

Information Sheet - Overview

Treasury Management Policy Statement (Appendix A)

Unchanged

Annual Treasury and Investment Strategy 2016/17 (Appendix B)

Changes to Prudential Indicators

The following indicators will change year on year and are as a direct consequence of changes to the Capital programme, for this purpose comparative figures are not detailed.

Capital Expenditure (Table 1)

Capital Expenditure Financing (Table 2)

Capital Financing Requirement (Table 3)

Movement in Capital Financing Requirement (Table 4)

Year End Resources (Table 5)

Incremental Impact of Capital Investment Decisions (Table 7 & Table 8)

Council's Treasury Position (Table 11)

Indicator – Ratio of Financing Costs to Net Revenue Stream (Table 6)

Calculation is undertaken by taking the budgeted level of borrowing and estimating the level of revenue resources required to service the debt. This is shown as a percentage of the Net General Fund Revenue Stream. The changes result from amendments to the Capital Programme.

Indicator - Ratio of Financing Costs to Net Revenue Stream - General Fund	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	%	%	%	%	%	%	%
March 16 Report	1.79	7.18	8.57	10.89	12.61	13.95	15.19
March 15 Report	6.96	8.62	10.89	12.17	13.46	14.64	n/a

Indicator - Ratio of Financing Costs to Net Revenue Stream - HRA	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	%	%	%	%	%	%	%
March 16 Report	12.24	11.50	11.12	10.68	10.29	9.90	10.00
March 15 Report	19.42	18.25	17.07	15.88	14.85	13.85	n/a

Indicator – Ratio of HRA Debt to HRA Revenues (Table 9)

The table below shows the ratio of HRA debt to HRA revenues. HRA revenues are based on the HRA Business Plan.

Indicator - Ratio of HRA Debt To HRA Revenues	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	%	%	%	%	%	%	%
March 16 Report	452	452	429	383	364	322	302
March 15 Report	471	448	398	380	340	319	n/a

Indicator – Ratio of HRA Debt to Number of Dwellings (Table 10)

The table below shows the ratio of HRA debt to the number of HRA dwellings. The number of HRA dwellings in 2015/16 is based on the latest projections for the year while from 2016/17 onwards it is based on the HRA MTFs.

Indicator - Ratio of HRA Debt To Number of Dwellings	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
March 16 Report	18.96	18.22	17.33	16.56	15.80	14.89	13.97
March 15 Report	18.96	18.12	17.27	16.27	15.77	14.88	n/a

Indicator – Operational Boundary (Table 12)

The Operational Boundary identifies the probable level of borrowing comparisons to those reported in March 2015, to those now being reported are detailed in the table below:

The Operational Boundary has been aligned to the Capital Financing Requirement (CFR) and ensures that if it becomes more advantageous to borrow externally rather than use internal resources the Council is able to take advantage of these rates.

Indicator – Operational Boundary	2014/15 £ 000's	2015/16 £ 000's	2016/17 £ 000's	2017/18 £ 000's	2018/19 £ 000's	2019/20 £ 000's	2020/21 £ 000's
March 16 Report	95,000	90,000	89,000	88,000	86,000	84,000	82,000
March 15 Report	95,000	91,000	87,000	84,000	80,000	76,000	n/a

Indicator – Authorised Limit (Table 13)

The Authorised Limit is set £5m higher than the Operational Boundary. This ensures that there is scope for the Council to borrow short term if the Council were experiencing Cash flow difficulties. This is something the Council does not envisage requiring, however, there is a statutory requirement to set these limits and £5m above the Operational Boundary is considered a prudent level.

The Authorised Limit sets out to identify the maximum level of possible borrowing. Comparisons to those reported in March 2015, to those now being reported are detailed in the table below:

Indicator - Authorised Limit	2014/15 £ 000's	2015/16 £ 000's	2016/17 £ 000's	2017/18 £ 000's	2018/19 £ 000's	2019/20 £ 000's	2020/21 £ 000's
March 16 Report	100,000	95,000	94,000	93,000	91,000	89,000	87,000
March 15 Report	100,000	96,000	92,000	89,000	85,000	81,000	n/a

Indicator –HRA Debt Limit (Table 14)

Separately, the Council is also limited to a maximum HRA CFR through the HRA self-financing regime. This is in accordance with the settlement and was prescribed as part of the self-financing determination.

Indicator – HRA Headroom	2014/15 £ 000's	2015/16 £ 000's	2016/17 £ 000's	2017/18 £ 000's	2018/19 £ 000's	2019/20 £ 000's	2020/21 £ 000's
March 16 Report	8.424	11.359	14.859	17.859	20.859	24.359	27.859
March 15 Report	8.424	11.924	15.424	18.424	21.424	24.924	n/a

Indicator – Interest Rate Exposure (Table 15)

Unchanged

Indicator – Principal Sums Invested for Periods Longer than 364 Days (Table 17)

The change in this indicator reflects discussions with the Council treasury Advisors, limiting investments for periods over 364 days.

Unchanged

Investment Policy – Creditworthiness

Unchanged