

Treasury Outturn Summary 2015-16

	31 Mar 2015 Principal (£ M)	Rate / Return	Avg Life (Yrs)	31 Mar 2016 Principal (£ M)	Rate / Return	Avg Life (Yrs)
<u>Fixed rate funding:</u>						
PWLB	116.7	4.53%	22.8	112.9	4.44%	22.7
Market Debt (Long Term)	10.3	4.47%	39.7	10.3	4.47%	38.7
Market Debt (Short Term)	5.0	0.35%		18.5	0.47%	
	132.0			141.7		
<u>Variable rate funding:</u>						
PWLB	0.0			0.0		
Market	13.5	6.28%	16.2	11.5	5.38%	18.0
	13.5			13.5		
Loans taken by BwDBC	145.5	4.69%	23.4	153.2	4.52%	23.5
Debt from PFI arrangements	71.5			70.1		
Other long term liabilities – debt managed by LCC	17.4	2.1%		16.6	2.1%	
Total debt	234.4			239.9		
Total investments	7.5	0.40%		10.5	0.44%	

No new long term borrowing was taken in 2015-16. The key movements were:

- Principal repayments of PWLB debt: £1.6M on EIP (Equal Instalment of Principal) loans and one £2.2 M Maturity loan repaid.
- Repayment of £2M of Market debt
- An increase in the level of short term borrowing, from £5M to £18.5M
- Repayments of part of the outstanding debt recognised on the balance sheet for the PFI debt for Building Schools for the Future, and for debt managed by LCC.

In summary, the outturn position in respect of interest costs and income was:

Outturn 2014-15 £'000		Original Budget 2015-16 £'000	Outturn 2015-16 £'000
7,372	Interest paid on borrowing	7,743	6,895
6,484	PFI interest paid	6,358	6,358
(297)	Interest receipts	(176)	(367)
8,064	Provision for debt repayment – non-PFI	9,154	7,285
1,495	Provision for debt repayment – PFI	1,441	1,441

The daily average investment balance across the year was lower, at around £27M (£37M in 2014-15).

Balances were at their lowest point at the start (£7M) and end (£10M) of the year. Overall interest earned was up slightly, to £0.37M in 2015-16 (£0.29M in 2014-15), mainly because of interest received on the Cathedral Quarter project.

Total interest earned on the lower level of cash balances fell, though the average return was slightly up, at 0.44% (compared to 0.40% in 2014-15).