

Teignbridge District Council Treasury Management Mid-Year Review 2021-22

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 mid-year review of treasury management activities.

Activities Undertaken: Daily lending and borrowing from 1 April to 30 September 2021:

Fixed lending

BORROWER	RATE	AMOUNT	START DATE	END DATE	TOTAL DAYS LENT IN YEAR	INTEREST TO 30.09.21
DMO	-	4,000,000	15/03/2021	06/04/2021	5	-
DMO	-	2,000,000	19/03/2021	07/04/2021	6	-
Coventry	0.020	2,000,000	22/03/2021	23/04/2021	22	24.11
DMO	0.010	5,000,000	01/04/2021	19/04/2021	18	24.66
DMO	0.010	1,000,000	06/04/2021	12/04/2021	6	1.64
DMO	0.010	4,000,000	06/04/2021	19/04/2021	13	14.25
DMO	0.010	2,000,000	06/04/2021	28/04/2021	22	12.05
DMO	0.010	1,000,000	06/04/2021	21/05/2021	45	12.33
DMO	0.010	7,000,000	06/04/2021	26/05/2021	50	95.89
DMO	0.010	2,000,000	07/04/2021	26/05/2021	49	26.85
DMO	0.010	1,000,000	07/04/2021	02/07/2021	86	23.56
DMO	0.010	500,000	15/04/2021	28/04/2021	13	1.78
DMO	0.010	1,000,000	15/04/2021	19/05/2021	34	9.32
DMO	0.010	1,000,000	15/04/2021	21/06/2021	67	18.36
DMO	0.010	1,000,000	15/04/2021	23/06/2021	69	18.90
DMO	0.010	3,000,000	15/04/2021	02/07/2021	78	64.11
DMO	0.010	1,000,000	16/04/2021	26/04/2021	10	2.74
DMO	0.010	1,000,000	17/05/2021	19/05/2021	2	0.55
DMO	0.010	2,000,000	17/05/2021	24/05/2021	7	3.84
DMO	0.010	1,000,000	18/05/2021	07/06/2021	20	5.48
DMO	0.010	2,000,000	18/05/2021	21/06/2021	34	18.63
Nationwide	0.050	1,000,000	19/05/2021	19/08/2021	92	126.03
DMO	0.010	1,500,000	27/05/2021	02/07/2021	36	14.79
Coventry	0.020	2,000,000	01/06/2021	06/08/2021	66	72.33
Principality	0.070	1,000,000	01/06/2021	06/08/2021	66	126.58
DMO	0.010	1,000,000	02/06/2021	06/08/2021	65	17.81
DMO	0.015	1,000,000	08/06/2021	02/07/2021	24	9.86
DMO	0.020	2,500,000	15/06/2021	02/07/2021	17	23.29
DMO	0.020	500,000	15/06/2021	05/07/2021	20	5.48
DMO	0.010	3,000,000	15/06/2021	19/07/2021	34	27.95
DMO	0.010	2,000,000	15/06/2021	06/08/2021	52	28.49
Nationwide	0.050	1,000,000	15/06/2021	13/09/2021	90	123.29
DMO	0.010	2,000,000	22/06/2021	06/08/2021	45	24.66
DMO	0.010	1,000,000	01/07/2021	23/07/2021	22	6.03
DMO	0.010	1,000,000	01/07/2021	06/08/2021	36	9.86
DMO	0.010	1,000,000	01/07/2021	23/08/2021	53	14.52
DMO	0.010	1,500,000	06/07/2021	23/07/2021	17	6.99
DMO	0.010	4,500,000	15/07/2021	04/01/2022	173	94.93

Appendix 4

BORROWER	RATE	AMOUNT	START DATE	END DATE	TOTAL DAYS	INTEREST
DMO	0.010	1,500,000	23/07/2021	27/08/2021	35	14.38
DMO	0.010	1,000,000	26/07/2021	14/09/2021	50	13.70
DMO	0.010	1,000,000	30/07/2021	14/09/2021	46	12.60
DMO	0.010	3,000,000	02/08/2021	14/09/2021	43	35.34
DMO	0.010	500,000	03/08/2021	14/09/2021	42	5.75
DMO	0.010	500,000	10/08/2021	14/09/2021	35	4.79
DMO	0.010	2,500,000	13/08/2021	14/09/2021	32	21.92
Coventry	0.020	1,000,000	16/08/2021	12/11/2021	88	24.66
Coventry	0.050	1,000,000	16/08/2021	11/02/2022	179	61.64
Principality	0.070	1,000,000	16/08/2021	12/11/2021	88	86.30
DMO	0.010	1,500,000	16/08/2021	20/09/2021	35	14.38
DMO	0.010	1,000,000	16/08/2021	22/09/2021	37	10.14
DMO	0.010	1,500,000	27/08/2021	20/10/2021	54	13.97
DMO	0.010	4,000,000	01/09/2021	09/02/2021	161	31.78
Nationwide	0.070	1,000,000	01/09/2021	28/02/2022	180	55.62
DMO	0.010	2,000,000	15/09/2021	29/09/2021	14	7.67
DMO	0.010	1,500,000	15/09/2021	11/10/2021	26	6.16
DMO	0.010	1,500,000	15/09/2021	19/10/2021	34	6.16
DMO	0.010	3,500,000	15/09/2021	20/10/2021	35	14.38
DMO	0.010	1,000,000	22/09/2021	27/09/2021	5	1.37
DMO	0.010	1,000,000	29/09/2021	20/10/2021	21	0.27
Sub-total fixed lending interest to 30.09.21						1,554.93

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

Bank	Account terms	Interest Earned £
Clydesdale Bank	0.05%	0.06
Royal Bank of Scotland	0.01%	0.05
Santander UK plc	0.12%	1,785.40
Public Sector Deposit Fund	0.0177% - 0.0368%	397.22
Lloyds plc 95-day notice	0.05%	126.03
Aberdeen Standard	0.01%	146.74
Lloyds plc current account	0%	0.00
Sub-total call accounts and money market funds		2,475.04
Grand total all lending		4,029.97

Temporary Borrowing 1 April to 30 September 2021:

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 2021

	Apr-Sep 2020-21	Apr-Sep 2021-22
(i) Short Term Funds Invested		
Interest received and receivable for the period	£12,937	£4,030
Maximum period of investment on any one loan made in the period	58 days	180 days
“Fixed” investment rates in period.	0.01% - 0.10%	0.01% - 0.07%
(ii) Short Term Funds Borrowed		
Interest paid and payable for the period	£0.98	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	0.06%	0.028%
(iv) Average Short Term Net Lending	£21,245,873	£31,933,979

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 £9,023. This compares to £15,946 in 2020-21. This forecast decrease is mainly due to the reduction in interest rates. Base rate was reduced to 0.10% on 19th March 2020 as part of the measures taken by the Bank of England (BOE) to support the economy during the Covid 19 pandemic. During the first half of the year, there has been an increase in the funds available for lending out (average daily lending is £31.9 million in 2021-22 compared to £21.2 million at the same stage in 2020-21. This is mainly due to funding received from Government to enable the payment of business grants. This could not be invested long-term. The average net interest rate achieved is 0.028% in 2021-22, compared to 0.06% at the same point in 2020-21). Average benchmark 7-day LIBID rate has been negative since 3rd July 2020 and is -.08% as at the end of September 2021.

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.

