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# Public Works Loan Board 132nd Annual Report

2006–2007



The **Public Works Loan Board** is a non-Ministerial department operating within the United Kingdom **Debt Management Office**

# **Public Works Loan Board 132nd Annual Report**

**2006-07**

Presented to Parliament pursuant to section 5 of the  
Public Works Loans Act 1875

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The Public Works Loan Board is an independent and unpaid statutory body which originated in 1793 and became permanently established in 1817. Since 1946 it has consisted of Commissioners, of whom there are a maximum of twelve at any one time, appointed by the Crown to hold office for four years. At the end of their tenure Commissioners are eligible for reappointment.

The functions of the Commissioners, derived chiefly from the Public Works Loans Act 1875 and the National Loans Act 1968, are to consider loan applications from local authorities and other prescribed bodies and, where loans are made, to collect the repayments. Nearly all borrowers are local authorities requiring loans for capital purposes. The security for money borrowed by a local authority, together with interest, is charged indifferently on all its revenues; all securities created rank equally without any priority. The Commissioners are legally required before making a loan to satisfy themselves that there is sufficient security for its repayment.

Moneys are provided by Act of Parliament from the National Loans Fund. Rates of interest are determined by HM Treasury. The Board's accounts are audited by the Comptroller and Auditor General, whose reports on them are laid before Parliament.

The Board is a unit of the United Kingdom Debt Management Office (DMO), an executive agency of HM Treasury. The Commissioners retain their statutory role but expect and require the Board otherwise to be subject to the same controls as apply to the DMO's operations as a whole. In so far as the Secretary relies on the effectiveness of the DMO's internal control framework, he looks to its Chief Executive, as Accounting Officer, to manage the DMO to the standards expected of all departments or agencies as set out in Government Accounting.

## The Commissioners holding office during the year were:

<i>Original appointment began</i>		<i>Current appointment ends</i>
	<i>Chairman</i>	
1996	<b>Mr John PARKES, CBE, DL</b> Treasurer and Pro-Chancellor, University of Hull Director, EMIH Ltd Former Chief Executive, Humberside County Council	2009
	<i>Deputy Chairman</i>	
1997	<b>Mrs Rachel TERRY</b> Independent consultant, housing finance Former Associate, Tribal Treasury Services Limited Former Partner, Touche Ross & Company	2009
1997	<b>Mr Brian TANNER CBE, DL</b> Former Chairman, Taunton & Somerset NHS Trust Former Chief Executive, Somerset County Council	2009
1999	<b>Mr Lawrence NIPPERS, MBE</b> Former Director of Finance and Central Services Newport City Council	2007*
2000	<b>Mrs Sarah WOOD OBE</b> Former Director of Economic and Environmental Policy Local Government Association	2008
2001	<b>Miss Mei Sim LAI, OBE DL</b> Principal, LaiPeters & Co. Chartered Accountants	2009
2001	<b>Mr Gordon EDWARDS</b> Corporate Director for Resources Management Aberdeen City Council	2009
2002	<b>Mrs Philippa FOSTER BACK, OBE</b> Director, Institute of Business Ethics	2010
2003	<b>Mr Tony CAPLIN</b> Chairman: Ealing Hospital NHS Trust, Disenco plc Non-Executive Director: Panmure Gordon plc, Hand Picked Hotels Ltd	2007*

Officials of the Board were:

*Secretary* **Mr Mark Frankel**  
*Assistant Secretary* **Mr Tony Dinnage**

Other DMO staff supporting the functions of the Board were:

*Loans Officers* **Mr Terry Field, Mr Dave Gilbert**  
*IT Manager* **Mr Chris Saunders**

\*Reappointed for a period of four years with effect from 1 April 2007.

# Annual Report 2006-07

The Public Works Loan Board, pursuant to section 5 of the Public Works Loans Act 1875, makes the following Report for the financial year ended 31 March 2007.

## Membership and Staff of the Board

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By virtue of the Public Works Loans Act 1946 and the Royal Warrant of appointment, the term of office of Mrs Foster Back ended on 31 March 2006. By Royal Warrant dated 3 May 2006 she was reappointed for a further term of four years. The Secretary to the Board, Mr Hamish Watson, retired on 6 October 2006, having been in post since July 2002. The Commissioners wish to record their appreciation of his services. Mr Watson was replaced by Mr Mark Frankel, previously Assistant Secretary, who was in turn replaced by Mr Tony Dinnage as Assistant Secretary. Mr Frankel reports through Mrs Joanne Perez, Head of Markets, to DMO's Chief Executive.

## Statutory provisions for loans

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The loans advanced by the Board are made from funds provided under section 4(1) of the National Loans Act 1968. Amended by section 130 of the Finance Act 1990, this sets a limit of £55 billion (nominal) on the total of loans outstanding to the Board at any one time, but also contains a provision to alter the limit further to a sum not exceeding £70 billion (nominal).

At 31 March 2007, the balance of principal outstanding from borrowers, together with loans committed but not yet advanced, was £47.9 billion (£47,910,711,501), a 2% increase on the previous year's figure.

## Summary of transactions

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Advances were made amounting to £12.4 billion (£12,354,300,911), 38% more than in 2005-06, which was itself a record year. However, as is evident from the year's small increase in the outstanding portfolio, gross advances were largely offset by a record amount of repaid principal, £11,529.4m (£11,529,400,957), implying that there was much debt-rescheduling during the year.

A statement which shows advances made, amounts of principal repaid and of interest received during the year, and balances outstanding, analysed according to types of borrower in England, Wales and Scotland, appears on pages 6-7 (Table 1). It includes a market valuation of the Board's portfolio, which is equivalent to the redemption value of the portfolio as of year-end.

The report reverts to the practice, suspended after 1931-32, of giving the total advanced to each borrower in the course of the year. See Appendix A, table 13 for these data in respect of major authorities. Appendix B (Table 14 on page 29) gives a historical summary of the Board's lending.

**Table 1: Summary of transactions and balances outstanding**


	In the Year 2006–2007		
	Advances £	Repayments of principal £	Interest received £
<b>Loans on local revenues to:</b>			
<b>Local Authorities in England</b>			
County Councils	2,607,895,009	2,271,345,175	449,084,624
London Borough Councils	1,113,803,154	950,879,469	613,584,579
Metropolitan District Councils (a)	3,119,179,097	3,130,533,562	735,020,746
Non Metropolitan District Councils	2,010,646,901	1,959,526,969	379,016,470
Parish and Town Councils	7,964,701	5,855,311	4,332,370
Others	780,114,826	266,236,612	98,818,619
	<b>9,639,603,688</b>	<b>8,584,377,098</b>	<b>2,279,857,408</b>
<b>Local Authorities in Wales</b>			
Principal Councils	586,250,250	701,369,803	172,770,723
Community Councils	882,140	186,818	125,572
Others	22,945,000	13,381,810	2,799,628
	<b>610,077,390</b>	<b>714,938,431</b>	<b>175,695,923</b>
<b>Local Authorities in Scotland</b>			
Principal Councils	2,101,269,833	2,210,918,374	448,395,422
Others	3,350,000	19,028,391	33,892,654
	<b>2,104,619,833</b>	<b>2,229,946,765</b>	<b>482,288,076</b>
<b>Total loans on local revenues</b>	<b>12,354,300,911</b>	<b>11,529,262,294</b>	<b>2,937,841,407</b>
<b>Loans on property to Harbour Authorities</b>			
England	0	5,507	6,069
Wales	0	0	0
Scotland	0	133,155	285,101
<b>Total loans on property</b>	<b>0</b>	<b>138,662</b>	<b>291,170</b>
<b>Total loans on local revenues and on property</b>	<b>12,354,300,911</b>	<b>11,529,400,957</b>	<b>2,938,132,577</b>
<b>Add Totals from 1817 to 31 March 2006</b>	176,080,337,408	128,937,860,335	100,039,373,285
<b>Principal remitted or extinguished</b>			
To 31 March 2006		58,004,941(c)	
In the year 2006–2007		0	
<b>Total at 31 March 2007</b>	<b>188,434,638,319</b>	<b>140,525,266,232</b>	<b>102,977,505,862</b>

(a) Includes authorities administering debt on behalf of former Metropolitan County Councils

(b) See page 17 – Repayments in arrears at 31 March 2007

(c) Includes £55,013,916 extinguished on privatisation of water authorities

(d) Market valuation £53,189,053,207

<b>Balances outstanding at 31 March 2007</b>		
<b>Due but not yet paid</b>	<b>Principal Not yet due</b>	<b>Interest Due but not yet paid</b>
<b>£</b>	<b>£</b>	<b>£</b>
3,047,147	9,338,271,895	33,853,874
19,102,413	8,432,582,193	23,547,402
832,441	10,621,529,830	38,322,631
12,460,152	6,661,471,411	33,340,702
106,117	77,336,879	128,370
5,834,271	2,495,636,968	12,569,252
<b>41,382,541</b>	<b>37,626,829,176</b>	<b>141,762,231</b>
1,177,588	3,081,215,191	18,720,192
2,113	2,890,263	1,213
398,535	65,460,173	183,978
<b>1,578,236</b>	<b>3,149,565,627</b>	<b>18,905,383</b>
874,352	6,731,473,748	25,194,146
0	353,615,852	265,629
<b>874,352</b>	<b>7,085,089,600</b>	<b>25,459,775</b>
<b>43,835,129</b>	<b>47,861,484,403</b>	<b>186,127,389</b>
0	127,085	0
0	0	0
0	3,925,468	0
<b>0</b>	<b>4,052,553</b>	<b>0</b>
<b>43,835,129</b>	<b>47,865,536,956</b>	<b>186,127,389(b)</b>
<b>43,835,129</b>	<b>47,865,536,956</b>	<b>186,127,389</b>
		
<b>47,909,372,085 (d)</b>		

**Loans on local revenues to:  
Local Authorities in England**

County Councils  
London Borough Councils  
Metropolitan District Councils (a)  
Non Metropolitan District Councils  
Parish and Town Councils  
Others

**Local Authorities in Wales**

Principal Councils  
Community Councils  
Others

**Local Authorities in Scotland**

Principal Councils  
Others

**Total loans on local revenues**

**Loans on property to Harbour Authorities**

England  
Wales  
Scotland

**Total loans on property**

**Total loans on local revenues and on property**

**Add Totals from 1817 to 31 March 2006**

**Principal remitted or extinguished**

to 31 March 2006  
In the year 2006–2007

**Total at 31 March 2007**



## Review of 2006-07

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### *Lending arrangements and Circulars*

The aim of the Board's lending arrangements continued to be to support the 'prudential' system of local government borrowing. No changes to the Board's lending arrangements were made during the year.

### *Applications for loans*

The Board agreed 1,026 applications for loans totalling 12.4 billion (£12,354,300,911). 377 authorities applied for advances including 225 non-principal authorities, compared with 448 in 2005-06. Out of a total of 443 principal authorities, 291 did not apply to the Board during the year, compared with 244 the previous year. 142 principal authorities had no debt outstanding to the Board as at 31 March 2007, one fewer than as at 31 March 2006.

Advances to parishes and community councils amounted to £8,846,841. There were 19 advances to 11 drainage boards, totalling £4,153,574. There were no advances to harbours.

### *Incidence of drawings*

The year continued the previous year's pattern of occasional days of exceptionally large total advances. As will be seen from Table 2 below, three days during the year were amongst the top ten busiest days on record. This is consistent with the annual total of gross advances being the largest so far. The monthly totals of drawings during the year are listed in Table 3. The relationship between rates of interest and the incidence of advances can be derived from Tables 3-6, which will be found on pages 9-10. Table 6 also shows, as an indication of net lending, the monthly change in the total portfolio.

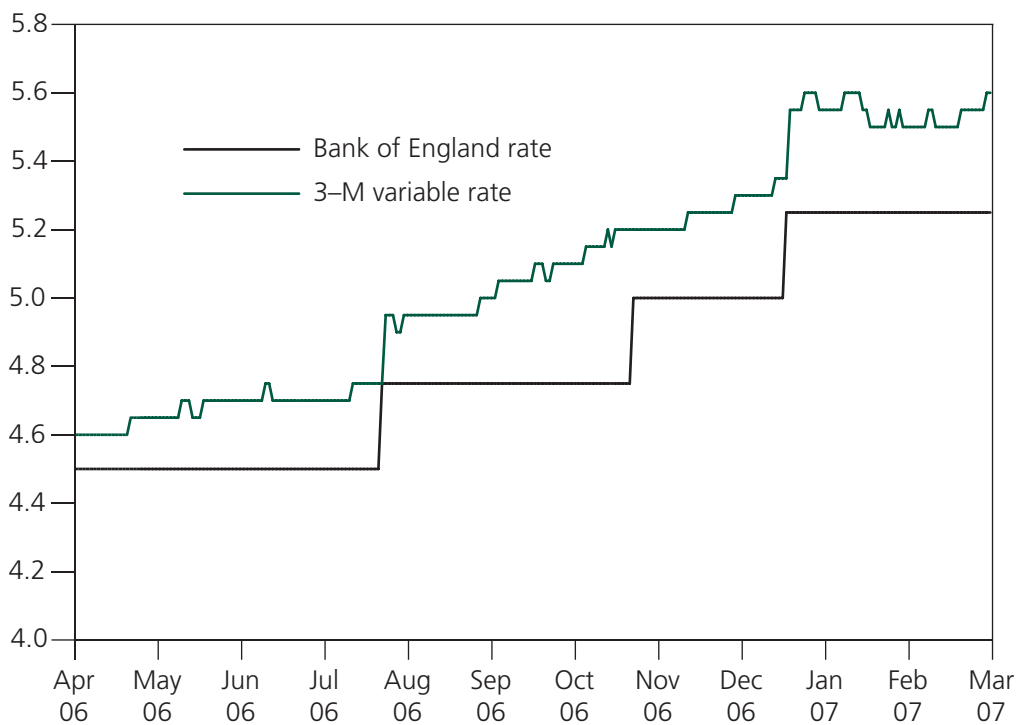
**Table 2: Days of largest total advances**

	<b>Date</b>	<b>Amount advanced £ million</b>
<b>1</b>	23 January 2006	1,295.3
<b>2</b>	21 November 2005	904.7
<b>3</b>	8 March 2007	862.3
<b>4</b>	20 May 2005	708.5
<b>5</b>	8 May 1996	703.0
<b>6</b>	23 November 2000	686.4
<b>7</b>	19 May 2006	657.5
<b>8</b>	11 November 1999	602.8
<b>9</b>	16 January 2007	595.5
<b>10</b>	13 October 1997	564.8

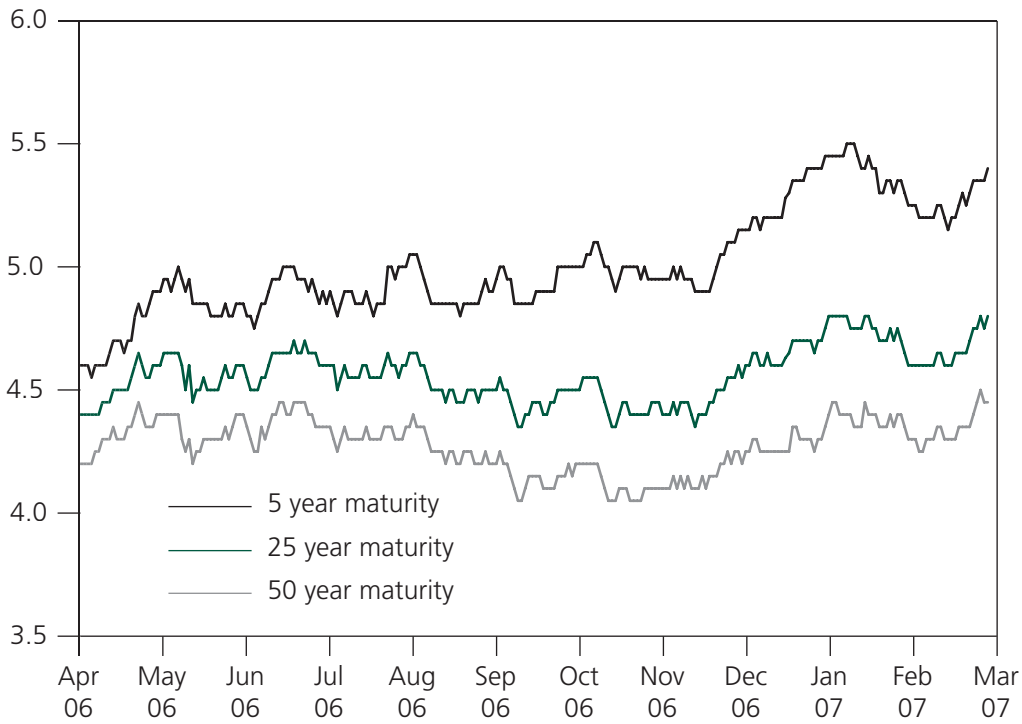
**Table 3: Monthly totals of advances and conversions**

£ million

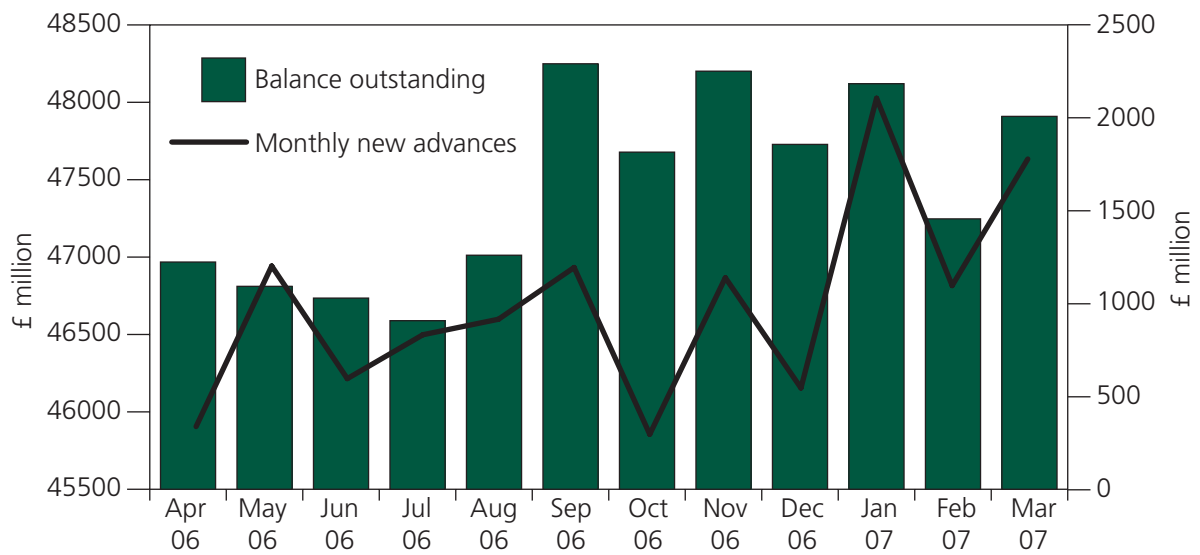
2006-07	Fixed rate		Variable rate		2006-07 Total	2005-06 Total
	New	Conversions	New	Conversions		
April	347.7	–	0.7	–	348.4	164.1
May	1,208.5	–	12.0	12.7	1,233.2	1,809.7
June	612.5	–	–	–	612.5	844.3
July	845.5	–	9.0	–	854.5	220.4
August	939.8	–	–	–	939.8	167.2
September	1,178.0	17.0	30.0	–	1,225.0	633.2
October	293.1	–	12.8	–	305.9	127.0
November	1,168.6	–	–	–	1,168.6	1,212.7
December	557.5	3.3	–	–	560.8	833.7
January	2,157.6	–	–	–	2,157.6	2,095.1
February	1,125.3	–	–	–	1,125.3	258.1
March	1,822.7	–	–	–	1,822.7	586.5
	<b>12,256.8</b>	<b>20.3</b>	<b>64.5</b>	<b>12.7</b>	<b>12,354.3</b>	<b>8,952.0</b>

**Table 4: Bank of England rate and the three-month variable rate**

**Table 5: Fixed Rates**



**Table 6: Balance outstanding and monthly new advances**



*Repayment periods*

The average repayment period for new loans was 42.758 years, compared with 31.243 years in 2005-06. This was a second successive year-on-year increase, reflecting the introduction of longer maturity periods in December 2005. Loans amounting to £1 billion (£1,008,649,160), or 8% of the total, were taken for the maximum period of 50 years. Loans amounting to £30.2 million (£30,175,000), 0.25% of the total, were taken for the minimum period of one year. The average period for all loans as of 31 March was 27.532 years.

*Service performance*

The Board sets itself performance targets for advancing loans and arranging premature repayments. Applications are processed according to the timetable set out in the Board's circulars. There was no occasion during the year when the Board failed to meet these targets.

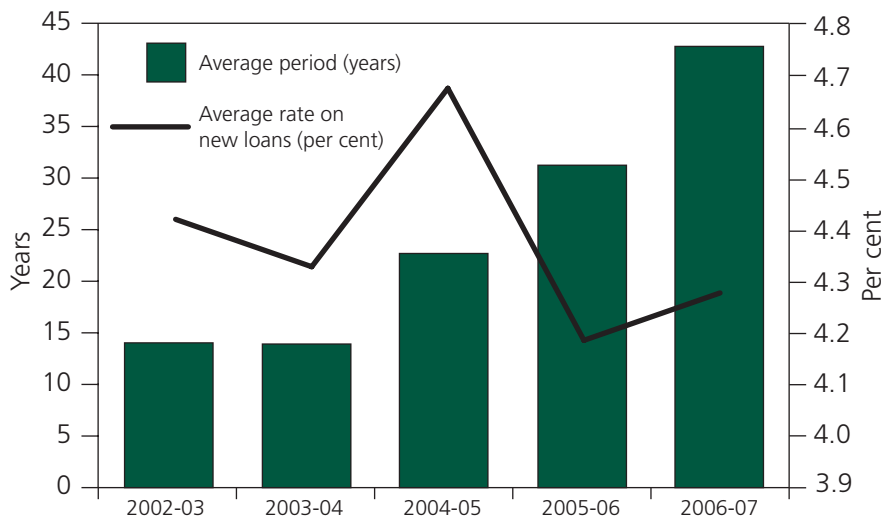
**Transactions**

Table 7 gives total advances and repayments for the present and previous year. Table 8 illustrates the average rate of interest and the average repayment period for new loans in each of the last 5 years. Advances are analysed in Tables 9-10 on pages 13-14. Where appropriate, figures for the preceding year are shown for the purpose of comparison.

**Table 7: Total advances and repayments**

	2006-07		2005-06	
	£ million	£ million	£ million	£ million
New advances: fixed rate loans	12,257.0		8,757.6	
New advances: variable rate loans	64.4		41.1	
<b>Total new advances</b>		<b>12,321.4</b>		<b>8,798.7</b>
Converted to Fixed rate	20.3		122.4	
Converted to Variable rate	12.7		30.8	
<b>Total conversions</b>		<b>32.9</b>		<b>153.2</b>
<b>Total advances</b>		<b>12,354.3</b>		<b>8,951.9</b>
Scheduled repayments of principal	-830.9		-1,435.9	
Repayments: conversions	-32.9		-153.2	
Premature repayments	-10,665.6		-2,348.2	
<b>Total repayments of principal</b>		<b>-11,529.4</b>		<b>-3,937.3</b>
<b>Net Lending</b>		<b>824.9</b>		<b>5,014.6</b>

**Table 8: Average rate (%) and average period (years): new loans**



The average rate payable on all fixed rate loans outstanding at 31 March 2007 was 5.969%, compared with 6.220% on 31 March 2006. The average rate payable on variable rate loans outstanding at 31 March 2007 was 5.507% (4.579%). The average rate on all loans, fixed and variable, was 5.967% (6.213%).

**Table 9: Advances and conversions by type of borrower**

	£ million							
	Fixed rate		Variable rate		Totals	Totals		
	New	Conversions	New	Conversions	2006-07	2005-06		
<b>Local authorities in England</b>								
County Councils GLA and London	2607.9	0.0	0.0	0.0	2607.9		1987.4	
Borough Councils Metropolitan District Councils (a)	1098.8	15.0	0.0	0.0	1113.8		1205.0	
Non-Metropolitan District Councils	3089.2	0.0	30.0	0.0	3119.2		1947.8	
Parish and Town Councils	1970.3	5.3	22.4	12.7	2010.7		1676.9	
Others	8.0	0.0	0.0	0.0	8.0		11.8	
	780.1	0.0	0.0	0.0	780.1		603.4	
	<b>9,554.3</b>	<b>20.3</b>	<b>52.4</b>	<b>12.7</b>	<b>9,639.7</b>	<b>78%</b>	<b>7,432.3</b>	<b>83%</b>
<b>Local authorities in Wales</b>								
Principal Councils	574.3	0.0	12.0	0.0	586.3		400.6	
Community Councils	0.9	0.0	0.0	0.0	0.9		0.3	
Others	23.0	0.0	0.0	0.0	23.0		12.7	
	<b>598.2</b>	<b>0.0</b>	<b>12.0</b>	<b>0.0</b>	<b>610.2</b>	<b>5%</b>	<b>413.6</b>	<b>5%</b>
<b>Local authorities in Scotland</b>								
Principal Councils	2101.3	0.0	0.0	0.0	2101.3		1101.0	
Others	3.4	0.0	0.0	0.0	3.4		5.0	
	<b>2,104.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2,104.7</b>	<b>17%</b>	<b>1106.0</b>	<b>12%</b>
<b>Total</b>	<b>12,257.0</b>	<b>20.3</b>	<b>64.4</b>	<b>12.7</b>	<b>12,354.3</b>		<b>8,951.9</b>	

(a) Includes authorities administering debt on behalf of former Metropolitan County Councils.

Table 10: Rates of interest and periods for repayment

		£ million							
		Up to 5 years	Over 5 but not over 10 years	Over 10 but not over 15 years	Over 15 but not over 25 years	Over 25 but not over 30 years	Over 30 but not over 40 years	Over 40 years	Total 2006-07
<b>Fixed rate loans</b>									
<b>Rate of interest per annum</b>									
4.05	–	–	–	–	–	–	–	1100.5	1,100.5
4.10	–	–	–	–	–	–	129.9	644.1	774.0
4.15	–	–	–	–	–	–	53.0	262.7	315.7
4.20	–	–	–	–	51.3	71.0	847.9	970.2	
4.25	–	–	–	–	76.0	55.3	4133.4	4,264.7	
4.30	–	–	–	–	7.0	157.8	590.0	754.8	
4.35	–	–	–	3.0	52.7	116.8	1325.5	1,498.0	
4.40	–	–	–	9.9	62.5	110.7	998.5	1,181.6	
4.45	–	–	–	24.0	119.6	280.7	211.2	635.5	
4.50	–	–	–	65.8	75.1	24.0	59.9	224.8	
4.55	–	–	–	21.1	212.4	9.1	0.1	242.7	
4.60	–	–	–	43.5	0.1	–	–	43.6	
4.65	–	–	–	64.8	1.9	0.3	–	67.0	
4.70	0.1	0.6	–	16.1	–	–	–	16.8	
4.75	2.5	–	–	3.7	0.2	0.5	–	6.9	
4.80	–	0.4	–	9.1	2.5	–	–	12.0	
4.85	0.6	0.8	0.1	15.1	2.9	–	–	19.5	
4.90	0.1	4.4	–	0.5	–	–	–	5.0	
4.95	–	3.4	1.0	0.1	0.2	–	–	4.7	
5.00	0.1	8.9	–	2.7	–	–	–	11.7	
5.05	0.3	0.3	–	0.1	–	–	–	0.7	
5.10	–	12.0	–	–	–	–	–	12.0	
5.15	0.1	50.2	0.3	0.1	–	–	–	50.7	
5.20	20.8	1.0	0.2	–	–	–	–	22.0	
5.25	–	0.9	–	–	–	–	–	0.9	
5.30	–	0.8	–	–	–	–	–	0.8	
5.35	0.6	–	–	–	–	–	–	0.6	
5.40	9.0	–	–	–	–	–	–	9.0	
5.45	3.0	–	–	–	–	–	–	3.0	
5.55	2.3	–	–	–	–	–	–	2.3	
5.60	–	–	–	–	–	–	–	0.0	
5.70	25.5	–	–	–	–	–	–	25.5	
	<b>65.0</b>	<b>83.7</b>	<b>1.6</b>	<b>279.6</b>	<b>664.4</b>	<b>1,009.1</b>	<b>10,173.8</b>	<b>12,277.2</b>	
<b>Variable rate loans</b>	<b>77.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>77.1</b>	
<b>All loans</b>	<b>142.1</b>	<b>83.7</b>	<b>1.6</b>	<b>279.6</b>	<b>664.4</b>	<b>1,009.1</b>	<b>10,173.8</b>	<b>12,354.3</b>	

Table 11: Method and period for repayment

		£ million								
Method of repayment	Period for repayment							Totals		
	Up to 5 years	Over 5 but not over 10 years	Over 10 but not over 15 years	Over 15 but not over 25 years	Over 25 but not over 30 years	Over 30 but not over 40 years	Over 40 years	2006-07	2005-06	
<b>Fixed rate loans</b>										
<b>new loans –</b>										
Maturity	63.6	80.7	0.9	271.2	654.4	1007.8	10129.3	12207.9	8527.2	
Annuity	1.2	2.7	0.7	4.0	6.5	1.1	24.5	40.7	25.2	
Equal instalments of principal	0.2	0.2	0.1	4.4	3.4	–	–	8.3	205.2	
	<b>65.0</b>	<b>83.6</b>	<b>1.7</b>	<b>279.6</b>	<b>664.4</b>	<b>1,009.0</b>	<b>10,153.9</b>	<b>12,256.9</b>	<b>8,757.6</b>	
<b>Fixed rate loans</b>										
<b>converted loans –</b>										
Maturity	–	–	–	–	–	–	20.3	20.3	119.4	
Annuity	–	–	–	–	–	–	–	–	0.0	
Equal instalments of principal	–	–	–	–	–	–	–	–	3.0	
	–	–	–	–	–	–	<b>20.3</b>	<b>20.3</b>	<b>122.4</b>	
<b>Variable rate loans</b>										
<b>new loans –</b>										
Maturity	64.4	–	–	–	–	–	–	64.4	40.6	
Equal instalments of principal	–	–	–	–	–	–	–	–	0.5	
	<b>64.4</b>	–	–	–	–	–	–	<b>64.4</b>	<b>41.1</b>	
<b>Variable rate loans</b>										
<b>converted loans –</b>										
Maturity	12.7	–	–	–	–	–	–	12.7	30.8	
Equal instalments of principal	–	–	–	–	–	–	–	–	0.0	
	<b>12.7</b>	–	–	–	–	–	–	<b>12.7</b>	<b>30.8</b>	
<b>All loans</b>										
Maturity	140.7	80.7	0.9	271.2	654.4	1007.8	10149.6	12,305.3	8,718.0	
Annuity	1.2	2.7	0.7	4.0	6.5	1.1	24.5	40.7	25.2	
Equal instalments of principal	0.2	0.2	0.1	4.4	3.4	–	–	8.3	208.7	
	<b>142.1</b>	<b>83.6</b>	<b>1.7</b>	<b>279.6</b>	<b>664.3</b>	<b>1,008.9</b>	<b>10,174.1</b>	<b>12,354.3</b>	<b>8,951.9</b>	



## Rates of interest

The Board's interest rates are determined by DMO in accordance with the National Loans Act 1968 and methodologies agreed with HM Treasury. Since 3 October 2000, variable rates have been determined by reference to gilt general collateral repo rates. Fixed rates are based on par redemption yields on gilt-edged securities (gilts) because the source of funds for lending by the Board is the National Loans Fund (NLF), from which gilts are issued. The Board's rates include a small margin to yields to ensure that the PWLB does not on-lend at rates lower than those at which HMG could notionally borrow via gilt issuance. The margin also covers the risk of a mismatch between the liabilities (gilts) and assets (loans from the Board) of the NLF arising from the lack of simultaneity between gilt issuance and lending, gilts being issued in large amounts on pre-announced dates and the Board's lending being demand-led.

Rates are re-set each day. DMO/HMT reserves the right to change rates intra-day or to alter the margins, depending on market circumstances. There was one intra-day rate change during the year, on 11 January.

Current and past rates of interest are displayed on the Board's website, [www.pwlb.gov.uk](http://www.pwlb.gov.uk).

## Scheduled repayments, early repayments and conversions

See Tables 7 and 12.

When an authority redeems a loan early, it is a matter for the treasury management policy of the authority, subject to the Board's published lending arrangements, whether to replace the loan by taking out a fresh loan on the day of redemption, another day or at all. Where an authority replaces a fixed rate loan by another fixed rate loan or a variable by a variable, the Board treats the inward and outwards flows as separate transactions. However, where a fixed rate loan is replaced by a variable rate loan or *vice versa* the Board offers a formal option to convert, to which a prescribed fee applies. Table 12 summarises early repayments and conversions, from which will be seen that little use was made of the latter facility. This continues a declining trend in the appetite for converting loans.

**Table 12: Early repayments ('EPs') and conversions**

	<b>Principal repaid or converted</b>	<b>Number of loans repaid</b>	<b>Number of borrowers repaying</b>	<b>Number of new loans advanced</b>	<b>Premium paid</b>	<b>Discount allowed</b>	<b>Net premiums/ discounts</b>
	£m	No.	No.	No.	£m	£m	£m
EPs: fixed rate loans	10,652.7	4,540	243	n/a	353.9	168.3	185.6
EPs: variable rate loans	12.9	5	2	n/a	0.0	0.0	0.0
Converted to fixed	20.3	4	3	4	0.0	0.0	0.0
Converted to variable	12.7	6	1	1	0.0	0.3	-0.3
<b>Totals</b>	<b>10,698.5</b>	<b>4,555</b>	<b>249</b>	<b>5</b>	<b>353.9</b>	<b>168.6</b>	<b>185.3</b>

## Repayments in arrears

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The amounts of repayments due but not yet paid at the end of the financial year fluctuate from year to year depending mainly on whether 31 March falls on a banking day, which it did not in 2007. All the overdue payments as shown in Table 1 on pages 6-7 were settled early in the following financial year.

## Transfers of debt

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The Board is prepared to accommodate the transfer of debt between authorities following local government reorganisation or for any other reason. During the year, nine authorities transferred debt to seven other authorities in respect of 105 loans amounting to £56.3 million (£56,351,574).

## Amalgamation of Repayment Dates; Loan Account Combinations

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The Board offers the facility whereby an authority with a large number of interest repayment dates, perhaps inherited as a result of local government reorganisation, may combine these dates into one or more sets for convenience. Similarly, where an authority has a large number of loans with the same method of repayment, rate of interest and date of final payment, the Board offers the opportunity of combining loan accounts. No use was made of either facility during the year, continuing a downward trend.

## Fees

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The scale of fees is determined by HM Treasury, after consulting the Commissioners, to cover the cost of examining applications for loans, making advances and maintaining accounts. The scales, which have remained unchanged since 1991, are as follows:

Fixed rate loans (both new and refinanced) – 35 pence for every £1,000 or part of £1,000

Variable rate loans – 45 pence for every £1,000 or part of £1,000

Minimum fee – £25.

The fee for exercising the option to replace a fixed rate loan with a variable rate loan, or *vice versa*, is £70.

## Administration

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Fee income for the year totalled £4,320,202. As at 31 March 2007 four full-time posts were dedicated to the Board's primary functions. The DMO's 2006-07 Report & Accounts include further data on income and expenditure of the Board.

During the year, the Board's website was integrated into the DMO website. The new site incorporates an interactive database and reporting service to improve access to past interest rates. In addition, a calculator has been provided to estimate repayment costs according to the rates in force on the day.

## Appendices

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Appendix A gives balances outstanding in respect of each major borrower at the start and end of the year. Appendix B summarises the Board's lending from 1817-18 onwards. Appendix C lists the tables and graphs in this Report.

By order of the Board

Mark Frankel

Secretary

PUBLIC WORKS LOAN BOARD  
UK Debt Management Office  
Eastcheap Court  
11 Philpot Lane  
London EC3M 8UD

24 May 2007

## APPENDIX A

**Table 13 BALANCES OUTSTANDING: MAJOR AUTHORITIES**

<b>Borrower</b>	<b>Balance at 31.3.06 £k</b>	<b>Advances in 2006-07 £k</b>	<b>Repayments in 2006-07 £k</b>	<b>Balance at 31.3.07 £k</b>
Aberdeen City Council	351,756.7	58,801.3	71,338.8	339,219.1
Aberdeenshire Council	304,039.8	135,985.0	188,562.9	251,461.8
Adur District Council	14,455.3	0.0	0.0	14,455.3
Allerdale District Council	18,723.7	8,000.0	8,526.0	18,197.7
Alnwick District Council	6,749.4	0.0	57.2	6,692.2
Amber Valley Borough Council	16,377.3	11,377.3	16,377.3	11,377.3
Angus Council	109,869.0	38,000.0	32,847.6	115,021.4
Argyll and Bute Council	196,559.6	29,500.0	94,715.5	131,344.1
Ashfield District Council	31,302.1	0.0	0.0	31,302.1
Ashford Borough Council	0.0	4,000.0	0.0	4,000.0
Avon and Somerset Police Authority	11,553.1	3,000.0	2,560.8	11,992.3
Babergh District Council	1,100.0	0.0	0.0	1,100.0
Barnet London Borough Council	81,000.0	67,000.0	0.0	148,000.0
Barnsley Borough Council	303,371.7	59,000.0	18,766.3	343,605.4
Barrow-In-Furness Borough Council	32,908.5	15,405.0	19,313.5	29,000.0
Basildon District Council	118,325.0	0.0	0.0	118,325.0
Bassetlaw District Council	5,135.0	0.0	407.5	4,727.5
Bath & North East Somerset District Council	30,000.0	40,000.0	10,000.0	60,000.0
Bedfordshire and Luton Fire Authority	2,602.6	6,300.0	2,240.0	6,662.6
Bedfordshire County Council	213,679.1	25,000.0	11.6	238,667.5
Bedfordshire Police Authority	2,719.8	0.0	0.0	2,719.8
Berwick-Upon-Tweed Borough Council	1,000.0	0.0	0.0	1,000.0
Bexley London Borough Council	71,268.2	20,000.0	15,000.0	76,268.2
Birmingham City Council	986,773.9	329,750.0	274,313.9	1,042,210.0
Blaby District Council	8,858.2	1,965.0	1,036.1	9,787.1
Blackburn with Darwen Borough Council	72,774.6	23,504.0	12,504.0	83,774.6
Blackpool Borough Council	74,779.9	25,000.0	0.0	99,779.9
Blaenau Gwent County Borough Council	132,004.4	47,190.8	50,662.7	128,532.5
Blyth Valley Borough Council	74,292.3	27,000.0	11,500.0	89,792.3
Bolsover District Council	15,300.0	3,800.0	0.0	19,100.0
Bolton Borough Council	230,732.8	86,683.3	39,305.4	278,110.7
Bournemouth Borough Council	40,700.0	0.0	10,000.0	30,700.0
Bradford City Council	415,791.7	16,500.0	28,873.9	403,417.7
Braintree District Council	8,500.0	0.0	3,000.0	5,500.0
Brent London Borough Council	501,257.5	196,000.0	169,000.0	528,257.5
Brentwood Borough Council	7,137.0	5,137.0	5,137.0	7,137.0
Bridgend County Borough Council	68,208.7	5,000.0	3,636.0	69,572.7
Brighton & Hove Council	186,037.1	84,750.0	84,848.5	185,938.7

**Table 13 BALANCES OUTSTANDING: MAJOR AUTHORITIES**

<b>Borrower</b>	<b>Balance at 31.3.06 £k</b>	<b>Advances in 2006-07 £k</b>	<b>Repayments in 2006-07 £k</b>	<b>Balance at 31.3.07 £k</b>
Bristol City Council	260,130.3	35,000.0	12,718.7	282,411.7
Broxtowe Borough Council	13,457.4	0.0	2.5	13,454.9
Buckinghamshire & Milton Keynes F Auth	4,278.0	2,174.0	0.0	6,452.0
Buckinghamshire County Council	234,914.0	10,000.0	6,732.0	238,182.0
Burnley Borough Council	25,489.8	0.0	1,037.2	24,452.6
Bury Borough Council	56,398.7	29,000.0	11,260.4	74,138.3
Caerphilly County Borough Council	185,639.4	58,000.0	50,494.0	193,145.5
Calderdale Borough Council	103,367.6	8,000.0	0.0	111,367.6
Cambridgeshire & Peterborough Fire Auth	1,700.0	1,700.0	1,700.0	1,700.0
Cambridgeshire County Council	209,196.0	0.0	25,486.0	183,710.0
Cambridgeshire Police Authority	9,053.5	0.0	121.2	8,932.3
Camden London Borough Council	280,689.9	0.0	594.3	280,095.6
Cannock Chase District Council	14,228.0	0.0	312.5	13,915.5
Canterbury City Council	24,750.0	8,000.0	9,000.0	23,750.0
Caradon District Council	6,050.0	1,000.0	1,000.0	6,050.0
Cardiff County Council	335,543.0	61,800.0	57,909.2	339,433.8
Carmarthenshire County Council	249,153.3	10,000.0	1,103.9	258,049.4
Carrick District Council	16,527.7	6,900.0	1,000.0	22,427.7
Castle Morpeth Borough Council	17,166.0	2,500.0	5,500.0	14,166.0
Castle Point District Council	8,425.1	3,250.0	3,850.0	7,825.1
Ceredigion County Council	108,229.3	35,000.0	41,350.0	101,879.3
Cheltenham Borough Council	24,500.0	15,000.0	15,500.0	24,000.0
Cheshire County Council	182,951.0	65,000.0	65,012.8	182,938.3
Cheshire Fire Authority	4,637.4	971.0	66.6	5,541.8
Cheshire Police Authority	7,783.5	859.0	70.4	8,572.0
Chester City Council	3,950.0	3,950.0	3,950.0	3,950.0
Chesterfield Borough Council	33,471.2	0.0	25.0	33,446.2
Chester-Le-Street District Council	11,609.6	7,650.0	500.0	18,759.6
Chorley Borough Council	0.0	8,881.5	8,881.5	0.0
Clackmannanshire Council	71,843.9	36,200.0	32,266.2	75,777.7
Cleveland Fire Authority	4,120.3	0.0	2,620.3	1,500.0
Cleveland Police Authority	9,965.0	872.0	2,449.0	8,388.0
Colchester Borough Council	14,400.0	10,000.0	0.0	24,400.0
Comhairle Nan Eilean Siar	179,779.5	27,000.0	60,702.9	146,076.7
Conwy County Borough Council	107,204.5	43,436.0	40,436.0	110,204.5
Cornwall County Council	98,210.0	77,000.0	14,810.0	160,400.0
Coventry City Council	211,076.9	77,572.9	73,730.8	214,919.1
Craven District Council	2,988.1	0.0	0.0	2,988.1
Croydon London Borough Council	149,000.0	42,800.0	7,000.0	184,800.0

**Table 13 BALANCES OUTSTANDING: MAJOR AUTHORITIES**

<b>Borrower</b>	<b>Balance at 31.3.06 £k</b>	<b>Advances in 2006-07 £k</b>	<b>Repayments in 2006-07 £k</b>	<b>Balance at 31.3.07 £k</b>
Cumbria County Council	252,591.9	125,000.0	138,891.9	238,700.0
Cumbria Police Authority	1,420.6	0.0	335.2	1,085.4
Darlington Borough Council	77,003.3	44,407.7	35,768.5	85,642.4
Denbighshire County Council	116,157.2	6,080.0	5,122.8	117,114.5
Derby City Council	305,774.4	83,750.0	67,296.7	322,227.8
Derbyshire County Council	350,282.0	110,506.7	74,614.6	386,174.0
Derbyshire Dales District Council	0.0	5,450.0	0.0	5,450.0
Derbyshire Fire Authority	6,207.2	1,000.0	269.1	6,938.1
Derbyshire Police Authority	8,973.2	975.0	474.3	9,474.0
Derwentside District Council	31,900.2	12,768.6	44,668.8	0.0
Devon & Cornwall Police Authority	13,027.6	2,000.0	0.0	15,027.6
Devon & Somerset Fire & Rescue Authority	7,223.4	5,358.4	2,358.4	10,223.4
Devon County Council	448,138.9	153,000.0	93,000.0	508,138.9
Doncaster Borough Council	259,442.3	105,126.4	105,126.4	259,442.3
Dorset County Council	101,376.5	15,000.0	1,468.7	114,907.8
Dorset Fire Authority	3,863.3	0.0	137.5	3,725.9
Dover District Council	4,009.5	0.0	3.2	4,006.3
Dudley Borough Council	391,159.3	33,488.2	62,494.6	362,152.9
Dumfries and Galloway Council	139,057.0	20,000.0	16,760.4	142,296.6
Dundee City Council	266,663.2	20,000.0	25,341.9	261,321.4
Durham City Council	18,707.4	1,000.0	403.2	19,304.2
Durham County Council	157,059.4	22,000.0	2,398.5	176,660.9
Durham, Co., and Darlington Fire Authority	2,246.0	0.0	102.5	2,143.5
Dyfed-Powys Police Authority	3,468.5	0.0	67.0	3,401.5
Ealing London Borough Council	314,979.6	65,000.0	5,833.3	374,146.3
Easington District Council	66,828.1	0.0	299.0	66,529.1
East Ayrshire Council	123,361.7	0.0	20.2	123,341.6
East Dunbartonshire Council	97,168.2	15,319.4	21,584.0	90,903.6
East Hertfordshire District Council	1,894.1	0.0	0.0	1,894.1
East London Waste Authority	2,273.3	0.0	128.7	2,144.5
East Lothian Council	107,105.4	86,000.0	46,122.4	146,983.0
East Renfrewshire Council	75,998.5	16,248.0	23,725.5	68,521.0
East Riding of Yorkshire Council	161,721.5	0.0	22,912.6	138,808.8
East Staffordshire District Council	8,963.5	2,000.0	2,207.3	8,756.2
East Sussex County Council	250,954.4	76,112.0	73,134.7	253,931.8
East Sussex Fire Authority	8,323.0	500.0	0.0	8,823.0
Eastbourne Borough Council	23,800.0	500.0	566.7	23,733.3
Edinburgh, City of, Council	703,087.1	255,994.9	242,550.2	716,531.8
Ellesmere Port & Neston Borough Council	1,150.0	0.0	150.0	1,000.0

**Table 13 BALANCES OUTSTANDING: MAJOR AUTHORITIES**

<b>Borrower</b>	<b>Balance at 31.3.06 £k</b>	<b>Advances in 2006-07 £k</b>	<b>Repayments in 2006-07 £k</b>	<b>Balance at 31.3.07 £k</b>
Elmbridge Borough Council	5,500.0	0.0	0.0	5,500.0
Enfield London Borough Council	197,043.0	55,520.1	60,520.1	192,043.0
Essex County Council	346,123.0	118,999.0	179,104.0	286,018.0
Essex Fire Authority	3,318.1	0.0	143.3	3,174.7
Falkirk Council	129,493.3	50,700.0	46,171.2	134,022.1
Fareham Borough Council	1,325.0	123.0	650.0	798.0
Fenland District Council	9,462.9	1,000.0	1,000.0	9,462.9
Fife Council	338,106.1	138,800.0	240,491.0	236,415.1
Flintshire County Council	154,662.5	0.0	0.0	154,662.5
Forest of Dean District Council	6,012.5	0.0	6,012.5	0.0
Gateshead Borough Council	283,751.5	79,222.5	50,881.5	312,092.6
Gedling Borough Council	6,000.0	6,000.0	2,000.0	10,000.0
Glasgow, City of, Council	816,175.8	270,500.0	291,725.3	794,950.4
Gloucester City Council	21,828.6	0.0	5,010.0	16,818.6
Gloucestershire County Council	274,386.8	28,000.0	3,000.4	299,386.4
Gloucestershire Police Authority	9,601.5	0.0	5,615.0	3,986.5
Gosport Borough Council	8,000.0	0.0	0.0	8,000.0
Grampian Joint Fire Board	11,048.4	0.0	500.0	10,548.4
Grampian Joint Police Board	8,766.1	0.0	0.0	8,766.1
Great Yarmouth Borough Council	14,281.7	8,000.0	3,000.0	19,281.7
Greater Manchester Fire Authority	8,998.0	0.0	2,000.0	6,998.0
Greater Manchester Passenger Transport Authority	80,081.0	0.0	0.0	80,081.0
Greater Manchester Passenger Transport Exec	17,322.0	0.0	0.0	17,322.0
Greater Manchester Police Authority	40,517.7	33,801.0	15,867.7	58,451.0
Greater Manchester Waste Disposal Auth	15,356.0	0.0	1,000.0	14,356.0
Greenwich London Borough Council	400,910.8	120,000.0	153,734.5	367,176.3
Gwent Police Authority	4,260.0	0.0	0.0	4,260.0
Gwynedd County Council	151,077.2	10,500.0	11,475.6	150,101.6
Hackney London Borough Council	671,589.2	0.0	5,466.1	666,123.1
Halton Borough Council	10,000.0	0.0	0.0	10,000.0
Hammersmith and Fulham London Borough Council	358,520.1	80,000.0	60,000.0	378,520.1
Hampshire County Council	239,000.0	10,000.0	8,000.0	241,000.0
Hampshire Fire and Rescue Authority	5,100.0	350.0	0.0	5,450.0
Hampshire Police Authority	3,200.0	0.0	0.0	3,200.0
Harborough District Council	4,980.0	1,500.0	1,000.0	5,480.0
Haringey London Borough Council	462,307.6	77,000.0	30,141.6	509,166.0
Harrogate Borough Council	15,076.8	0.0	4.8	15,072.0
Harrow London Borough Council	144,614.9	35,000.0	136.3	179,478.6
Hartlepool Borough Council	78,928.1	15,000.0	77,040.8	16,887.3

**Table 13 BALANCES OUTSTANDING: MAJOR AUTHORITIES**

<b>Borrower</b>	<b>Balance at 31.3.06 £k</b>	<b>Advances in 2006-07 £k</b>	<b>Repayments in 2006-07 £k</b>	<b>Balance at 31.3.07 £k</b>
Hastings Borough Council	18,698.0	0.0	3,500.0	15,198.0
Havering London Borough Council	32,796.7	9,872.6	3,872.6	38,796.7
Hereford & Worcester Combined Fire Auth	9,169.0	2,145.0	0.0	11,314.0
Herefordshire Council	70,296.2	20,000.0	8,443.4	81,852.8
Hertfordshire County Council	228,872.6	75,444.0	90,538.2	213,778.4
High Peak Borough Council	18,354.5	12,881.4	9,983.2	21,252.7
Highland Council	438,012.7	190,589.2	167,207.2	461,394.6
Hillingdon London Borough Council	148,047.6	40,000.0	8,353.8	179,693.8
Hinckley and Bosworth Borough Council	3,300.0	2,500.0	0.0	5,800.0
Horsham District Council	4,059.0	0.0	0.0	4,059.0
Hounslow London Borough Council	193,672.9	0.0	280.6	193,392.3
Humberside Fire Authority	10,068.5	2,625.0	241.0	12,452.5
Humberside Police Authority	10,001.2	1,156.0	338.1	10,819.1
Hyndburn Borough Council	32,962.2	1,600.0	32,962.2	1,600.0
Inverclyde Council	182,974.8	15,000.0	20,924.5	177,050.3
Ipswich Borough Council	33,401.8	18,730.5	14,979.3	37,153.1
Isle of Anglesey County Council	95,612.6	33,800.0	39,202.9	90,209.8
Isle of Wight Council	131,306.4	0.0	0.9	131,305.5
Isles of Scilly, Council of The	1,271.0	0.0	201.4	1,069.6
Islington London Borough Council	690,905.4	115,999.1	105,822.2	701,082.3
Kensington and Chelsea London Borough Council	226,691.2	0.0	1,774.5	224,916.8
Kent and Medway Towns Fire Authority	8,038.6	0.0	0.0	8,038.6
Kent County Council	641,863.3	139,200.0	114,359.6	666,703.6
Kerrier District Council	3,321.1	0.0	2,112.5	1,208.6
Kings Lynn and West Norfolk Borough C	15,014.4	0.0	15,014.4	0.0
Kingston Upon Hull City Council	250,725.5	4,987.2	3,518.9	252,193.8
Kingston Upon Thames London Borough Council	91,683.0	0.0	8,183.0	83,500.0
Kirklees Borough Council	322,778.7	143,439.8	102,687.6	363,530.8
Knowsley Borough Council	103,546.8	38,500.0	40,389.6	101,657.2
Lambeth London Borough Council	728,835.3	0.0	53,485.7	675,349.6
Lancashire Combined Fire Authority	7,332.3	0.0	57.8	7,274.5
Lancashire County Council	484,137.5	91,600.0	47,629.3	528,108.2
Lancashire Police Authority	17,954.0	6,000.0	450.0	23,504.0
Lancaster City Council	44,974.0	0.0	174.0	44,800.0
Lee Valley Regional Park Authority	2,447.6	0.0	66.1	2,381.5
Leeds City Council	837,838.0	622,000.0	551,300.0	908,538.0
Leicester City Council	219,020.7	152,200.0	152,790.0	218,430.7
Leicester Leics & Rutland Fire Auth	4,512.4	0.0	0.0	4,512.4
Leicestershire County Council	289,778.7	99,600.0	100,035.1	289,343.5



**Table 13 BALANCES OUTSTANDING: MAJOR AUTHORITIES**

<b>Borrower</b>	<b>Balance at 31.3.06 £k</b>	<b>Advances in 2006-07 £k</b>	<b>Repayments in 2006-07 £k</b>	<b>Balance at 31.3.07 £k</b>
Leicestershire Police Authority	12,905.5	0.0	76.6	12,828.9
Lewes District Council	9,000.0	0.0	3,000.0	6,000.0
Lewisham London Borough Council	309,235.7	0.0	46,976.5	262,259.2
Lincoln, City of, Council	23,362.0	2,602.5	4,602.5	21,362.0
Lincolnshire County Council	213,102.1	75,598.4	46,363.8	242,336.7
Lincolnshire Police Authority	8,018.7	4,450.0	372.2	12,096.5
Littlehampton Harbour Board	1,827.1	0.0	67.9	1,759.2
Liverpool City Council	722,434.0	210,000.0	335,000.0	597,434.0
London Development Agency	0.0	79,000.0	0.0	79,000.0
London Fire and Emergency Planning Auth.	80,324.0	11,500.0	4,000.0	87,824.0
Luton Borough Council	127,512.9	102,900.0	108,900.0	121,512.9
Manchester City Council	609,449.7	0.0	271,431.3	338,018.4
Mansfield District Council	53,247.5	1,500.0	1,557.0	53,190.5
Medway Council	115,147.6	15,000.0	30,550.5	99,597.1
Melton Borough Council	6,138.0	340.0	0.0	6,478.0
Merseyside Fire & Rescue Authority	29,135.0	16,750.0	3,310.0	42,575.0
Merseyside Passenger Transport Authority	238,614.9	23,100.0	7,219.3	254,495.6
Merseyside Waste Disposal Authority	13,472.9	6,000.0	142.9	19,330.0
Merthyr Tydfil County Borough Council	87,088.3	0.0	7,012.8	80,075.4
Merton London Borough Council	103,007.7	8,211.3	7,385.6	103,833.4
Metropolitan Police Authority	70,837.6	0.0	13,500.0	57,337.6
Mid and West Wales Fire Authority	5,105.2	3,000.0	366.7	7,738.5
Mid Suffolk District Council	11,772.0	2,000.0	95.0	13,677.1
Middlesbrough Borough Council	54,000.0	12,000.0	10,000.0	56,000.0
Midlothian Council	75,212.2	83,100.0	42,866.2	115,446.0
Milton Keynes Borough Council	251,204.0	15,000.0	0.0	266,204.0
Monmouthshire County Council	75,177.1	18,200.0	12,570.9	80,806.2
Moray Council	119,120.8	45,154.1	55,254.1	109,020.8
Neath Port Talbot County Borough Council	184,139.2	45,700.0	96,346.2	133,493.0
Newark and Sherwood District Council	39,185.0	14,364.7	8,372.7	45,177.0
Newcastle Upon Tyne City Council	475,560.8	185,000.0	136,053.0	524,507.8
Newham London Borough Council	518,346.4	19,000.0	54.4	537,292.0
Newport City Council	105,511.6	10,000.0	32.6	115,479.0
Norfolk County Council	428,575.5	50,000.0	0.0	478,575.5
Norfolk Police Authority	12,760.9	1,000.0	250.0	13,510.9
North Ayrshire Council	168,696.1	15,000.0	32,419.6	151,276.5
North Cornwall District Council	2,000.0	0.0	0.0	2,000.0
North East Derbyshire District Council	22,677.4	0.0	422.8	22,254.6
North East Lincolnshire Council	12,679.5	28,245.9	943.6	39,981.8

**Table 13 BALANCES OUTSTANDING: MAJOR AUTHORITIES**

<b>Borrower</b>	<b>Balance at 31.3.06 £k</b>	<b>Advances in 2006-07 £k</b>	<b>Repayments in 2006-07 £k</b>	<b>Balance at 31.3.07 £k</b>
North Hertfordshire District Council	4,702.8	0.0	196.9	4,505.9
North Kesteven District Council	15,883.5	2,000.0	2,083.5	15,800.0
North Lanarkshire Council	324,680.9	89,231.1	90,369.3	323,542.7
North Lincolnshire Council	121,874.1	18,204.6	32,555.0	107,523.7
North Norfolk District Council	18,400.0	0.0	18,400.0	0.0
North Somerset Council	90,000.0	14,000.0	2,000.0	102,000.0
North Tyneside Borough Council	214,200.0	20,000.0	29,000.0	205,200.0
North Wales Fire and Rescue Authority	8,513.4	5,274.0	5,274.0	8,513.4
North Wales Police Authority	9,541.0	11,000.0	6,096.0	14,445.0
North West Leicestershire District C	6,000.0	3,500.0	3,500.0	6,000.0
North Yorkshire County Council	269,350.5	191,600.0	176,917.9	284,032.6
North Yorkshire Fire & Rescue Authority	5,236.5	2,240.0	20.6	7,456.0
Northamptonshire County Council	278,458.7	139,000.0	238,022.0	179,436.7
Northamptonshire Police Authority	5,799.0	0.0	0.0	5,799.0
Northumberland County Council	167,024.4	22,000.0	5,024.4	184,000.0
Northumbria Police Authority	3.7	32,843.9	0.5	32,847.2
Norwich City Council	70,062.9	0.0	43.9	70,019.0
Nottingham City Council	385,348.1	90,000.0	68,000.0	407,348.1
Nottinghamshire County Council	158,146.1	0.0	3,611.5	154,534.7
Nottinghamshire Fire & Rescue Service	3,967.6	3,900.0	1,984.4	5,883.2
Nottinghamshire Police Authority	11,012.7	0.0	871.1	10,141.6
Nuneaton and Bedworth Borough Council	9,150.0	0.0	1,400.0	7,750.0
Oadby and Wigston Borough Council	1,500.0	500.0	0.0	2,000.0
Oldham Borough Council	268,295.3	166,661.0	131,921.4	303,034.8
Oswestry Borough Council	4,261.0	650.0	650.0	4,261.0
Oxford City Council	8,770.0	0.0	386.8	8,383.2
Oxfordshire County Council	324,382.6	159,000.0	166,000.0	317,382.6
Pembrokeshire County Council	91,993.5	9,000.0	5,035.4	95,958.1
Pendle Borough Council	22,894.4	0.0	20,510.3	2,384.2
Perth and Kinross Council	124,230.1	61,160.0	80,666.1	104,724.0
Peterborough City Council	89,579.0	20,000.0	12,445.0	97,134.0
Plymouth City Council	156,500.0	45,500.0	35,500.0	166,500.0
Poole Borough Council	24,000.0	0.0	2,500.0	21,500.0
Portsmouth City Council	113,626.3	15,000.0	8,886.2	119,740.1
Powys County Council	148,796.7	81,500.0	82,415.1	147,881.6
Preston City Council	10,303.1	0.0	552.8	9,750.4
Reading Borough Council	212,741.9	178,000.0	187,741.9	203,000.0
Redbridge London Borough Council	83,900.0	0.0	6,500.0	77,400.0
Redcar and Cleveland Borough Council	36,885.3	22,771.0	22,778.2	36,878.1

**Table 13 BALANCES OUTSTANDING: MAJOR AUTHORITIES**

<b>Borrower</b>	<b>Balance at 31.3.06 £k</b>	<b>Advances in 2006-07 £k</b>	<b>Repayments in 2006-07 £k</b>	<b>Balance at 31.3.07 £k</b>
Renfrewshire Council	233,903.0	44,000.0	43,412.9	234,490.1
Restormel Borough Council	981.2	1,000.0	281.2	1,700.0
Rhondda Cynon Taff County Borough Council	249,621.3	63,317.0	106,340.0	206,598.3
Ribble Valley Borough Council	6,982.5	0.0	296.1	6,686.5
Richmond Upon Thames London Borough C	33,847.9	0.0	0.0	33,847.9
Rochdale Borough Council	222,216.7	64,970.0	50,258.1	236,928.6
Rochford District Council	10,502.3	0.0	356.9	10,145.4
Rotherham Borough Council	248,617.6	114,724.8	63,046.2	300,296.1
Royal Berkshire Fire Authority	5,345.0	800.0	0.0	6,145.0
Rugby Borough Council	3,920.9	0.0	0.0	3,920.9
Rutland County Council	22,783.5	22,190.9	18,388.1	26,586.3
Salford City Council	174,891.5	33,500.0	45,943.5	162,447.9
Sandwell Borough Council	299,563.0	0.0	13,000.0	286,563.0
Scarborough Borough Council	8,000.5	3,000.0	3,000.1	8,000.4
Scottish Borders Council	118,527.0	52,000.0	47,465.9	123,061.0
Sedgefield District Council	18,348.8	9,617.9	9,649.3	18,317.4
Sedgemoor District Council	2,000.0	2,000.0	2,000.0	2,000.0
Sefton Borough Council	199,247.9	15,000.0	108,546.3	105,701.6
Selby District Council	2,080.2	0.0	12.0	2,068.3
Sheffield City Council	591,040.3	50,000.0	34,805.7	606,234.6
Shepway District Council	27,735.4	6,253.8	6,704.4	27,284.8
Shropshire & Wrekin Fire Authority	4,000.0	1,110.0	0.0	5,110.0
Shropshire County Council	201,692.7	17,300.0	13,275.0	205,717.7
Slough Borough Council	39,904.3	0.0	1,224.9	38,679.5
Solihull Borough Council	144,750.0	89,750.0	75,250.0	159,250.0
Somerset County Council	122,375.0	20,000.0	28,090.0	114,285.0
South Ayrshire Council	139,142.0	15,000.0	10,135.1	144,006.9
South Bedfordshire District Council	646.0	646.0	0.0	1,292.0
South Gloucestershire Council	68,678.4	69,154.9	67,409.0	70,424.3
South Kesteven District Council	5,500.0	0.0	1,000.0	4,500.0
South Lakeland District Council	5,000.0	3,500.0	0.0	8,500.0
South Lanarkshire Council	413,223.1	133,634.1	41,345.9	505,511.3
South Ribble Borough Council	2,108.0	1,200.0	0.0	3,308.0
South Somerset District Council	0.0	2,000.0	0.0	2,000.0
South Tyneside Borough Council	191,574.4	84,000.0	77,898.4	197,676.0
South Wales Fire Authority	12,469.2	2,000.0	307.4	14,161.9
South Wales Police Authority	12,938.1	1,671.0	1,270.7	13,338.4
South Yorkshire Fire & Rescue Authority	22,918.0	750.0	0.0	23,668.0
South Yorkshire Passenger Transport Auth	20,000.0	5,000.0	0.0	25,000.0

**Table 13 BALANCES OUTSTANDING: MAJOR AUTHORITIES**

<b>Borrower</b>	<b>Balance at 31.3.06 £k</b>	<b>Advances in 2006-07 £k</b>	<b>Repayments in 2006-07 £k</b>	<b>Balance at 31.3.07 £k</b>
South Yorkshire Passenger Transport Exec	192,375.0	0.0	0.0	192,375.0
South Yorkshire Police Authority	30,680.0	1,450.0	0.0	32,130.0
Southampton City Council	106,550.0	78,000.0	67,750.0	116,800.0
Southend-on-Sea Borough Council	129,274.2	0.0	4,000.0	125,274.2
Southwark London Borough Council	693,709.0	0.0	0.0	693,709.0
St Helens Borough Council	117,571.4	33,000.0	49,307.8	101,263.6
Staffordshire County Council	393,094.3	111,000.0	121,034.0	383,060.4
Staffordshire Police Authority	14,350.0	3,850.0	1,600.0	16,600.0
Stirling Council	144,178.3	0.0	50.0	144,128.3
Stockport Borough Council	169,602.8	45,000.0	25,160.4	189,442.3
Stockton-On-Tees Borough Council	213,344.4	119,074.7	115,508.7	216,910.4
Stoke-On-Trent & Staffordshire Fire Auth	7,600.0	2,950.0	1,250.0	9,300.0
Stoke-On-Trent City Council	193,330.5	21,000.0	6,000.5	208,330.0
Strathclyde Fire Board	5,950.0	3,350.0	4,550.0	4,750.0
Suffolk County Council	158,850.0	0.0	29,080.1	129,769.9
Sunderland City Council	120,500.0	91,500.0	83,500.0	128,500.0
Surrey County Council	405,718.2	250,488.0	215,488.0	440,718.2
Sussex Police Authority	3,500.0	1,000.0	0.0	4,500.0
Sutton London Borough Council	55,555.4	9,000.0	9,386.9	55,168.5
Swansea County Council	278,854.9	10,000.0	47,253.2	241,601.7
Swindon Borough Council	61,128.7	11,877.0	2,869.6	70,136.0
Tameside Borough Council	357,675.6	71,000.0	91,451.4	337,224.3
Tamworth Borough Council	20,442.2	0.0	0.0	20,442.2
Taunton Deane Borough Council	18,020.2	8,000.0	8,008.5	18,011.7
Tayside Fire Board	5,950.0	3,350.0	4,550.0	4,750.0
Teesdale District Council	5,958.3	3,445.7	5,489.1	3,914.8
Telford and Wrekin Council	138,025.8	94,000.0	112,000.4	120,025.4
Tendring District Council	18,400.7	15,000.0	10,522.7	22,878.0
Tewkesbury Borough Council	0.0	5,000.0	0.0	5,000.0
Thames Valley Police Authority	27,534.3	9,000.0	7,300.2	29,234.2
Thanet District Council	18,646.7	0.0	500.1	18,146.5
Thurrock Borough Council	51,449.5	51,127.0	36,184.4	66,392.1
Torbay Borough Council	81,837.0	70,837.0	64,837.0	87,837.0
Torfaen County Borough Council	64,117.2	15,353.5	15,555.1	63,915.6
Torrige District Council	5,852.0	0.0	1.1	5,850.9
Tower Hamlets London Borough Council	405,978.9	0.0	47,826.1	358,152.7
Trafford Borough Council	61,700.6	0.0	166.2	61,534.5
Transport For London	334,417.0	340,879.3	0.0	675,296.4
Tyne and Wear Passenger Transport Auth	62,117.8	45,000.0	45,017.8	62,100.0

**Table 13 BALANCES OUTSTANDING: MAJOR AUTHORITIES**

<b>Borrower</b>	<b>Balance at 31.3.06 £k</b>	<b>Advances in 2006-07 £k</b>	<b>Repayments in 2006-07 £k</b>	<b>Balance at 31.3.07 £k</b>
Vale of Glamorgan County Borough Council	93,075.2	3,000.0	882.4	95,192.8
Wakefield City Council	147,524.0	91,872.8	72,714.3	166,682.6
Walsall Borough Council	89,281.6	8,000.0	0.0	97,281.6
Waltham Forest London Borough Council	208,117.2	133,400.0	133,763.2	207,754.0
Wandsworth London Borough Council	8,632.8	0.0	548.1	8,084.8
Wansbeck District Council	12,799.7	5,000.0	3,029.7	14,770.1
Warrington Borough Council	38,081.7	4,000.0	17,500.0	24,581.7
Warwickshire County Council	239,367.7	100,750.0	81,769.3	258,348.4
Warwickshire Police Authority	12,409.6	3,000.0	332.4	15,077.2
Waveney District Council	15,452.4	6,500.0	6,500.2	15,452.1
Wealden District Council	11,546.2	0.0	1,001.6	10,544.6
Wear Valley District Council	32,550.7	12,500.0	13,426.5	31,624.2
West Berkshire District Council	28,335.5	0.0	1,165.0	27,170.5
West Dorset District Council	0.0	2,500.0	0.0	2,500.0
West Dunbartonshire Council	132,932.2	61,174.0	56,695.1	137,411.1
West Lothian Council	217,098.6	97,178.7	87,180.3	227,097.0
West Mercia Police Authority	800.0	0.0	0.0	800.0
West Midlands Passenger Transport Auth	131,637.7	24,800.0	31,243.8	125,193.9
West Midlands Police Authority	48,667.0	13,787.0	13,787.0	48,667.0
West Sussex County Council	208,299.0	70,600.0	0.0	278,899.0
West Yorkshire Fire & Rescue Authority	24,177.9	19,802.5	15,293.1	28,687.3
West Yorkshire Passenger Transport Auth	85,000.0	49,000.0	50,000.0	84,000.0
West Yorkshire Police Authority	54,143.8	32,785.0	26,456.6	60,472.2
Western Riverside Waste Authority	1,500.0	0.0	0.0	1,500.0
Westminster City Council	122,617.1	20,000.0	9,240.0	133,377.1
Weymouth and Portland Borough Council	2,500.0	1,000.0	1,000.0	2,500.0
Wigan Borough Council	367,725.6	0.0	732.3	366,993.4
Wiltshire and Swindon Fire Authority	4,419.0	574.0	0.0	4,993.0
Wiltshire County Council	124,390.7	59,640.0	51,734.3	132,296.4
Windsor and Maidenhead Borough Council	41,299.4	5,000.0	1,125.0	45,174.4
Wirral Borough Council	82,552.3	12,000.0	274.5	94,277.8
Woking Borough Council	28,000.0	6,000.0	0.0	34,000.0
Wokingham District Council	53,389.7	28,989.7	33,989.7	48,389.7
Wolverhampton City Council	284,473.0	105,000.0	108,786.3	280,686.7
Worcester City Council	2,629.0	0.0	0.6	2,628.3
Worcestershire County Council	188,996.9	99,457.0	68,583.5	219,870.4
Wrexham County Borough Council	115,645.3	19,373.0	26,533.2	108,485.1
Wycombe District Council	3,000.0	4,000.0	0.0	7,000.0
York City Council	83,365.0	10,000.0	0.0	93,365.0

## Appendix B

Table 14: Historical Summary of Lending

Year	Loans advanced in year	Principal outstanding at end of year	Repayments received in year		Average rate of interest		Total long term debt of local authorities to PWLB and all other lenders at end of year	PWLB as a proportion of total local authority long term debt
			Principal	Interest	on new advances	on outstanding loans		
	£ million	£ million	£ million	£ million	%	%	£ million	%
1817-18	0.3	0.3	-	-	*	*	*	*
1827-28	0.6	2.1	0.3	0.1	*	3½	*	*
1837-38	0.4	2.9	0.3	0.1	*	2½	*	*
1847-48	0.6	4.1	0.2	0.1	*	2½	*	*
1857-58	0.4	4.0	0.2	0.1	*	3½	*	*
1867-68	0.8	7.3	0.4	0.2	*	3½	*	*
1877-78	4.3	20.6	0.6	0.6	3¼	3¼	*	*
1887-88	1.2	28.2	1.7	1.0	3%	3%	*	*
1897-98	1.3	23.0	1.0	1.0	2½	3½	*	*
1907-08	2.1	49.5	2.4	1.6	3%	3¼	*	*
1917-18	0.3	42.2	2.9	1.8	4%	3%	*	*
1927-28	39.7	239.0	5.6	11.3	5	5¼	*	*
1937-38	22.5	309.3	11.5	14.9	3½	5	*	*
1947-48	246.1	626.8	13.3	16.9	3	3½	*	*
1957-58	116.5	3,217.9	85.1	123.8	6	3¾	5,647.5	57
1967-68	465.7	4,634.9	112.5	197.9	7	4¾	12,743.1	36
1977-78	2,272.7	12,941.0	1,239.6	1,174.8	10½	9%	34,264.0	38
1987-88	6,346.2	39,356.5	2,243.4	3,675.4	9	9%	56,616.6	70
1997-98	6,394.4	42,917.2	5,563.8	4,081.2	6¾	8¾	50,355.0	85
2002-03	5,099.2	44,589.3	7,555.1	4,134.9	4.434	7.036	50,093.0	89
2003-04	4,603.2	41,307.2	7,885.3	4,108.9	4.340	6.771	48,911.0	84
2004-05	5,822.0	42,069.9	5,059.3	3,089.3	4.694	6.593	51,583.0	82
2005-06	8,952.0	47,084.5	3,937.3	3,007.3	4.194	6.213	58,598.0	80
2006-07	12,354.3	47,909.4	11,529.4	2,938.1	4.288	5.967	*	*

\* not available

## APPENDIX C

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### Tables and graphs in this Report\*

- 1 Summary of transactions and balances outstanding: table
- 2 Days of large total advances: table
- 3 Monthly totals of advances and conversions: table
- 4 Bank of England rate and the three-month variable rate: graph
- 5 Fixed rates: graph
- 6 Balance outstanding and new advances: monthly: bar chart
- 7 Total advances and repayments: table
- 8 Average rate (%) and average period (years): new loans: 2002-03 – 2006-07: bar chart
- 9 Advances and conversions by type of borrower
- 10 Rates of interest and periods for repayment
- 11 Method and period for repayment
- 12 Early repayments and conversions
- 13 Appendix A: Balances of major authorities
- 14 Appendix B: Historical summary

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\* Totals in tables may not sum, due to rounding



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