

**Policy & Scrutiny Report**

**Value for Money Scrutiny Committee – 22<sup>nd</sup> February 2016.**

**Treasury Management Strategy Statement and Annual Investment Strategy 2016/17**

**APPENDIX A**

<b>PRUDENTIAL INDICATORS:</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
<b>Affordability:</b>				
Increase in council tax levels	-£2.07	£22.29	£11.63	£15.66
Ratio of Net Financing Costs to Net Revenue Stream	5.89%	6.58%	6.94%	7.43%
Ratio of MRP & Interest Payments to Net Revenue Stream -10% limit (Voluntary Indicator)	5.96%	6.69%	7.18%	7.75%
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Capital Expenditure:</b>				
Capital Financing Requirement CFR (as at 31 March)	596.583	599.970	631.704	640.563
Gross External Borrowing Forecast	500.424	505.072	537.246	546.676
<b>TREASURY INDICATORS (within the Prudential Code):</b>				
<u>Authorised limit for external debt -</u>				
Borrowing	569.078	584.851	611.799	637.747
Other long term liabilities	14.938	14.198	13.722	13.107
<b>TOTAL</b>	<b>584.016</b>	<b>599.049</b>	<b>625.521</b>	<b>650.854</b>
<u>Operational boundary -</u>				
Borrowing	545.078	560.851	587.799	613.747
Other long term liabilities	12.938	12.198	11.722	11.107
<b>TOTAL</b>	<b>558.016</b>	<b>573.049</b>	<b>599.521</b>	<b>624.854</b>
<b>TREASURY INDICATORS (with the TM Code):</b>				
<u>Gross and Net Debt</u>				
Borrowing in advance of need limited to percentage of the expected increase in CFR over the 3 year budget period. (Voluntary Indicator)	25%	25%	25%	25%
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<u>Upper limit for fixed interest rate exposure</u>				
Net principal re fixed rate borrowing less investments	640.563	640.563	640.563	640.563
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<u>Upper limit for variable rate exposure</u>				
Net principal re variable rate borrowing less investments	192.169	192.169	192.169	192.169
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<u>Upper limit for total principal sums invested for over 364 days (per maturity date)</u>	40.000	40.000	40.000	40.000
<u>Maturity structure of new fixed rate borrowing during 2012/13</u>	upper limit		lower limit	
under 12 months	25%		0%	
12 months and within 24 months	25%		0%	
24 months and within 5 years	50%		0%	
5 years and within 10 years	75%		0%	
10 years and above	100%		0%	

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