

# WEST DUNBARTONSHIRE COUNCIL

## Report by the Chief Executive

Corporate Services Committee - 26 April 2006

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### Subject : Debt Rescheduling

#### 1. Purpose

- 1.1 The purpose of this report is to advise Members of debt rescheduling which has taken place.

#### 2. Background

- 2.1 In accordance with the Treasury Management Strategy Document agreed by Council on 22 February 2006, Members require to be advised of any debt rescheduling that has taken place.

#### 3. Main Issues

- 3.1 Following advice from the Council's Treasury Advisers, two Public Works Loan Board loans have been rescheduled. This has enabled the current loan debt maturity profile to be revised, enabling the Council to accommodate a loan maturity structure best suited to its needs.

(a) A £3,000,000 loan was rescheduled from an interest rate of 4.5% to a lower rate of 4.1%. This results in a saving of £118,250 over 10 years.

(b) A £2,000,000 loan was rescheduled from an interest rate of 4.25% to a new rate of 4.1%. Savings are estimated at £29,300 over a 10 year period.

- 3.4 The savings will benefit both the HRA and General Services revenue accounts during this period. Neither loan has attracted any premium charges.

#### 4. Personnel Issues

- 4.1 There are no personnel issues.

#### 5. Financial Implications

- 5.1 Due to the rescheduling of two loans, an overall saving of £147,550 will be achieved over the next 10 years, benefiting both General Services and HRA revenue budgets.

## **6. Conclusions**

**6.1** This rescheduling creates a saving of £147,550 over 10 years.

## **7. Recommendations**

**7.1** Members are requested to note this report.

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Tim Huntingford  
Chief Executive

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**Background Papers:** No background papers required.

**Wards Affected:** No wards affected.