indicators, as agreed at Full Council on 22 February 2021. They are available on request or on the Teignbridge website agenda for that meeting.