

**Treasury Management - Summary of Transactions for March 2008**

Summary

This report on the treasury management transactions undertaken within the period is submitted to Committee in compliance with CIPFA's Code of Practice on Treasury Management and the Council's approved Financial Regulations.

**Please see attached Tables**

Signature:

Designation: Depute Chief Executive and Director of Finance

Date: 05-Jun-08

Background Papers

1. Loans Documentation
2. Financial Ledger

Author: Mr B Williams  
Tel.: (01463) 702427

The Highland Council - Resources Committee.

Treasury Management - Summary of Transactions for the Month to

31-Mar-08

Type of Borrowing	Outstanding debt at beginning of month £	Raised £	Repaid £	Outstanding debt at end of month £	Rate of Interest during Month		
					Term	% - beg	% - end
Public Works Loan Board	451,056,046	5,000,000	82,588	455,973,458	5 yr 10 yr 30 yr	4.53 4.78 4.45	4.24 4.59 4.55
Mortgage Bonds (Incs. Covenants)	118,408,256	0	1,142	118,407,114	1 yr 5 yr	5.58 4.98	6.00 5.03
Temporary Loans	10,515,828	13,000,000	23,400,000	115,828	7 D/N 3 MTH	5.25 5.75	5.25 6.01
Bank Balance	(214,297)	0	1,004,819	(1,219,116)		6.25	6.25
<b>GROSS EXTERNAL BORROWING</b>	<b>579,765,833</b>	<b>18,000,000</b>	<b>24,488,549</b>	<b>573,277,284</b>			
<i>Temporary Deposits</i>	<i>62,638,100</i>	<i>50,468,900</i>	<i>65,419,000</i>	<i>47,688,000</i>			
NET EXTERNAL BORROWING	517,127,733	-32,468,900	-40,930,451	525,589,284	Loans Fund Monitor	5.50	

**Borrowing / Lending internal parameters as per approved Treasury Management Practices**

	<b>Actual %</b>	<b>Approved Max%</b>
Short Term borrowing ( net of investments) as a % of the Council's outstanding long term debt	-8.49	25.00
Borrowing at variable rates of interest as a % of the Council's total outstanding loan debt	0.06	35.00

The Council's Treasury Management Policy is regularly reviewed in consultation with Treasury Consultants. A revised Policy was approved by Resources Committee in November 2007.

The Highland Council - Resources Committee.  
Treasury Management - Prudential Indicators for the Month to

31-Mar-08

a) External Debt

	Authorised Limit	Operational Boundary	Month End	Min Position During Month	Max Position During Month
	£M	£M	£M	£M	£M
31 March 2008	640.0	607.5	574.5	574.5	582.6

b) Debt Net of Investments

	Upper Limit Fixed	Upper Limit Variable	Month End Fixed	Month End Variable
	£M	£M	£M	£M
31 March 2008	624.2	218.5	494.7	30.9

c) Maturity Structure of  
Fixed Rate Borrowing

	Under 12 Months Upper Limit 30%	12 months and within 24 months Upper Limit 30%	24 months and within 5 years Upper Limit 30%	5 years and within 10 years Upper Limit 50%	10 years and above Upper Limit 100% Lower Limit 25%	
31 March 2008	0.0	0.0	0.9	0.1	99.0	99.0

**Definitions:-**

**The Authorised Limit**

The Authorised Limit represents an upper limit of borrowing that could be afforded in the short term but may not be sustainable over the longer term. This limit includes a risk assessment of exceptional events taking into account the demands of revenue and capital cash flows. The Authorised Limit gauges events that may occur over and above those transactions which have been included in the Operational Boundary.

**The Operational Boundary**

The Operational Boundary represents an estimate of the most likely, prudent, but not worst case scenario and provides a parameter against which day to day treasury management activity can be monitored.

These Prudential Indicators are constantly monitored and any required revisions will be reported on this statement for Committee approval.

**Treasury Management - Summary of Transactions for April 2008**

Summary

This report on the treasury management transactions undertaken within the period is submitted to Committee in compliance with CIPFA's Code of Practice on Treasury Management and the Council's approved Financial Regulations.

**Please see attached Tables**

Signature:

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Date: 05-Jun-08

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31-Mar-08

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					Term	% - beg	% - end
Public Works Loan Board	451,056,046	5,000,000	82,588	455,973,458	5 yr 10 yr 30 yr	4.53 4.78 4.45	4.24 4.59 4.55
Mortgage Bonds (Incs. Covenants)	118,408,256	0	1,142	118,407,114	1 yr 5 yr	5.58 4.98	6.00 5.03
Temporary Loans	10,515,828	13,000,000	23,400,000	115,828	7 D/N 3 MTH	5.25 5.75	5.25 6.01
Bank Balance	(214,297)	0	1,004,819	(1,219,116)		6.25	6.25
<b>GROSS EXTERNAL BORROWING</b>	<b>579,765,833</b>	<b>18,000,000</b>	<b>24,488,549</b>	<b>573,277,284</b>			
<i>Temporary Deposits</i>	<i>62,638,100</i>	<i>50,468,900</i>	<i>65,419,000</i>	<i>47,688,000</i>			
NET EXTERNAL BORROWING	517,127,733	-32,468,900	-40,930,451	525,589,284	Loans Fund Monitor	5.50	

**Borrowing / Lending internal parameters as per approved Treasury Management Practices**

	<b>Actual %</b>	<b>Approved Max%</b>
Short Term borrowing ( net of investments) as a % of the Council's outstanding long term debt	-8.49	25.00
Borrowing at variable rates of interest as a % of the Council's total outstanding loan debt	0.06	35.00

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The Highland Council - Resources Committee.  
Treasury Management - Prudential Indicators for the Month to

31-Mar-08

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31 March 2008	640.0	607.5	574.5	574.5	582.6

b) Debt Net of Investments

	Upper Limit Fixed	Upper Limit Variable	Month End Fixed	Month End Variable
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31 March 2008	624.2	218.5	494.7	30.9

c) Maturity Structure of  
Fixed Rate Borrowing

	Under 12 Months Upper Limit 30%	12 months and within 24 months Upper Limit 30%	24 months and within 5 years Upper Limit 30%	5 years and within 10 years Upper Limit 50%	10 years and above Upper Limit 100% Lower Limit 25%	
31 March 2008	0.0	0.0	0.9	0.1	99.0	99.0

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The Highland Council - Resources Committee.

Treasury Management - Summary of Transactions for the Month to

30-Apr-08

Type of Borrowing	Outstanding debt at beginning of month £	Raised £	Repaid £	Outstanding debt at end of month £	Rate of Interest during Month		
					Term	% - beg	% - end
Public Works Loan Board	455,973,458	0	0	455,973,458	5 yr 10 yr 30 yr	4.24 4.59 4.55	4.64 4.87 4.68
Mortgage Bonds (Incs. Covenants)	118,407,114	0	1,332	118,405,782	1 yr 5 yr	6.00 5.03	5.80 5.29
Temporary Loans	115,828	47,100,554	33,000,000	14,216,382	7 D/N 3 MTH	5.25 6.01	5.00 5.85
Bank Balance	(1,219,116)	902,660	0	(316,456)		6.25	6.00
<b>GROSS EXTERNAL BORROWING</b>	<b>573,277,284</b>	<b>48,003,214</b>	<b>33,001,332</b>	<b>588,279,166</b>			
<i>Temporary Deposits</i>	<i>47,688,000</i>	<i>49,930,700</i>	<i>34,056,500</i>	63,562,200			
NET EXTERNAL BORROWING	525,589,284	-1,927,486	-1,055,168	524,716,966	Loans Fund Monitor	5.36	

**Borrowing / Lending internal parameters as per approved Treasury Management Practices**

	<b>Actual %</b>	<b>Approved Max%</b>
Short Term borrowing ( net of investments) as a % of the Council's outstanding long term debt	-8.65	25.00
Borrowing at variable rates of interest as a % of the Council's total outstanding loan debt	4.96	35.00

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The Highland Council - Resources Committee.  
Treasury Management - Prudential Indicators for the Month to

30-Apr-08

a) External Debt

	Authorised Limit	Operational Boundary	Month End	Min Position During Month	Max Position During Month
	£M	£M	£M	£M	£M
30 April 2008	642.6	622.3	588.6	574.5	594.4

b) Debt Net of Investments

	Upper Limit Fixed	Upper Limit Variable	Month End Fixed	Month End Variable
	£M	£M	£M	£M
30 April 2008	638.8	223.6	498.7	26.0

c) Maturity Structure of  
Fixed Rate Borrowing

	Under 12 Months Upper Limit 30%	12 months and within 24 months Upper Limit 30%	24 months and within 5 years Upper Limit 30%	5 years and within 10 years Upper Limit 50%	10 years and above Upper Limit 100% Lower Limit 25%	
30 April 2008	2.2	0.0	0.9	0.1	96.8	96.8

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