

Appendix 5 to Agenda Item 7

TREASURY MANAGEMENT ACTIVITIES 3rd QUARTER 2014 - 2015

1. Investment Performance

- 1.1.1 There was limited scope for achieving better than average returns on investments due to the continued low interest rates.
- 1.1.2 The Base rate remained at 0.50%
- 1.1.3 Long term Investment matured and repaid: Royal Bank of Scotland repaid £1m which was a 4 year investment. Floored at 2.65% and capped at 5.50%

1.1.4 Breaches of Treasury Management Practices (TMPs) in the quarter were as follows:

(a) 20.10.14. £300k more than was required was called back from a Call Account.

(b) On the following days additional income, mainly from NNDR, was received unexpectedly and not invested

- 16.10.14. £200k
- 17.11.14. £200k
- 15.12.14. £200k

1.2 Investment Performance

Quarter Ended 31.12.14.

Investments	Actual Portfolio £m	Annualised Average Rate %
Call Accounts	3.75	0.41
Short Term Investments	29.75	0.50
Medium Term Investments	11.00	1.59
Long Term Investments	1.00	3.00
Total Investments	41.75	0.85
Market Indicators		
Local Authority 7 Day Deposit Index		0.37
3 Month LIBOR		0.56
3 Month LIBID		0.43

The investment income over the quarter was £98,316 which was £54,373 more than would have been achieved using the Local Authority 7 Day Rate.

1.3 Borrowing & Debt Repayment Activities

- Borrowing - None

1.4 Additional Performance Measures

- Investment Guidelines were adhered to.
- Daily cash flows were calculated, and forecasts of large payments were maintained.
- The External Debt Borrowing Limits for the Authorised Limit and the Operational Boundary were not exceeded.
- Weekly reports on investments were produced.
- The average credit rating for the quarter was above the A+ target.