Appendix 1 - Treasury Management Outturn Report 2024/25

1. Introduction

1.1. The Council has adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Council to approve, as a minimum, treasury management semi-annual and annual reports.

1.2. This report includes the requirement in the 2021 Code, Mandatory from 1st April 2023, of reporting the treasury management prudential indicators.

1.3. The Council's treasury management strategy for 2024/25 was approved at a full Council meeting on 4th March 2024. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Council's treasury management strategy.

2. External Context (provided by the Council's treasury management advisor, Arlingclose)

Economic background

2.1. Both the UK and US elected new governments during the period, whose policy decisions impacted the economic outlook. The Chancellor of the Exchequer delivered her Spring Statement in March 2025, following her Budget in October 2024. Based on the plans announced, the Office for Budget Responsibility downgraded its predictions for UK growth in 2025 to 1% from 2%. However, it upgraded its predictions for the four subsequent years. Inflation predictions for 2025 were pushed up, to 3.2% from 2.6%, before seen as falling back to target in 2027. The market reaction to the Spring Statement was more muted compared to the Budget, with very recent market turbulence being driven more by US trade policy decisions and President Trump.

2.2. After revising its interest rate forecast in November following the Budget, the council's treasury management advisor, Arlingclose, maintained its stance that Bank Rate will fall to 3.75% in 2025.

2.3. UK annual Consumer Price Index (CPI) inflation continued to stay above the 2% Bank of England (BoE) target in the later part of the period. The Office for National Statistics (ONS) reported headline consumer prices at 2.8% in February 2025, down from 3.0% in the previous month and below expectations. Core CPI also remained elevated, falling slightly in February to 3.5% from 3.7% in January, just below expectations for 3.6% but higher than the last three months of the calendar year.

2.4. The UK economy Gross Domestic Product (GDP) grew by 0.1% between October and December 2024, unrevised from the initial estimate. This was an improvement on the zero growth in the previous quarter, but down from the 0.4% growth between April and June 2024. Of the monthly GDP figures, the economy was estimated to have contracted by 0.1% in January, worse than expectations for a 0.1% gain.

2.5. The labour market continued to cool, but the ONS data still require treating with caution. Recent data showed the unemployment rate rose to 4.4% (3mth/year) in the three months to January 2025 while the economic inactivity rate fell again to 21.5%. The ONS reported pay growth over the same three-month period at 5.9% for regular earnings (excluding bonuses) and 5.8% for total earnings.

2.6. The BoE's Monetary Policy Committee (MPC) held Bank Rate at 4.5% at its March 2025 meeting, having reduced it in February. This follows earlier 0.25% cuts in November and

August 2024 from the 5.25% peak. At the March MPC meeting, members voted 8-1 to maintain Bank Rate at 4.5%, with the one dissenter preferring another 25 basis points cut. The meeting minutes implied a slightly more hawkish tilt compared to February when two MPC members wanted a 50bps cut. In the minutes, the Bank also upgraded its Q1 2025 GDP forecast to around 0.25% from the previous estimate of 0.1%.

2.7. The February Monetary Policy Report (MPR) showed the BoE expected GDP growth in 2025 to be significantly weaker compared to the November MPR. GDP is forecast to rise by 0.1% in Q1 2025, less than the previous estimate of 0.4%. Four-quarter GDP growth is expected to pick up from the middle of 2025, to over 1.5% by the end of the forecast period. The outlook for CPI inflation showed it remaining above the MPC's 2% target throughout 2025. It is expected to hit around 3.5% by June before peaking at 3.7% in Q3 and then easing towards the end of the year, but staying above the 2% target. The unemployment rate was expected to rise steadily to around 4.75% by the end of the forecast horizon, above the assumed medium-term equilibrium unemployment rate of 4.5%.

2.8. Arlingclose, the authority's treasury adviser, maintained its central view that Bank Rate would continue to fall throughout 2025. From the cuts in August and November 2024 and February 2025, which took Bank Rate to 4.50%, May is considered the likely month for the next reduction, with other cuts following in line with MPR months to take Bank Rate down to around 3.75% by the end of 2025.

2.9. The US Federal Reserve paused its cutting cycle in the first three months of 2025, having reduced the Fed Funds Rate by 0.25% to a range of 4.25%-4.50% in December, the third cut in succession. Fed policymakers noted uncertainty around the economic outlook but were anticipating around 0.50% of further cuts in the policy rate in 2025. Economic growth continued to rise at a reasonable pace, expanding at an annualised rate of 2.4% in Q4 2024 while inflation remained elevated over the period. However, growth is now expected to weaken by more than previously expected in 2025, to 1.7% from 2.1%. The uncertainty that President Trump has brought both before and since his inauguration in January is expected to continue.

2.10. The European Central Bank (ECB) continued its rate cutting cycle over the period, reducing its three key policy rates by another 0.25% in March, acknowledging that monetary policy is becoming meaningfully less restrictive. Euro zone inflation has decreased steadily in 2025, falling to 2.2% in March, the lowest level since November 2024. Over the current calendar year, inflation is expected to average 2.3%. GDP growth stagnated in the last quarter of the 2024 calendar year, after expanding by 0.4% in the previous quarter. For 2025, economic growth forecasts were revised downwards to 0.9%.

Financial markets

2.11. Financial market sentiment was reasonably positive over most of the period, but economic, financial and geopolitical issues meant the trend of market volatility remained. In the latter part of the period, volatility increased and bond yields started to fall following a January peak, as the economic uncertainty around likely US trade policy impacted financial markets. Yields in the UK and US started to diverge in the last month of the period, with the former rising around concerns over the fiscal implications on the UK government from weaker growth, business sentiment and higher rates, while the latter started falling on potential recession fears due to the unpredictable nature of policy announcements by the US President and their potential impact.

2.12. The 10-year UK benchmark gilt yield started the period at 3.94% and ended at 4.69%, having reached a low of 3.76% in September and a high of 4.90% in January in between. While the 20-year gilt started at 4.40% and ended at 5.22%, hitting a low of 4.27% in September and a high of 5.40% in January. The Sterling Overnight Rate (SONIA) averaged 4.90% over the period.

2.13. *The period in question ended shortly before US President Donald Trump announced his package of 'reciprocal tariffs', the immediate aftermath of which saw stock prices and government bond yields falling and introduced further uncertainty over the economic outlook*.

2.14. The table below shows the movement of the major benchmark gilt yields throughout the period.

Benchmark Gilt Yield	Jun-24	Sep-24	Dec-24	Mar-25
5 year	3.94%	3.76%	4.35%	4.28%
10 year	4.18%	4.00%	4.57%	4.68%
20 year	4.41%	4.51%	5.08%	5.21%

The Sterling Overnight Rate (SONIA) averaged 4.90% over the period to 31st March 2025.

Credit review

2.15. In October, Arlingclose revised its advised recommended maximum unsecured duration limit on most banks on its counterparty list to six months. Duration advice for the remaining five institutions, including the newly added Lloyds Bank Corporate Markets, was kept to a maximum of 100 days. This advice remained in place at the end of the period.

2.16. Fitch revised the outlook on Commonwealth Bank of Australia (CBA) to positive from stable while affirming its long-term rating at AA-, citing its consistent strong earnings and profitability.

2.17. Other than CBA, the last three months of the period were relatively quiet on the bank credit rating front, with a small number of updates issued for a number of lenders not on the Arlingclose recommended counterparty list.

2.18. On local authorities, S&P assigned a BBB+ to Warrington Council, having previously withdrawn its rating earlier in 2024, and also withdrew its rating for Lancashire County Council due to the council deciding to stop maintaining a credit rating. However, it still holds a rating with Fitch and Moody's. Moody's withdrew its rating of Cornwall Council after it chose to no longer maintain a rating.

2.19. Credit default swap prices generally trended lower over the period but did start to rise modestly in March, but not to any levels considered concerning. Once again, price volatility over the period remained generally more muted compared to previous periods.

2.20. Financial market volatility is expected to remain a feature, at least in the near term and, credit default swap levels will be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remain under constant review.

3. <u>Local Context</u>

3.1. On 31 March 2025, the Council had net borrowing of £981.3m arising from its revenue and capital income and expenditure. The Capital Financing Requirement (CFR) measures the underlying need to borrow for capital purposes. A breakdown of the CFR is summarised in Table 1 below.

Table 1: Balance Sheet Summary

	31.03.25 Actual £m	31.03.24 Actual £m
General Fund CFR	704.5	677.2
HRA CFR	626.8	542.9
Total CFR[1]	**1331.3**	**1,220.1**
Less: Other debt liabilities[2]	(73.3)	(30.5)
Borrowing CFR - comprised of:	**1,258.0**	**1,189.5**
External borrowing	981.3	819.4
Internal borrowing	276.8	370.1

[1]subject to audit
[2]finance leases, PFI liabilities and transferred debt that form part of the Council's total debt

3.2. The Council continued to pursue its long-standing strategy of keeping borrowing and investments below their underlying levels, also known as internal borrowing. This approach aims to manage both interest rate risk and refinancing risk. The goal is to minimise interest costs and provide flexibility when deciding whether the Council should take on new borrowing from external sources.

3.3. The treasury management position on 31 March 2025 and the change over the year is shown in Table 2 below.

Table 2: Treasury Management Summary

Type of Borrowing/Investment	31.03.24 Balance £m	Movement £m	31.03.25 Balance £m	31.03.25 Weighted Av. Rate %
Long-term borrowing	779.4	126.8	906.3	3.28%
Short-term borrowing	40.0	35.0	75.0	4.99%
Total borrowing	**819.4**	**161.8**	**981.3**	**3.62%**
Short-term investment	0.0	0.0	0.0	0.00%
Cash and cash equivalents	33.9	(20.3)	13.6	4.52%
Total investments	**33.9**	**(20.3)**	***13.6**	**4.52%**
Net borrowing	**785.5**	**182.1**	**967.6**	

*Further commentary provided in section 9.3 below.

4. Borrowing Activity

4.1. CIPFA's 2021 Prudential Code emphasises that local authorities should not borrow to invest primarily for financial returns. Local authorities should not make any investment or spending decision that increases the capital financing requirement, resulting in new borrowing, unless such decisions are directly and primarily related to the functions of the local authority. Local authorities are no longer permitted to secure PWLB loans for purchasing investment assets primarily for yield unless the loans are for refinancing purposes.

4.2. The Council has not invested in assets primarily for financial return or that are not primarily related to the functions of the Council. It has no plans to do so in the future.

Borrowing strategy during the period

4.3. As outlined in the treasury strategy, the Council's primary objective when borrowing is to strike an appropriately low-risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective. The Council's borrowing strategy continues to address the key issue of affordability without compromising longer-term stability of the debt portfolio.

4.4. After substantial rises in interest rates since 2021 many central banks have now begun to reduce their policy rates, albeit slowly. Gilt yields were volatile but have increased overall during the period. Much of the increase has been in response to market concerns that policies introduced by the Labour government will be inflationary and lead to higher levels of government borrowing. The election of Donald Trump in the US in November is also expected to lead to inflationary trade policies.

4.5. The table below shows the movement of the major benchmark gilt yields throughout the period.

Table 3: Gilts

Benchmark Gilt Yield	Jun-24	Sep-24	Dec-24	Mar-25
5 year	3.94%	3.76%	4.35%	4.28%
10 year	4.18%	4.00%	4.57%	4.68%
20 year	4.41%	4.51%	5.08%	5.21%

The Sterling Overnight Rate (SONIA) averaged 4.90% over the period to 31st March 2025.

4.6. The PWLB certainty rate for 10-year maturity loans was 4.80% at the beginning of the period (April 24) and 5.42% at the end. The lowest available 10-year maturity rate was 4.52% and the highest was 5.71%. Rates for 20-year maturity loans ranged from 5.01% to 6.14% during the period, and 50-year maturity loans from 4.88% to 5.88%.

4.7. Table 4 shows the movement in rates offered across the various Public Works Loan Board (PWLB) maturities at the end of each quarter for the 12 months to 31st March 25. The rates shown include the 0.20% certainty discount rate offered by the PWLB to qualifying authorities

Table 4: PWLB Rates

PWLB Maturity	Jun-24 %	Sep-24 %	Dec-24 %	Mar-25 %
10 year	4.96	4.79	5.43	5.42
20 year	5.37	5.27	5.86	5.91
50 year	5.15	5.13	5.68	5.67

4.8. For the majority of the year the cost of short-term borrowing from other local authorities closely tracked Base Rate at around 5.00% - 5.25%. However, from late 2024 rates began to rise, peaking at around 6% in February and March 2025.

4.9. On 15 June 2023, a new HRA PWLB rate was made available to qualifying authorities. This rate offers a further 0.40% discount to the currently available certainty rate, 0.60% in total. The Autumn Budget 2024 confirmed the rate would now be available until March 2026. The discounted rate is meant to support local authorities borrowing for the Housing Revenue Account (HRA) and refinancing existing HRA loans. It provides an opportunity for the Council to undertake additional HRA-related borrowing and replace any maturing HRA loans during this period.

4.10. As part of its strategy for funding previous and current years' capital programmes, the Council held £981.3 million in loans on 31 March 2025, an increase of £161.8 million compared to 31 March 2024.

4.11. The outstanding loans on 31 March are summarised in Table 5.

Table 5: Borrowing Position

Type of Borrowing	31.03.24 Balance £m	Net Movement £m	31.03.24 Balance £m	31.03.25 Weighted Ave. Rate %	31.03.24 Weighted Ave. Maturity years
Public Works Loan Board	679.4	86.1	806.3	3.10%	20.3
Banks (LOBO)	100.0	0	100.0	4.73%	33.6
Local authorities	40.0	35.0	75.0	4.99%	0.3
Total borrowing	**819.4**	**161.8**	**981.3**	**3.62%**	**20.6**

4.12. The Council has a significant capital program that extends into the foreseeable future. A large proportion of this program will need to be financed by borrowing. This borrowing will be undertaken by the Council during the current and upcoming years. The Council's borrowing decisions are not based on any single outcome for interest rates, and it maintains a balanced portfolio of short and long-term borrowing.

LOBO Loans

4.13. On 31st March 2025, the Council held £100m of LOBO loans (Lender’s Options Borrower’s Options), where the lender has the option to propose an increase in the interest rate at set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost.

4.14. With market interest rates having risen, the probability of call options on the LOBOs being called has been higher than in the recent past.

4.15. The Council currently holds £50m of LOBO loans with call dates within the next 12 months. The Council continues to engage with treasury management advisors, Arlingclose, to assess the likelihood of the options being exercised. If the option is exercised, the Council plans to repay the loan at no additional cost. In doing so, the Council will use any available cash or borrow from other local authorities or the PWLB to repay the LOBO loans.

Table 6: LOBO Position

Lender Name	End Date	Original Principal £’000	Interest rate	LOBO Frequency Yr	Next Call Date
FMS Wertman	10/04/2053	20,000	4.75%	0.5	10/04/2025
FMS Wertman	10/04/2053	20,000	4.75%	0.5	10/04/2025
Dexia Credit Local	10/04/2043	10,000	4.75%	0.5	10/04/2025
Commerzbank	15/05/2066	6,800	4.70%	5	15/05/2028
Commerzbank	17/05/2066	10,200	4.70%	5	15/05/2028
Commerzbank	15/05/2066	13,200	4.70%	5	15/05/2028
Commerzbank	17/05/2066	19,800	4.70%	5	15/05/2028
Total borrowing		**100,000**			

5. Treasury Investment Activity

5.1. The CIPFA Treasury Management Code now defines treasury management investments as investments that result from the Council's cash flows or treasury risk management activity. These investments represent balances that need to be invested until the cash is required for business operations.

5.2. The Council holds significant invested funds, which represent income received in advance of expenditure, as well as balances and reserves held. Throughout the period, the Council's investment balances ranged between £13.6m and £95.8m due to timing differences between income and expenditure. The investment position on 31 March 2025 is shown in Table 7 below.

Table 7: Treasury Investment Position

Type of Investment	31.03.24 Balance £m	Net Movement £m	31.03.25 Balance £m	31.03.25 Weighted Ave. Rate %	31.03.25 Weighted Ave. Maturity
Debt Management Office	33.9	(33.9)	0	0.00%	1 days
Money Market Funds	0.0	13.6	13.6	4.52%	0 days
Total Investments	**33.9**	**(19.9)**	**13.6**	**5.23%**	**1 day**

5.3. Both the CIPFA Code and government guidance require the Council to invest its funds prudently, taking into account the security and liquidity of its treasury investments before seeking the optimum rate of return or yield. The Council aims to strike an appropriate balance between risk and return when making treasury investments, while minimising the risk of incurring losses from defaults and receiving unsuitably low investment income.

5.4. The Bank of England Base Rate reduced from 5.25% to 5.00% in August 2024, again to 4.75% in November 2024 and again to 4.5% in February 2025, with short term interest rates largely being around these levels. The rates on DMADF deposits and money market funds ranged between 4.5% and 5.3%.

Table 8: BoE Base Rate – Quarterly

	Jun-24	Sep-24	Dec-24	Mar-25
BoE Bank Rate	5.25%	5.00%	4.75%	4.50%

5.5. At the end of March 2025, the Debt Management Account Deposit Facility's (DMADF) deposit rates ranged between 4.34% and 4.46%. The Money Market rates also ranged between 4.49% and 4.53%.

5.6. The progression of risk and return metrics are shown in the extracts from Arlingclose's quarterly investment benchmarking in Table 9 below.

Table 9: Investment Benchmarking – Treasury investments managed in-house

	Credit Score	Credit Rating	Bail-in Exposure	Weighted Ave. Maturity (Days)	Rate of Return
31.03.2024	3.67	AA-	0%	1	5.19%
31.03.2025	4.95	A+	100%	1	4.52%
Similar Local Authorities	4.90	A+	73%	13	4.74%
All Local Authorities	4.77	A+	64%	8	4.55%

Scoring:
AAA = highest credit quality = 1; D = lowest credit quality = 26
Aim = A- or higher credit rating, with a score of 7 or lower, to reflect current investment approach with main focus on security

6. Treasury Performance

6.1. The Council measures the financial performance of its treasury management activities in terms of its impact on revenue budget as shown in Table 10 below.

Table 10: Treasury Performance

Borrowing costs	Actual £m	Budget £m	Over/under £m
General Fund borrowing	14.0	14.8	(0.8)
HRA borrowing	15.4	25.9	(10.5)
Total borrowing costs	**29.4**	**40.7**	**(11.3)**
Treasury investment income	**(2.6)**	**(2.4)**	**(0.2)**

6.2. The budget for investment income in 2023/24 was £500k based on an average investment portfolio of £20 million at an interest rate of 2.50% However, over the course of the year, treasury investments generated an average rate of return of 4.93% with an average investment portfolio balance of £81.1m. This was largely due to the Bank of England increasing the base rate during the year, as well as the Council holding larger cash balances as a result of new long-term borrowing and receiving larger than expected government grants.

7. Non-Treasury Investments

7.1. The definition of investments in CIPFA's revised 2021 Treasury Management Code includes all the financial assets of the local authority, as well as other non-financial assets that the local authority holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes or (made explicitly to further service objectives) or for commercial purposes (made primarily for financial return).

7.2. The Investment Guidance, issued by the Department for Levelling Up Housing and Communities (DLUHC) and Welsh Government, broadens the definition of investments to include all assets held partially or wholly for financial return.

8. Compliance

8.1. The Chief Finance Officer reports that all treasury management activities carried out during the year complied fully with the CIPFA Code of Practice and the Council's approved Treasury Management Strategy.

8.2. Compliance with the authorised limit and operational boundary for external debt is demonstrated in table 11 below.

Table 11: Debt Limits

	31.03.25 Actual £m	2024/25 Operational Boundary £m	2024/25 Authorised Limit £m	Complied?
Borrowing	981.3	1,431.9	1,481.9	Yes
PFI and Finance Leases	73.3	15.8	17.4	No
Total debt	1,054.5	1,447.7	1,499.3	Yes

8.3. Although not classed as borrowing, the Council's PFI balances and finance leases increased during the financial year. This increase was primarily due to several rental lease renewals during the financial year.

8.4. The operational boundary is a management tool for in-year monitoring. Therefore, it is not significant if the operational boundary is breached on occasion due to variations in cash flow, and this is not considered a compliance failure. However, the council's overall debt remained well below this limit throughout the entire financial year.

9. Treasury Management Indicators

9.1. As required by the 2021 CIPFA Treasury Management Code, the Council monitors and measures the following treasury management prudential indicators.

Security

9.2. The Council has adopted a voluntary measure to assess its exposure to credit risk by monitoring the value-weighted average credit score of its investment portfolio. To calculate this score, a value is assigned to each investment based on its credit rating (AAA=1, AA+=2, etc.), and the arithmetic average is taken, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

	31.03.25 Actual	2024/25 Target	Complied?
Portfolio average credit score	A+, 4.95	Above A, 6.0 or lower	Yes

Liquidity

9.3. The Council has adopted a voluntary measure to monitor its exposure to liquidity risk. This is done by tracking the amount of cash available to meet unexpected payments over a rolling three-month period, without borrowing additional funds.

	31.03.25 Actual/£m	2024/25 Target/£m	Complied?
Total cash available within 3 months	13.6	30.0	No

9.4. Please note, as per the above table, the Council did breach this prudential indicator. The breach occurred on Friday 28th March and was rectified, cash balance restored to above the £30m threshold, by Tuesday 1st April. The £30m threshold is a **voluntary** minimum level of cash held by the Council. It is not statutory requirement of the CIPFA 'Code' and the breach is not required to be reported externally. The breach occurred principally because a large volume of capital payments were made at the end of March 2025.

Interest Rate Exposures

9.5. This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interests was:

	31.03.25 Actual	2024/25 Target	Complied?
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£1.6m	£2m	Yes
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	£1.6m	£2m	Yes

9.6. The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at current rates.

Maturity Structure of Borrowing

9.7. This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

	31.03.25 Actual	Upper Limit	Lower Limit	Complied?
Under 12 months	12.6%	50%	0%	Yes
12 months and within 24 months	2.5%	40%	0%	Yes
24 months and within 5 years	14.1%	40%	0%	Yes
5 years and within 10 years	14.5%	40%	0%	Yes
10 years and within 20 years	16.1%	40%	0%	Yes
20 years and within 30 years	9.0%	40%	0%	Yes
30 years and within 40 years	10.8%	50%	0%	Yes
40 years and within 50 years	20.6%	50%	0%	Yes
50 years and above	0.0%	40%	0%	Yes

9.8. Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

9.9. In the past, the Council has extensively used short-term borrowing (less than 1 year in duration) from other local authorities as an alternative to longer-term borrowing from the PWLB. This was due to lower interest rates at the time, resulting in revenue savings.

9.10. However, short-term borrowing exposes the Council to refinancing risk. This is the risk that rates will rise quickly over a short period of time, and will be at significantly higher rates when loans mature and new borrowing is required. With this in mind, the Council has set a limit on the total amount of short-term local authority borrowing as a proportion of all borrowing.

	31.03.25 Actual	2024/25 Limit	Complied?
Upper limit on short-term borrowing from other local authorities as a percentage of total borrowing	7.64%	20%	Yes

Principal Sums Invested for Periods Longer than a year

9.11. The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

	2024/25	2025/26	2026/27
Actual principal invested beyond year end	nil	nil	nil
Limit on principal invested beyond year end	£10m	£5m	£5m
Complied?	**Yes**	**Yes**	**Yes**