

Crawley Borough Council

**Report to Overview and Scrutiny Commission
24 June 2019**

**Report to Cabinet
26 June 2019**

3. Reasons for the Recommendations

- 3.1 The Council's financial regulations, in accordance with the CIPFA Code of Practice for Treasury Management, requires an annual review following the end of the year describing the activity compared to the Strategy. This report complies with these requirements.

4. The Council's Capital Expenditure and Financing

- 4.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:
- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions, etc.), which has no resultant impact on the Council's borrowing need; or
 - If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.
- 4.2 The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

General Fund £'000	2017/18 Actual	2018/19 Budget	2018/19 Actual
Capital expenditure	6,079	14,584	7,648
Financed in year	6,079	14,584	7,648
Unfinanced capital expenditure	0	0	0

HRA £'000	2017/18 Actual	
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£'000

31 March
2018
Actual

31 March
2019

The maturity structure of the debt portfolio was as follows:

	31 March 2018 Actual £'000	2018/19 Original Limits	31 March 2019 Actual £'000
Under 12 months	0	10%	0
12 months and within 24 months	0	10%	0
24 months and within 5 years	11,000 (4%)	20%	23,000 (9%)
5 years and within 10 years	69,000 (27%)	40%	74,000 (28%)
10 years and within 20 years	180,325 (69%)	65%	163,325 (63%)
20 years and within 30 years	0	15%	0
30 years and within 40 years	0	10%	0
40 years and within 50 years	0	10%	0

average 7-day LIBID rate, which was 0.50%. This compares with a budget assumption of £124,490,000 investment balances earning an average rate of 0.81%. See appendix 1 for a list of investments held at 31 March 2019.

10. Implications

10.1 The financial and legal implications are addressed throughout this report. The

Detailed holdings at 31 March 2019

APPENDIX 1

Counter Party	Deal Ref	Issue	Maturity	Days to Mature	Interest Rate	Nominal (£m)	Total (£m)	Limit (£m)	Rating
AUSTRALIA BANKS									
Westpac Banking Corporation	2520	24/01/2019	21/10/2019	204	1.093%	2.083	2.083	10.000	AA-
UK BANKS									
Goldman Sachs International Bank	2507	02/11/2018	02/05/2019	32	0.970%	2.000			
	2509	23/11/2018	23/05/2019	53	0.970%	4.000	6.000	10.000	A
Lloyds Bank plc	20		01/04/2019	1	0.650%	0.162	0.162	10.000	A
Standard Chartered Bank	2505	26/10/2018	26/04/2019	26	0.900%	2.000			
	2515	03/01/2019	03/07/2019	94	1.040%	3.000	5.000	10.000	A+
UK BUILDING SOCIETIES									
Nationwide BS	2513	06/12/2018	09/09/2019	162	1.203%	1.947	1.947	10.000	A
Coventry BSoc Fixed Bond	2523	27/02/2019	16/10/2019	199	1.161%	2.000	2.000	2.000	A
CANADA BANKS									
Toronto Dominion Bank	2502	17/09/2018	17/09/2019	170	0.950%	2.000			
	2504	26/10/2018	25/10/2019	208	1.080%	3.500	5.500	10.000	AA-
CORPORATE BONDS									
GE Capital UK Funding	2495	08/08/2018	31/07/2019	122	1.225%	1.995	1.995	2.000	A
London Stock Exchange	2511	03/12/2018	18/10/2019	201	1.471%	1.510	1.510	2.000	A-
Motability Operations Group plc	2519	23/01/2019	10/12/2019	254	1.233%	1.192			
	2522	19/02/2019	10/12/2019	254	1.184%	0.803	1.995	2.000	A+
Shell International Finance BV	2521	25/01/2019	20/12/2019	264	1.180%	3.663	3.663	5.000	A
FINLAND BANKS									
Nordea Bank Abp	2517	07/01/2019	08/07/2019	99	0.980%	3.000	3.000	10.000	AA-
FRANCE BANKS									
Credit Industriel et Commercial	2508	21/11/2018	21/05/2019	51	1.010%	2.000	2.000	10.000	A+
GERMANY BANKS									
Landesbank Hessen-Thuringen Giroze	2488	26/06/2018	25/06/2019	86	0.780%	1.500	1.500	10.000	A+
LOCAL AUTHORITIES									
Conwy County Borough Council	2510	03/12/2018	03/06/2019	64	0.920%	5.000	5.000	15.000	AA
Dumfries & Galloway Council	59	01/12/2017	02/12/2019	246	0.900%	5.000	5.000	15.000	AA
Eastleigh Borough Council	2503	01/10/2018	01/04/2019	1	0.850%	5.000	5.000	15.000	AA

Counter Party	Deal Ref	Issue	Maturity	Days to Mature	Interest Rate	Nominal (£m)	Total (£m)	Limit (£m)	Rating
London Borough of Harrow	2529	25/03/2019	25/09/2019	178	1.000%	2.000	2.000	15.000	AA
Kingston-Upon-Hull City Council	36	02/12/2013	02/12/2019	246	2.750%	5.000	5.000	15.000	AA
Moray Council	2512	03/12/2018	03/06/2019	64	0.950%	3.000			
	2527	15/03/2019	16/09/2019	169	0.980%	2.000	5.000	15.000	AA
Newcastle City Council	58	01/02/2018	03/02/2020	309	1.000%	5.000	5.000	15.000	AA
North Wales Fire Authority	2524	28/02/2019	28/08/2019	150	0.980%	3.000	3.000	15.000	AA
Peterborough City Council	57	27/11/2017	27/11/2019	241	0.900%	5.000	5.000	15.000	AA
Surrey Heath Borough Council	2516	04/01/2019	04/07/2019	95	0.850%	3.000	3.000	15.000	AA
Swindon BC	2526	07/03/2019	09/09/2019	162	0.990%	5.000	5.000	15.000	AA
Thurrock Borough Council	2489	01/08/2018	31/07/2019	122	0.750%	5.000			
	2492	03/07/2018	02/07/2019	93	0.750%	5.000	10.000	15.000	AA
MONEY MARKET FUNDS									
Aberdeen Liquidity Fund	5		01/04/2019	1	0.789%	0.890	0.890	6.000	AAA
Federated Prime Rate Cash Man	1		01/04/2019	1	0.792%	6.000	6.000	6.000	AAA
NETHERLANDS BANKS									
Rabobank Group	2514	24/12/2018	24/06/2019	85	0.980%	2.500	2.500	10.000	AA-
SINGAPORE BANKS									
DBS Bank Ltd	2506	31/10/2018	30/04/2019	30	0.950%	5.000			
	2525	28/02/2019	30/08/2019	152	0.990%	2.000	7.000	10.000	AA-

						134			

INVESTMENT PROPERTIES									
Ashdown House							9.426		
49/51 High Street							1.551		
Atlantic House							5.442		

						129.163			

Balance at 1 April 2017 £'000	Transfers
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