

Information Sheet - Overview

Treasury Management Policy Statement (Appendix A)

Unchanged

Annual Treasury and Investment Strategy 2018/19 (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 (This indicator is no longer required by the guidance)

Council's Treasury Position (Table 9)

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 and for the HRA the net HRA revenue stream. The change for the General Fund results from bringing forward the commercial investment scheme throughout the medium term; any borrowing costs would be offset from additional income.

Indicator - Ratio of Financing Costs to Net Revenue Stream - General Fund	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	%	%	%	%	%	%	%
February 18 Report	1.65	5.85	28.07	46.91	63.19	77.35	83.23
February 17 Report	5.24	8.01	20.42	33.27	44.89	55.72	n/a

Indicator - Ratio of Financing Costs to Net Revenue Stream - HRA	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	%	%	%	%	%	%	%
February 18 Report	11.03	10.59	10.26	10.28	9.89	9.40	8.91
February 17 Report	11.03	10.69	10.28	9.89	9.40	8.91	n/a

Indicator – Ratio of HRA Debt to HRA Revenues (Table 7)

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	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	%	%	%	%	%	%	%
February 18 Report	404	380	374	352	330	312	276
February 17 Report	402	383	364	342	321	281	n/a

Indicator – Ratio of HRA Debt to Number of Dwellings (Table 8)

The table below shows the ratio of HRA debt to the number of HRA dwellings. The number of HRA dwellings in 2017/18 is based on the latest projections for the year while from 2018/19 onwards it is based on the HRA MTFS.

Indicator - Ratio of HRA Debt To Number of Dwellings	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
February 18 Report	17.22	16.48	16.26	15.35	14.43	13.65	12.87
February 17 Report	17.37	16.60	15.83	14.92	14.01	13.09	n/a

Indicator – Operational Boundary (Table 10)

The Operational Boundary identifies the probable level of borrowing comparisons to those reported in February 2017, 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	2016/17 £ 000's	2017/18 £ 000's	2018/19 £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 £ 000's	2022/23 £ 000's
February 18 Report	88,000	125,000	149,000	166,000	184,000	199,000	214,000
February 17 Report	88,000	105,000	121,000	137,000	151,000	166,000	n/a

Indicator – Authorised Limit (Table 11)

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 February 2017, to those now being reported are detailed in the table below:

Indicator - Authorised Limit	2016/17 £ 000's	2017/18 £ 000's	2018/19 £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 £ 000's	2022/23 £ 000's
February 18 Report	93,000	130,000	154,000	171,000	189,000	204,000	219,000
February 17 Report	93,000	110,000	126,000	142,000	156,000	171,000	n/a

Indicator –HRA Debt Limit (Table 12)

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	2016/17 £ 000's	2017/18 £ 000's	2018/19 £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 £ 000's	2022/23 £ 000's
February 18 Report	15,424	18,324	19,301	22,801	26,301	29,301	32,301
February 17 Report	14,861	17,861	20,861	24,361	27,861	31,361	n/a

Indicator – Interest Rate Exposure (Table 15)

Unchanged

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

This indicator sets out the amount of funds that can be invested for greater than 365 days.

Indicator – Principal Sums Invested for Periods Longer than 364 Days	2016/17 £ 000's	2017/18 £ 000's	2018/19 £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 £ 000's	2022/23 £ 000's
February 18 Report	10,000	10,000	15,000	20,000	20,000	20,000	20,000
February 17 Report	10,000	10,000	10,000	10,000	10,000	10,000	10,000

Investment Policy – Creditworthiness

Unchanged