

## Treasury Management Annual Report 2020/21

14th June 2021

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### 1 Purpose of report

The purpose of this report is to provide an Annual Treasury Report for the financial year 2020/21.

### 2 Summary

The Board has adopted the CIPFA Code of Practice on Treasury Management in the Public Sector, and under the code, an Annual Report on Treasury Management must be submitted to the Board after the end of each financial year. The Treasury Strategy was presented to the Board and its continuance was approved in February 2021.

### 3 Investment Out-turn for 2020/21

3.1 The Board's Investment Strategy has been to maintain its bank account as part of the City of Edinburgh Council's group of bank accounts. Any cash balance is effectively lent to the Council, but is offset by expenditure undertaken by the City of Edinburgh Council on behalf of the Board. Interest is given on month end net indebtedness balances between the Council and the Board and for financial year 2020/21 is calculated in accordance with the withdrawn Local Authority (Scotland) Accounts Advisory Committee's (LASAAC) Guidance Note 2 on Interest on Revenue Balances (IoRB). In line with recent short term interest rates, the investment return continues to be small, but the Board gains security from its counterparty exposure being to the City of Edinburgh Council. Net end of month balances for the financial year were:

Opening Balance	£1,491,143.51
30 April 2020	£1,550,284.66
31 May 2020	£1,490,303.65
30 June 2020	£1,507,491.91
31 July 2020	£1,527,123.54
31 August 2020	£1,765,884.05
30 September 2020	£1,571,886.36
31 October 2020	£1,432,573.70
30 November 2020	£1,373,865.43
31 December 2020	£1,500,969.41
31 January 2021	£1,573,989.24
28 February 2021	£1,741,998.13
31 March 2021	£1,749,520.86

3.2 Interest is calculated on the average monthly balance. The interest rate payable has remained negative therefore the Board won't be charged for positive or negative balances, interest will be floored at zero.

## **4 Recommendations**

4.1 It is recommended that the Board notes the Annual Report for 2020/21.

**HUGH DUNN,**  
Treasurer.

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**Appendix**

None

**Contact/tel**

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