

Teignbridge District Council Treasury Management Mid-Year Review 2023-24

Teignbridge District Council has adopted CIPFA's *Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes 2021 Edition*. One of the requirements is the provision of a mid-year review of treasury management activities.

Activities Undertaken: Daily lending and borrowing from 1 April to 30 September 2023:

Fixed lending - * denotes investment placed in 2022-23 with end date in 2023-24

| Borrower | Rate (%) | Amount | Start date | End date | Days lent April to September | Interest (£) |
|--------------------------------------|----------|-----------|------------|------------|------------------------------|--------------|
| Nationwide | 1.46 | 1,000,000 | 11/05/2022 | 10/05/2023 | 39 | 1,560.00 |
| London Borough Of Haringey | 3.17 | 3,000,000 | 21/09/2022 | 20/09/2023 | 172 | 44,814.25 |
| DMO | 3.845 | 1,500,000 | 03/02/2023 | 19/04/2023 | 18 | 2,844.25 |
| Cheshire East Council | 3.85 | 3,000,000 | 15/03/2023 | 19/04/2023 | 18 | 5,695.89 |
| DMO | 3.845 | 500,000 | 09/02/2023 | 06/04/2023 | 5 | 263.36 |
| DMO | 3.865 | 1,000,000 | 13/02/2023 | 19/04/2023 | 18 | 1,906.03 |
| DMO | 3.86 | 1,500,000 | 15/02/2023 | 19/04/2023 | 18 | 2,855.34 |
| DMO | 3.89 | 1,000,000 | 20/02/2023 | 19/04/2023 | 18 | 1,918.36 |
| DMO | 3.925 | 1,000,000 | 27/02/2023 | 19/04/2023 | 18 | 1,935.62 |
| DMO | 3.985 | 500,000 | 01/03/2023 | 09/05/2023 | 38 | 2,074.38 |
| DMO | 3.995 | 1,500,000 | 01/03/2023 | 25/05/2023 | 54 | 8,865.62 |
| DMO | 3.95 | 3,000,000 | 15/03/2023 | 28/04/2023 | 27 | 8,765.75 |
| London Borough of Barking & Dagenham | 4.45 | 1,000,000 | 15/03/2023 | 25/05/2023 | 54 | 6,583.56 |
| DMO | 4.1 | 1,000,000 | 28/03/2023 | 25/05/2023 | 54 | 6,065.75 |
| DMO | 4.1 | 4,000,000 | 03/04/2023 | 22/05/2023 | 49 | 22,016.44 |
| DMO | 4.05 | 500,000 | 04/04/2023 | 21/04/2023 | 17 | 943.15 |
| DMO | 4.11 | 2,000,000 | 05/04/2023 | 25/05/2023 | 50 | 11,260.27 |
| DMO | 4.06 | 500,000 | 06/04/2023 | 21/04/2023 | 15 | 834.25 |
| North Lanarkshire Council | 4.28 | 3,000,000 | 17/04/2023 | 15/03/2024 | 167 | 58,747.40 |
| DMO | 4.05 | 2,000,000 | 17/04/2023 | 19/04/2023 | 2 | 443.84 |
| DMO | 4.06 | 1,000,000 | 17/04/2023 | 24/04/2023 | 7 | 778.63 |
| DMO | 4.135 | 2,000,000 | 17/04/2023 | 25/05/2023 | 38 | 8,609.86 |
| DMO | 4.165 | 1,000,000 | 19/04/2023 | 25/05/2023 | 36 | 4,107.95 |
| DMO | 4.28 | 1,000,000 | 28/04/2023 | 19/06/2023 | 52 | 6,097.53 |
| DMO | 4.305 | 2,000,000 | 02/05/2023 | 19/06/2023 | 48 | 11,322.74 |
| DMO | 4.31 | 1,000,000 | 02/05/2023 | 23/06/2023 | 52 | 6,140.27 |

Appendix 8

| Borrower | Rate (%) | Amount | Start date | End date | Days lent April to September | Interest (£) |
|--------------------------------------|----------|-----------|------------|------------|------------------------------|--------------|
| DMO | 4.205 | 1,000,000 | 03/05/2023 | 23/05/2023 | 20 | 2,304.11 |
| DMO | 4.275 | 1,000,000 | 09/05/2023 | 22/05/2023 | 13 | 1,522.60 |
| DMO | 4.13 | 1,000,000 | 10/05/2023 | 12/05/2023 | 2 | 226.30 |
| DMO | 4.35 | 1,000,000 | 11/05/2023 | 12/05/2023 | 1 | 119.18 |
| DMO | 4.35 | 1,000,000 | 11/05/2023 | 15/05/2023 | 4 | 476.71 |
| DMO | 4.38 | 2,000,000 | 12/05/2023 | 03/07/2023 | 52 | 12,480.00 |
| Nationwide | 4.63 | 1,000,000 | 15/05/2023 | 13/05/2024 | 139 | 17,632.05 |
| DMO | 4.415 | 6,000,000 | 15/05/2023 | 03/07/2023 | 49 | 35,561.92 |
| DMO | 4.45 | 1,500,000 | 22/05/2023 | 19/07/2023 | 58 | 10,606.85 |
| DMO | 4.38 | 1,000,000 | 23/05/2023 | 25/05/2023 | 2 | 240.00 |
| DMO | 4.525 | 1,000,000 | 31/05/2023 | 19/07/2023 | 49 | 6,074.66 |
| DMO | 4.525 | 1,000,000 | 01/06/2023 | 21/07/2023 | 50 | 6,198.63 |
| DMO | 4.57 | 4,000,000 | 01/06/2023 | 08/08/2023 | 68 | 34,055.89 |
| DMO | 4.38 | 1,000,000 | 15/06/2023 | 19/06/2023 | 4 | 480.00 |
| DMO | 4.4 | 1,000,000 | 15/06/2023 | 23/06/2023 | 8 | 964.38 |
| DMO | 4.525 | 500,000 | 15/06/2023 | 30/06/2023 | 15 | 929.79 |
| DMO | 4.675 | 5,000,000 | 15/06/2023 | 08/08/2023 | 54 | 34,582.19 |
| DMO | 4.67 | 1,000,000 | 20/06/2023 | 08/08/2023 | 49 | 6,269.32 |
| London Borough of Barking & Dagenham | 5.35 | 2,000,000 | 26/06/2023 | 24/11/2023 | 97 | 28,435.62 |
| DMO | 4.94 | 1,500,000 | 03/07/2023 | 14/08/2023 | 42 | 8,526.58 |
| DMO | 5.11 | 1,000,000 | 11/07/2023 | 11/09/2023 | 62 | 8,680.00 |
| DMO | 4.88 | 500,000 | 17/07/2023 | 31/07/2023 | 14 | 935.89 |
| DMO | 5.07 | 2,000,000 | 17/07/2023 | 21/08/2023 | 35 | 9,723.29 |
| DMO | 5.075 | 1,000,000 | 17/07/2023 | 23/08/2023 | 37 | 5,144.52 |
| DMO | 5.085 | 500,000 | 17/07/2023 | 25/08/2023 | 39 | 2,716.64 |
| DMO | 5.14 | 3,000,000 | 17/07/2023 | 14/09/2023 | 59 | 24,925.48 |
| DMO | 5.135 | 1,000,000 | 24/07/2023 | 14/09/2023 | 52 | 7,315.62 |
| DMO | 5.145 | 1,000,000 | 31/07/2023 | 14/09/2023 | 45 | 6,343.15 |
| DMO | 5.15 | 5,000,000 | 01/08/2023 | 14/09/2023 | 44 | 31,041.10 |
| DMO | 5.145 | 2,000,000 | 15/08/2023 | 19/09/2023 | 35 | 9,867.12 |
| DMO | 5.155 | 1,000,000 | 15/08/2023 | 22/09/2023 | 38 | 5,366.85 |
| DMO | 5.16 | 500,000 | 15/08/2023 | 25/09/2023 | 41 | 2,898.08 |
| DMO | 5.175 | 2,500,000 | 15/08/2023 | 29/09/2023 | 45 | 15,950.34 |
| DMO | 5.205 | 1,500,000 | 15/08/2023 | 09/10/2023 | 47 | 10,053.49 |
| DMO | 5.235 | 1,000,000 | 15/08/2023 | 19/10/2023 | 47 | 6,740.96 |
| DMO | 5.26 | 1,000,000 | 18/08/2023 | 19/10/2023 | 44 | 6,340.82 |
| DMO | 5.26 | 1,000,000 | 22/08/2023 | 19/10/2023 | 40 | 5,764.38 |
| DMO | 5.255 | 2,000,000 | 25/08/2023 | 19/10/2023 | 37 | 10,653.97 |

Appendix 8

| Borrower | Rate (%) | Amount | Start date | End date | Days lent April to September | Interest (£) |
|------------|----------|-----------|------------|------------|------------------------------|--------------|
| DMO | 5.255 | 500,000 | 30/08/2023 | 19/10/2023 | 32 | 2,303.56 |
| DMO | 5.255 | 3,000,000 | 31/08/2023 | 19/10/2023 | 31 | 13,389.45 |
| DMO | 5.245 | 4,000,000 | 01/09/2023 | 19/10/2023 | 30 | 17,243.84 |
| DMO | 5.24 | 1,000,000 | 15/09/2023 | 29/09/2023 | 14 | 2,009.86 |
| DMO | 5.29 | 1,500,000 | 15/09/2023 | 23/10/2023 | 16 | 3,478.36 |
| DMO | 5.3 | 1,500,000 | 15/09/2023 | 27/10/2023 | 16 | 3,484.93 |
| DMO | 5.315 | 1,500,000 | 15/09/2023 | 06/11/2023 | 16 | 3,494.79 |
| DMO | 5.335 | 2,500,000 | 15/09/2023 | 20/11/2023 | 16 | 5,846.58 |
| DMO | 5.19 | 4,000,000 | 20/09/2023 | 22/09/2023 | 2 | 1,137.53 |
| DMO | 5.19 | 1,000,000 | 22/09/2023 | 24/11/2023 | 9 | 1,279.73 |
| Lloyds | 5.3 | 1,000,000 | 22/09/2023 | 20/09/2024 | 9 | 1,306.85 |
| Nationwide | 5.26 | 1,000,000 | 22/09/2023 | 19/03/2024 | 9 | 1,296.99 |
| DMO | 5.17 | 1,000,000 | 25/09/2023 | 29/09/2023 | 4 | 566.58 |

Sub-total fixed lending

£662,438.01

Deposits were also made into the following call accounts and money market funds, dependent upon cash flow:

| Bank | Account terms | Interest Earned £ |
|--|---------------|--------------------|
| Santander UK plc | 2.56% - 3.31% | 7,494.25 |
| Public Sector Deposit Fund | 4.12% - 5.21% | 70,846.61 |
| Aberdeen Sterling Liquidity Fund | 4.06% - 5.29% | 70,379.71 |
| Lloyds plc Deposit and current account | 0.01% | 3.48 |
| Lloyds Call account | 4.16% - 5.14% | 37,894.86 |
| Sub-total call accounts and money market funds | | £186,618.90 |
| Grand total all lending | | £849,056.92 |

Temporary Borrowing 1 April to 30 September 2023:

| Lender | Terms % | Amount lent £ | Dates | Days lent in year | Interest paid in year £ |
|-------------|-----------|---------------|---------------------|-------------------|-------------------------|
| Lloyds Bank | Base + 1% | Variable | Overdraft agreement | 0 | 0.00 |

Teignbridge District Council Interim Performance Report for the Period 1 April to 30 September 2023

| | Apr-Sep 2022-23 | Apr-Sep 2023-24 |
|---|--------------------|--------------------|
| (i) Short Term Funds Invested | | |
| Interest received and receivable for the period | £211,780 | £849,057 |

Appendix 8

| | | |
|---|----------|----------|
| Maximum period of investment on any one loan made in the period | 364 days | 364 days |
|---|----------|----------|

Days in table of fixed lending are those which fall into 2022-23 – actual loan lengths may be longer.

| | | |
|-------------------------------------|---------------|----------------|
| “Fixed” investment rates in period. | 0.55% - 3.17% | 4.050%- 5.335% |
|-------------------------------------|---------------|----------------|

(ii) Short Term Funds Borrowed

| | | |
|--|----|----|
| Interest paid and payable for the period | £0 | £0 |
| Number of new “fixed” loans borrowed in the period | 0 | 0 |

| | | |
|---|---|---|
| Maximum period of borrowing on any one “fixed” loan borrowed in the period. | 0 | 0 |
|---|---|---|

| | | |
|--------------------------|-----|-----|
| “Fixed” borrowing rates. | n/a | n/a |
|--------------------------|-----|-----|

| | | |
|---|-------|-------|
| (iii) Average Net Interest Rate Earned | 1.02% | 4.52% |
|---|-------|-------|

| | | |
|--|-------------|-------------|
| (iv) Average Short Term Net Lending | £41,392,002 | £37,463,048 |
|--|-------------|-------------|

Regular Monitoring

Monthly reports are prepared for the Chief Finance Officer which forecast interest payable and 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.

The interest forecast predicts total net interest receivable for the year of £1,836,540. This compares to £792,870 in 2022-23. This forecast increase is mainly due to the increase in interest rates. Between April and September 2023, the Bank of England’s base rate rose three times, from 4.25% at the start of the year to 5.25% in August, where it has remained since. Base rate during the same period in 2022 ranged from 0.75% to 2.25%. During the first half of the year, there has been a decrease in the funds available for lending out (average daily lending is £37.5 million in 2022-23 compared to £41.4 million at the same stage in 2022-23). This is mainly due to expenditure or return of grants previously received. The average net interest rate achieved is 4.52% up to the end of September 2023, compared to 1.02% at the same point in 2022. The average SONIA (Sterling Overnight Index Average) rate as published on the first of each month for April to September is 4.63%, so this is in line with benchmark expectations. It is forecast that Teignbridge’s average rate for the year will be 4.88%.

Treasury Management Indicators

These are part of the Prudential Indicators, as agreed at Full Council on 21 February 2023. They are available on request or on the Teignbridge website agenda for that meeting.