

TREASURY MANAGEMENT – PERFORMANCE REVIEW 2022/23

Fixed term deposit balances were as follows at 31 March:

Fixed Term Deposits	Balance at 31 March 23 £'000	Balance at 31 March 22 £'000	Difference £'000
Fixed Term Investments	20,000	10,000	10,000

The Council also used four money market funds and one special interest-bearing account for liquid short-term investments during 2022/23. Performance of the funds is summarised below:

Money Market Funds & SIBA	Average balance held in fund £'000	Fund Performance	
		% Annual gross return	% Annual return net of fees
Goldman Sachs	4,070	2.35	2.20
Deutsche Bank	2,798	2.51	2.36
State Street Bank	4,657	2.23	2.08
UBS	3,915	1.99	1.84
RBS Special Interest Bearing Account (SIBA)	929	0.44	0.29
Total	16,370	2.15	2.00

The total interest received on fixed term deposits in 2022/23 was as follows:

Fixed Term Deposits	Average Value of Funds Invested £'000	Gross Interest Earned £'000	% Return Gross of Fees	% Return Net of Fees
Fixed Term Investments	22,308	482	2.16%	2.01%

The average gross rate of return achieved on money market funds and fixed term deposits was 2.15%, broadly in line with the average seven-day deposit rate of **2.20%**. Whilst performance in 2021/22 was above the average seven-day rate by 0.31, in 2022/23 this was not repeated because base rates continued to rise throughout the financial year, ultimately surpassing the rate earned on fixed term deposits that had been taken out at the start of the 2022/23.