

**OFFICE OF THE POLICE AND CRIME COMMISSIONER
FOR HUMBERSIDE
DECISION RECORD**

Decision Record Number: **01/2014**

Title: **Treasury Management Mid-Term Review Report 2013/14**

Executive Summary:

The report provided details of treasury management activity undertaken during the period 1 April to 30 September 2013 and demonstrated compliance with the agreed arrangements set out within the Treasury Management Strategy Statement (TMSS) approved by the Police and Crime Commissioner in March 2013. The report had been considered by the Joint Independent Audit Committee on 20.12.13 and referred to the Commissioner for approval.

Decision:

That the Treasury Management Mid-Term Review Report 2013/14 be approved.

Background Report: Open

Police and Crime Commissioner for Humberside

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with my code of conduct.

Any such interests are recorded below.

The above decision has my approval.

Signature

Matthew Grove

Date 08.01.14

TREASURY MANAGEMENT MID-TERM REVIEW REPORT 2013/14

PURPOSE OF THE REPORT

1. This report provides details of Treasury Management activity undertaken during the period 1 April to 30 September 2013. It demonstrates compliance with the agreed arrangements set out within the Treasury Management Strategy Statement (TMSS) approved by the Police and Crime Commissioner (PCC) in March 2013.

BACKGROUND

2. The Prudential Code for Capital Finance in Local Authorities (the Prudential Code) underpins the system of capital finance which allows local authorities, including PCCs, to determine their own programmes for capital investment. The aims are to ensure authorities operate within a clear framework to satisfy themselves that investment plans are considered affordable, prudent and sustainable and treasury management decisions are taken in accordance with good professional practice.
3. The Code requires the PCC to agree a Treasury Management Strategy Statement (TMSS) and Treasury Management Practices (TMPS) which set out the responsibilities, delegation and reporting arrangements with regard to treasury management. They are designed to support and record local decision making in a manner that is publicly accountable.
4. The TMSS for 2013/14 was approved in March 2013. It requires those setting the policy and strategy to receive a minimum of a mid-year review and an annual report on treasury management activities.
5. The annual report for 2012/13 is considered in a separate report earlier on this agenda and was referred to this Committee following consideration by the PCC in October 2013.
6. This report ensures that the requirements of the Strategy, and therefore the Code, and will need to be approved by the PCC at a future submissions session.
7. The Mid-Term Review Report has been prepared in conjunction with Capita Asset Services, treasury management advisers to the PCC. The contract for treasury management advice was re-tendered in the summer and Capita Asset Services (formerly Sector) were reappointed.

8. The Report for 2013/14 is attached at Appendix 1 and includes details of performance and information on relevant agreed Treasury and Prudential Indicators.

OPTIONS, RISKS AND OPPORTUNITIES

9. The TMSS sets out detailed information in relation to risks associated with treasury management activity and proposed mitigating actions whilst acknowledging that the risk cannot be entirely eliminated. The TMSS and the TMPs and the procedures detailed within them are intended to limit the exposure to unforeseen and unbudgeted financial consequences of treasury management activity.
10. The reporting requirements are intended to ensure that treasury management activity has been conducted in accordance with the policy and strategy agreed by the PCC and that treasury management operations have been performed within agreed limits. There is no option but to consider the report.
11. Capita Asset Services have provided officers with ongoing detailed information in relation to treasury management activity. However it must be recognised that the responsibility for all decisions with regard to policies, strategy and transactions remain with the PCC.

POLICING PLAN AND PERFORMANCE

12. Effective treasury management arrangements are an important factor in ensuring that the Force and the OPCC operate efficiently and seeks to contribute to the delivery of the Police and Crime Plan by seeking to make the best use of resources.

IMPACTS ON OR LINKS TO COLLABORATION

13. There are no direct links to collaboration as the treasury management activity relates solely to Humberside.

FINANCIAL IMPLICATIONS

14. The Treasury Management Mid-Term Review Report sets out details of the treasury management activity undertaken in the period 1 April to 30 September 2013. The financial implications treasury management activity are factored into budget monitoring reports and have been incorporated into updates of the Medium Term Financial Strategy (MTFS) which will inform budget setting decisions for 2014/15 and later years. The MTFS includes modelling of the cashflow implications of potential budget and precept scenarios.

LEGAL IMPLICATIONS

15. The PCC is required to comply with the requirements of the Local Government Act 2003 and to have regard to guidance from the Department for Communities and Local Government and the CIPFA Code when determining its treasury management policy and strategies together with detailed practices.
16. The TMSS requires the PCC to consider a mid-term review of treasury management activity.

EQUALITIES AND DIVERSITY AND HUMAN RIGHTS

17. There are no equality and diversity and human rights issues in the context of this report.

CONCLUSIONS

18. The Mid-term Review Report sets out information on treasury management activity undertaken during the period 1 April – 30 September 2013. It includes a commentary on events affecting the money markets during the period, and action taken locally to utilise counterparties with the highest credit quality.
19. The report provides detailed information on compliance with the treasury management practices agreed by the PCC and indicates that the treasury management operation has operated within the agreed Treasury and Prudential Indicators.

RECOMMENDATION

20. It is recommended that:-
 - (a) Members note the report on the treasury management activity that has been undertaken during the period 1 April to 30 September 2013 and
 - (b) The report be recommended to the PCC for approval.

John Bates

Deputy Chief Executive and Treasurer

Office of the Police and Crime Commissioner for Humberside

Background Documents: JB/File/TM/2013/14 Q2

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**POLICE AND CRIME COMMISSIONER
FOR HUMBERSIDE**

**Treasury Management Strategy Statement
and Annual Investment Strategy**

Mid-year Review Report 2013/14

1 Background

The Police and Crime Commissioner (PCC) operates a balanced budget, which broadly means cash raised during the year will cover its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering optimising investment return.

The second main function of the treasury management service is the funding of the PCC's capital plans. These capital plans provide a guide to the borrowing need, essentially the longer term cash flow planning to ensure that PCC's capital spending operations can be met. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet PCC risk or cost objectives.

Accordingly treasury management is defined as:

"The management of the organisation's investments and cash flows, banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

2 Introduction

The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2011) was adopted by this PCC when taking up his post on 22 November 2012.

The primary requirements of the Code are as follows:

1. Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the PCC's treasury management activities.
2. Creation and maintenance of Treasury Management Practices which set out the manner in which the PCC will seek to achieve those policies and objectives.
3. Receipt of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a **Mid-year Review Report** and an Annual Report (stewardship report) covering activities during the previous year.
4. Delegation by the PCC of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.

This mid-year report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management, and covers the following:

- An economic update for the 2013/14 financial year to 30 September 2013;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The PCC's capital expenditure (prudential indicators);
- A review of the PCC's investment portfolio for 2013/14;
- A review of the PCC's borrowing strategy for 2013/14;
- A review of any debt rescheduling undertaken during 2013/14;
- A review of compliance with Treasury and Prudential Limits for 2013/14.

3 Economic update

3.1 Economic performance to date

During the first half of 2013/14 economic indicators suggested that the economy is recovering, albeit from a low level. After avoiding recession in the first quarter of 2013, with a 0.3% quarterly expansion the economy grew 0.7% in Q2. There were signs of renewed vigour in household spending in the summer, with a further pick-up in retail sales, mortgages, house prices and new car registrations.

The strengthening in economic growth appears to have supported the labour market, with employment rising at a modest pace and strong enough to reduce the level of unemployment further. Pay growth also rebounded strongly in April, though this was mostly driven by high earners delaying bonuses until after April's cut in the top rate of income tax. Excluding bonuses, earnings rose by just 1.0% y/y, well below the rate of inflation at 2.7% in August, causing continuing pressure on household's disposable income.

The Bank of England extended its Funding for Lending Scheme (FLS) into 2015 and sharpened the incentives for banks to extend more business funding, particularly to small and medium size enterprises. The mortgage market still appears to have been the biggest beneficiary from the scheme, with mortgage interest rates falling further to new lows. Together with the Government's Help to Buy scheme, which provides equity loans to credit-constrained borrowers, this helped to boost demand in the housing market. Mortgage approvals by high street banks have risen as have house prices, although they are still well down from the boom years pre 2008.

Turning to the fiscal situation, the public borrowing figures continued to be distorted by a number of one-off factors. On an underlying basis, borrowing in Q2 started to come down, but only slowly, as Government expenditure cuts took effect and economic growth started to show through in a small increase in tax receipts. The 2013 Spending Review, covering only 2015/16, made no changes to the headline Government spending plan, and monetary policy was unchanged in advance of the new Bank of England Governor, Mark Carney, arriving. Bank Rate has remained at 0.5% and quantitative easing has also stayed at £375bn. In August, the MPC provided forward guidance that Bank Rate is unlikely to change until unemployment first falls to 7%, which was not expected until mid 2016. However, 7% is only a point at which the MPC will review Bank Rate, not necessarily take action to change it.

CPI inflation (MPC target of 2.0%), fell marginally from a peak of 2.9% in June to 2.7% in August. At that stage The Bank of England expects inflation to fall back to 2.0% in 2015.

Financial markets sold off sharply following comments from Ben Bernanke (the Federal Reserve (Fed) Chairman) in June that suggested the Fed may 'taper' its asset purchases earlier than anticipated. The resulting rise in US Treasury yields was replicated in the UK. Equity prices fell initially too, as Fed purchasing of bonds has served to underpin investor moves into equities out of low yielding bonds. However, as the market moves to realign its expectations, bond yields and equities are likely to rise further in expectation of a continuing economic recovery. Increases in payroll figures have shown further improvement, helping to pull the unemployment rate down from a high of 8.1% to 7.3%, and continuing house price rises have helped more households to escape from negative equity. In September, the Fed surprised financial markets by not starting tapering as it felt the run of economic data in recent months had been too weak to warrant taking early action. Bond yields fell sharply as a result, though it still only remains a matter of time until tapering does start.

Tensions in the Eurozone eased over the second quarter, but there remained a number of triggers for a renewed flare-up. Economic survey data improved consistently over the first half of the year, pointing to a return to growth in Q2, so ending six quarters of Eurozone recession.

3.2 Economic Outlook for the remainder of 2013/14

Economic forecasting remains difficult with so many external influences weighing on the UK. Volatility in bond yields is likely during 2013/14 as investor fears and confidence ebb and flow between favouring more risky assets i.e. equities, and safer bonds.

Downside risks to UK gilt yields and PWLB rates include:

- A return to weak economic growth in the US, UK and China causing major disappointment to investor and market expectations
- The potential for a significant increase in negative reactions of citizens in Eurozone countries against austerity programmes, especially in countries with very high unemployment rates e.g. Greece and Spain, which face huge challenges in engineering economic growth to correct their budget deficits on a sustainable basis.
- The Italian political situation is frail and unstable: the coalition government fell on 29 September.
- Problems in other Eurozone heavily indebted countries (e.g. Cyprus and Portugal) which could also generate safe haven flows into UK gilts.
- Monetary policy action failing to stimulate sustainable growth in western economies, especially the Eurozone and Japan.
- Weak growth or recession in the UK's main trading partners - the EU and US, depressing economic recovery in the UK.
- Geopolitical risks e.g. Syria, Iran, North Korea, which could trigger safe haven flows back into bonds

Upside risks to UK gilt yields and PWLB rates, especially for longer term PWLB rates include: -

- UK inflation being significantly higher than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.
- Increased investor confidence that sustainable robust world economic growth is firmly expected, together with a reduction or end of QE operations in the US, causing a further flow of funds out of bonds into equities.
- A reversal of Sterling's safe-haven status on a sustainable improvement in financial stresses in the Eurozone.
- In the longer term - a reversal of QE in the UK; this could initially be implemented by allowing gilts held by the Bank to mature without reinvesting in new purchases, followed later by outright sale of gilts currently held.
- Further downgrading by credit rating agencies of the creditworthiness and credit rating of UK Government debt, consequent upon repeated failure to achieve fiscal correction targets and sustained recovery of economic growth, causing the ratio of total Government debt to GDP to rise to levels that provoke major concern.

The overall balance of risks to economic recovery in the UK is now weighted to the upside after a number of months of robust good news on the economy. However, only time will tell just how long this period of strong economic growth will last, and it remains exposed to vulnerabilities in a number of key areas. The longer run trend is for gilt yields and PWLB rates to rise, due to the high volume of gilt issuance in the UK, and of bond issuance in other major western countries. Near-term, there is some residual risk of further QE if there is a dip in strong growth or if the MPC were to decide to take action to combat the market's expectations of an early first increase in Bank Rate. If the MPC does take action to do more QE in order to reverse the rapid increase in market rates, especially in gilt yields and interest rates up to 10 years, such action could cause gilt yields and PWLB rates over the next year or two to significantly undershoot the forecasts in the table below. Concerns over the difficulties

in the US on agreeing the Federal budget for the new financial year and about agreements to raise the debt ceiling also impact on the direction of bond yields as will the eventual start of tapering by the Fed.

3.3 Interest rate forecasts

The latest interest rate forecasts from Capital Asset Services are set out below:-

	Sep-13	Dec-13	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17
Bank rate	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	1.25%
5yr PWLB rate	2.50%	2.50%	2.50%	2.60%	2.70%	2.70%	2.80%	2.80%	2.90%	3.00%	3.20%	3.30%	3.50%	3.60%	3.70%
10yr PWLB rate	3.70%	3.70%	3.70%	3.70%	3.80%	3.80%	3.90%	4.00%	4.10%	4.20%	4.30%	4.40%	4.50%	4.60%	4.60%
25yr PWLB rate	4.40%	4.40%	4.40%	4.40%	4.50%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.10%	5.10%	5.20%
50yr PWLB rate	4.50%	4.40%	4.40%	4.40%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%	5.20%	5.20%	5.30%

Note: These forecasts are for PWLB certainty rates which are 20bps below normal lending rates.

Changes in Bank Rate in the UK are now dependent on how to forecast when unemployment is likely to fall to 7%. Financial markets have taken a very contrary view to the MPC and have aggressively raised short term interest rates and gilt yields due to their view that the strength of economic recovery is now so rapid that unemployment will fall much faster than the Bank of England projections. Expectations are now looking to see the first increase in Bank Rate sooner than previously forecast. There is much latitude to disagree with this view as the economic downturn since 2008 was remarkable for the way in which unemployment did not rise to anywhere near the extent likely, unlike in previous recessions. This meant that labour was retained, productivity fell and now, as the MPC expects, there is major potential for unemployment to fall only slowly as existing labour levels are worked more intensively and productivity rises back up again. The size of the work force is also expected to increase relatively rapidly and there are many currently self employed or part time employed workers who are seeking full time employment. Capita Asset Services take the view that the unemployment rate is not likely to come down as quickly as the financial markets are currently expecting and that the MPC view is more realistic. The prospects for any increase in Bank Rate before 2016 are therefore seen as being limited. However, some forecasters are forecasting that even the Bank of England forecast is too optimistic as to when the 7% level will be reached and so do not expect the first increase in Bank Rate until spring 2017.

4 Treasury Management Strategy Statement and Annual Investment Strategy update

The Treasury Management Strategy Statement (TMSS) for 2013/14 was approved by this PCC in March 2013 and no policy changes are required as a result of this update report.

Changes to the profile of the Capital Programme have an impact on the prudential indicators and the proposed revisions are set out in the following table:-

Prudential Indicator 2013/14	Original £000's	Revised Prudential Indicator £000's
<i>Authorised</i> Limit	88,879	73,860
Operational Boundary	86,879	71,860
Capital Financing Requirement	71,753	59,013

5 The PCC's Capital Position (Prudential Indicators)

This part of the report is structured to update:

- Capital expenditure plans;
- How these plans are being financed;
- The impact of the changes in the capital expenditure plans on the prudential indicators and the underlying need to borrow; and
- Compliance with the limits in place for borrowing activity.

5.1 Prudential Indicator for Capital Expenditure

This table shows the latest revised estimates for capital expenditure together with that originally approved and at the position at the mid-point of the year-

Capital Expenditure	2013/14 Original Estimate £000's	<i>Mid-year Estimate</i> £000's	<i>2013/14 Latest Revised Estimate</i> £000's
Total	17,052	13,893	9,628

The changes to the programme reflect a re-profiling and remodelling of budget to support work on the implementation of the Estates Strategy, particularly in respect of the scheme at Melton and changes to capital spending on ISB programmes.

5.2 Changes to the Financing of the Capital Programme

The table below provides details on how it is intended to finance the capital programme. The borrowing element of the table increases the underlying indebtedness of the PCC by way of the Capital Financing Requirement (CFR), although this will be reduced in part by revenue charges for the repayment of debt (the Minimum Revenue Provision). This direct borrowing need may also be supplemented by maturing debt and other treasury requirements.

Capital Expenditure	2013/14 Original Estimate	Mid-year Estimate	2013/14 Latest Revised Estimate
	£000's	£000's	£000's
Total spend	17,052	13,893	9,628
Financed by:			
Capital receipts		143	282
Capital grants	1,600	1,611	1,611
Revenue		14	19
Total financing	1,600	1,768	1,912
Borrowing need	15,452	12,125	7,716

5.3 Changes to the Prudential Indicators for the Capital Financing Requirement, External Debt and the Operational Boundary

The table shows the CFR, which is the underlying external need to incur borrowing for a capital purpose. It also shows the expected debt position over the period. This is termed the Operational Boundary.

Prudential Indicator – Capital Financing Requirement

There has been a reduction in the amount of borrowing required due to the changes in the capital programme described above.

Prudential Indicator – External Debt / the Operational Boundary

	2013/14 Original Estimate	Mid-year Estimate	2013/14 Latest Revised Estimate
	£000's	£000's	£000's
Prudential Indicator – Capital Financing Requirement			
Total CFR	58,027	52,804	52,804
Net movement in CFR	13,726	10,618	6,209
	71,753	63,422	59,013
Prudential Indicator – External Debt / the Operational Boundary			
Borrowing	86,323	80,122	71,304
Other long term liabilities*	556	556	556
Total debt 31 March	86,879	80,678	71,860
*Finance lease			

5.4 Limits to Borrowing Activity

The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose.

Gross external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2013/14 and next two financial years. This allows some flexibility for limited early borrowing for future years. Borrowing in advance of need will only be undertaken with the approved policy and if this is considered prudent.

	2013/14 Original Estimate £000's	Mid-year Estimate £000's	2013/14 Latest Revised Estimate £000's
Gross borrowing	53,599	34,804	30,395
Plus other long term liabilities*	556	556	556
Gross borrowing	54,155	35,360	30,951
CFR (year end position)	71,753	63,422	59,013

* Finance Lease

The Deputy Chief Executive and Treasurer reports that no difficulties are envisaged for the current or future years in complying with this prudential indicator.

A further prudential indicator controls the overall level of borrowing. This is the Authorised Limit which represents the limit beyond which borrowing is prohibited, and needs to be set and revised by the PCC. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

Authorised limit for external debt	2013/14 Original Indicator £000's	Mid-year Estimate £000's	2013/14 Latest Revised Estimate £000's
Borrowing	88,323	82,122	73,304
Other long term liabilities	556	556	556
Total	88,879	82,678	73,860

6 Investment Portfolio 2013/14

In accordance with the Code, the PCC's priority is to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the agreed risk appetite. As set out in Section 3, it is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the 0.5% Bank Rate. Indeed, the introduction of the Funding for Lending scheme has reduced market investment rates even further. The potential for a prolonging of the Eurozone sovereign debt crisis, and its impact on banks, prompts a low risk and short term strategy. Given this risk environment, investment returns are likely to remain low.

£22.70m of investments were held at 30 September 2013 (£4.05m at 31 March 2013). The investment portfolio yield for the first six months of the year is 0.59% against a benchmark average 7 day LIBID rate of 0.36 %.

Details of the investments held at 30 September 2013 and at the end of each month are set out in the monthly investment reports that are now available in the secure area of the PCC's website that can be accessed by members of the Joint Independent Audit Committee.

The Deputy Chief Executive and Treasurer can confirm that the approved limits within the original Annual Investment Strategy have been temporarily extended with the approval of the PCC to ensure that investments can be made with counterparties of the highest credit quality and these revised limits have not been breached during the first six months of 2013/14.

The budgeted investment return for 2013/14 is £80k, and performance for the year to date is in line with the budget.

Investment Counterparty criteria

The current investment counterparty criteria selection approved in the TMSS are restrictive and action has been taken when necessary to seek approval to temporarily increase the limits of counterparties with the highest credit quality in keeping with the need to give priority to the security of investments.

7 Borrowing

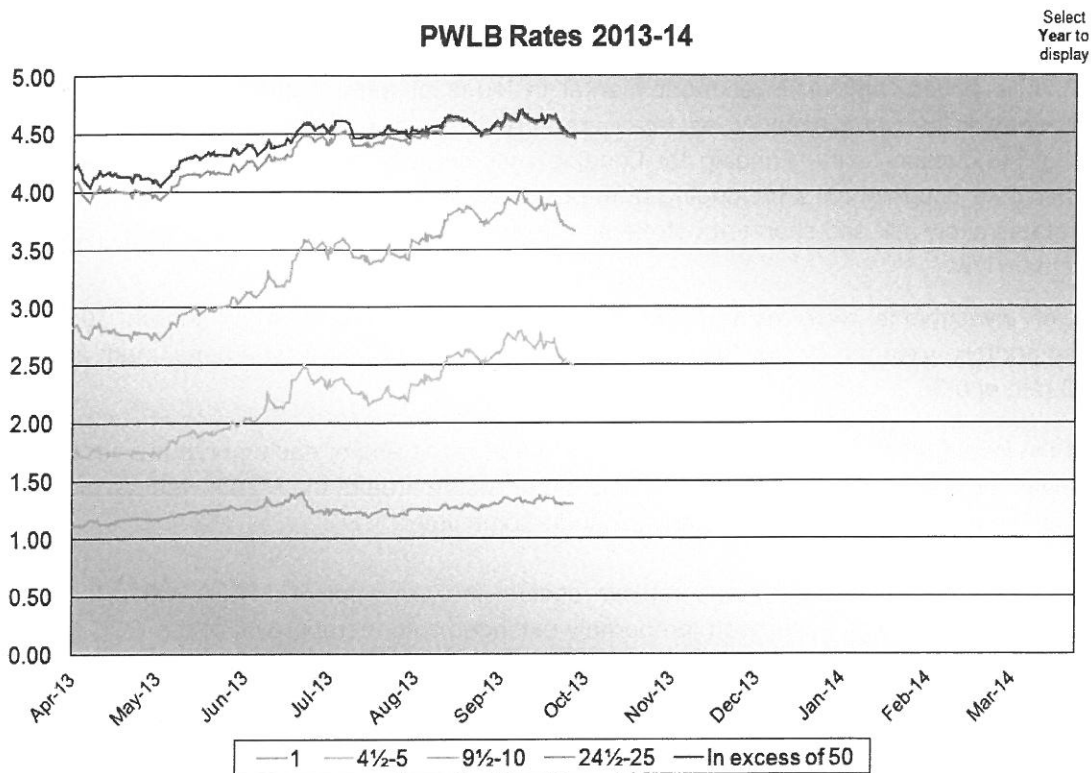
The capital financing requirement (CFR) for 2013/14 is £59,013k. The CFR denotes the underlying need to borrow for capital purposes. If the CFR is positive then borrowing from the PWLB, the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions. Table 5.4 shows borrowings of £30.951m and with £28.062m of cash flow funds being used in lieu of borrowing. This is a prudent and cost effective approach in the current economic climate but is monitored on an ongoing basis together with the upside risk to gilt yields and other market conditions

Due to the overall financial position and the underlying need to borrow for capital purposes no new borrowing was undertaken in the first half of the financial year.

As outlined below, the general trend has been an increase in interest rates across all maturity bands during the first six months of the year. No new loans have been taken during the first half of the year although careful consideration was given to borrowing at monthly investment review meetings. The decision not to borrow was based on the extremely positive cashflow position, which meant that there was no immediate need to take new loans, and the need to limited counterparty risk.

It is anticipated that further borrowing of £6.7m will be required to be undertaken during this financial year but not until Q4.

The graph and table below show the movement in PWLB rates for the first six months of the year to 30.9.13:



8 Debt Rescheduling

No debt rescheduling was undertaken during the first six months of 2013/14.

9 Icelandic Banks

Since 1 April 2013, a 10th dividend has been paid in respect of the investments held in Kaupthing Singer and Friedlander (KSF) when the bank failed in 2008. This amounted to £30,583. At this stage there has been no change to the projected recovery rate which remains between 84p and 86.5p/£.

A further £773,554 has been received as the 14th dividend in respect of Police Authority's investments in another of the Icelandic Banks which collapsed, Heritable, where the projected recovery rate has increased to 94p/£, compared with the forecast of 88p/£ reported in the annual accounts for 2012/13.

APPENDIX

PWLB rates to 30.9.13

PWLB borrowing rates 2013/14 for 1 to 50 years									
	1	1-15	2.5-3	3.5-4	4.5-5	9.5-10	24.5-25	49.5-50	1m onth variable
2/4/13	1.120%	1.150%	1.350%	1.530%	1.750%	2.840%	4.080%	4.230%	1.470%
30/9/13	1.300%	1.420%	1.870%	2.190%	2.500%	3.660%	4.450%	4.480%	1.470%
High	1.390%	1.530%	2.060%	2.430%	2.780%	3.980%	4.670%	4.700%	1.480%
Low	1.110%	1.120%	1.250%	1.410%	1.610%	2.580%	3.780%	4.070%	1.450%
Average	1.252%	1.331%	1.669%	1.936%	2.213%	3.343%	4.337%	4.437%	1.464%
Spread	0.280%	0.410%	0.810%	1.020%	1.170%	1.400%	0.890%	0.630%	0.030%
High date	24/6/13	18/9/13	18/9/13	10/9/13	10/9/13	10/9/13	10/9/13	10/9/13	9/4/13
Low date	5/4/13	15/4/13	15/4/13	15/4/13	15/4/13	19/4/13	19/4/13	3/5/13	10/5/13

PWLB rate variations in 2013-14

