Policy & Scrutiny ReportAPPENDIX AOverview & Scrutiny Management Board -1st March 2018Treasury Management Strategy Statement and Annual Investment Strategy 2018/19

PRUDENTIAL INDICATORS

		2016-17	2017-18 Original	2017-18 Updated	2018-19	2019-20	2020-21
PRUDENTIAL INDICATORS		Actual	Estimate	Estimate	Estimate	Forecast	Forecast
Prudence Indicators:							
1) Capital Expenditure & Financing							
The Council will set for the forthcoming year and the following two fina	ncial ye	ars estimate	s of its capital expe	enditure plans a	nd financing:		
		400.000		444.070	450.000		10 100
Capital Expenditure	£m	103.088	138.291	141.870	158.689	106.314	49.162
Capital Financing							
Borrowing Grants & Contributions	£m £m	15.774 84.309	48.844 88.847	36.548 102.031	84.076 74.012	76.675 29.038	20.124 29.038
Capital Receipts, Reserves & Revenue	£m	3.005	0.600	3.291	0.600	0.600	0.000
	C	402.000	200.002	444.070	450.000	400.044	40.400
Total Capital Financing	£m	103.088	138.291	141.870	158.689	106.314	49.162
2) Capital Einancing Poquiroment							
2) Capital Financing Requirement The Council will make reasonable estimates of the total capital financi	ina roai	viromont at th	o and of the feetbac		cor and the fel	lowing two yoor	. .
	ng requ	inement at the		inning intanicial y		iowing two year	5.
Opening CFR	£m	559.558	592.440	557.773	576.535	640.034	692.193
Add Additional Borrowing	£m	15.774	48.844	36.548	84.076	76.675	20.124
Add Additional Credit Liabilities (PFI & Finance Leases) Less Revenue Provision for Debt Repayment (MRP)	£m £m	0.000 17.560	0.040 19.475	0.040 17.826	0.000 20.578	0.000 24.516	0.000 27.087
	2.111	17.500	19.479	17.020	20.570	24.010	27.007
Capital Financing Requirement	£m	557.773	621.849	576.535	640.034	692.193	685.231
3) Gross Borrowing and the Capital Financing Requir	emen	π					
Medium Term Forecast of Capital Financing Requirement Forecast of Long Term External Borrowing and Credit Arrangements	£m £m	640.034 478.195	666.599 508.057	692.193 462.832	685.231 526.898	659.390 579.656	637.385 573.353
Headroom	£m	161.839	158.542	229.361	158.333	79.734	64.032
4) External Debt							
The Council will set for the forthcoming year and the following two fina debt, gross of investments, separately identifying borrowing from other							
	i long it		rised limit and ope	rational bounda	ry for its total g	ross external	
Authorized Limit for External Daht	i long te		nised limit and ope	rational bounda	ry for its total g	ross external	
Authorised Limit for External Debt Borrowing				rational bounda	ry for its total g 651.751	ross external 669.217	658,200
Authorised Limit for External Debt Borrowing Other Long Term Liabilities	£m £m	erm liabilities	rised limit and ope 583.007 13.701				658.200 11.473
Borrowing	£m	erm liabilities	583.007	569.390	651.751	669.217	
Borrowing Other Long Term Liabilities	£m £m	erm liabilities 555.958 14.193	583.007 13.701	569.390 13.613	651.751 12.984	669.217 12.238	11.473
Borrowing Other Long Term Liabilities Total Authorised Limit Operational Boundary for External Debt	£m £m £m	erm liabilities: 555.958 14.193 570.151	583.007 13.701 596.708	569.390 13.613 583.003	651.751 12.984 664.735	669.217 12.238 681.455	11.473 669.673
Borrowing Other Long Term Liabilities Total Authorised Limit Operational Boundary for External Debt Borrowing	£m £m £m	erm liabilities 555.958 14.193 570.151 531.958	583.007 13.701 596.708 559.007	569.390 13.613 583.003 554.390	651.751 12.984 664.735 636.751	669.217 12.238 681.455 654.217	11.473 669.673 643.200
Borrowing Other Long Term Liabilities Total Authorised Limit Operational Boundary for External Debt Borrowing Other Long Term Liabilities	£m £m £m	erm liabilities 555.958 14.193 570.151 531.958 12.193	583.007 13.701 596.708 559:007 11.701	569.390 13.613 583.003 554.390 11.613	651.751 12.984 664.735 636.751 10.984	669.217 12.238 681.455 654.217 10.238	11.473 669.673 643.200 9.473
Borrowing Other Long Term Liabilities Total Authorised Limit Operational Boundary for External Debt Borrowing	£m £m £m	erm liabilities 555.958 14.193 570.151 531.958	583.007 13.701 596.708 559.007	569.390 13.613 583.003 554.390	651.751 12.984 664.735 636.751	669.217 12.238 681.455 654.217	11.473 669.673 643.200
Borrowing Other Long Term Liabilities Total Authorised Limit Operational Boundary for External Debt Borrowing Other Long Term Liabilities	£m £m £m £m £m	erm liabilities 555.958 14.193 570.151 531.958 12.193	583.007 13.701 596.708 559:007 11.701	569.390 13.613 583.003 554.390 11.613	651.751 12.984 664.735 636.751 10.984	669.217 12.238 681.455 654.217 10.238	11.473 669.673 643.200 9.473
Borrowing Other Long Term Liabilities Total Authorised Limit Operational Boundary for External Debt Borrowing Other Long Term Liabilities	£m £m £m £m £m	erm liabilities 555.958 14.193 570.151 531.958 12.193	583.007 13.701 596.708 559:007 11.701	569.390 13.613 583.003 554.390 11.613	651.751 12.984 664.735 636.751 10.984	669.217 12.238 681.455 654.217 10.238	11.473 669.673 643.200 9.473
Borrowing Other Long Term Liabilities Total Authorised Limit Operational Boundary for External Debt Borrowing Other Long Term Liabilities Total Operational Boundary	£m £m £m £m £m	erm liabilities 555.958 14.193 570.151 531.958 12.193	583.007 13.701 596.708 559:007 11.701	569.390 13.613 583.003 554.390 11.613	651.751 12.984 664.735 636.751 10.984	669.217 12.238 681.455 654.217 10.238	11.473 669.673 643.200 9.473
Borrowing Other Long Term Liabilities Total Authorised Limit Operational Boundary for External Debt Borrowing Other Long Term Liabilities Total Operational Boundary Affordability Indicators:	£m £m £m £m £m	erm liabilities 555.958 14.193 570.151 531.958 12.193 544.151 cial years the	583.007 13.701 596.708 559.007 11.701 570.708 proportion of finance	569.390 13.613 583.003 554.390 11.613 566.003	651.751 12.984 664.735 636.751 10.984 647.735	669.217 12.238 681.455 654.217 10.238 664.455 m (NRS), include	11.473 669.673 643.200 9.473 652.673
Borrowing Other Long Term Liabilities Total Authorised Limit Operational Boundary for External Debt Borrowing Other Long Term Liabilities Total Operational Boundary Affordability Indicators: 5) Financing Costs & Net Revenue Stream The Council will estimate for the forthcoming year and the following tw dedicated schools grant (DSG). The Council will also set the following	£m £m £m £m £m	erm liabilities 555.958 14.193 570.151 531.958 12.193 544.151 cial years the	583.007 13.701 596.708 559.007 11.701 570.708 proportion of finance	569.390 13.613 583.003 554.390 11.613 566.003	651.751 12.984 664.735 636.751 10.984 647.735	669.217 12.238 681.455 654.217 10.238 664.455 m (NRS), include	11.473 669.673 643.200 9.473 652.673
Borrowing Other Long Term Liabilities Total Authorised Limit Operational Boundary for External Debt Borrowing Other Long Term Liabilities Total Operational Boundary Affordability Indicators: 5) Financing Costs & Net Revenue Stream The Council will estimate for the forthcoming year and the following tw dedicated schools grant (DSG). The Council will also set the following revenue stream (NRS) including dedicated schools grant (DSG). Proportion of Financing Costs to NRS (Incl DSG)	£m £m £m £m £m £m financ g volunta	erm liabilities 555.958 14.193 570.151 531.958 12.193 544.151 cial years the ary indicator I	583.007 13.701 596.708 559.007 11.701 570.708 proportion of financ imit: minimum reve 5.28%	569.390 13.613 583.003 554.390 11.613 566.003 cing costs to ne enue provision a	651.751 12.984 664.735 636.751 10.984 647.735 t revenue strea nd interest not 5.62%	669.217 12.238 681.455 654.217 10.238 664.455 m (NRS), includ to exceed 10% 6.65%	11.473 669.673 643.200 9.473 652.673 ling of net 7.00%
Borrowing Other Long Term Liabilities Total Authorised Limit Operational Boundary for External Debt Borrowing Other Long Term Liabilities Total Operational Boundary Affordability Indicators: 5) Financing Costs & Net Revenue Stream The Council will estimate for the forthcoming year and the following tw dedicated schools grant (DSG). The Council will also set the following revenue stream (NRS) including dedicated schools grant (DSG).	£m £m £m £m £m £m financ g volunta	erm liabilities 555.958 14.193 570.151 531.958 12.193 544.151 cial years the ary indicator I	583.007 13.701 596.708 559.007 11.701 570.708 proportion of finance imit: minimum reve	569.390 13.613 583.003 554.390 11.613 566.003 cing costs to ne enue provision a	651.751 12.984 664.735 636.751 10.984 647.735 t revenue strea nd interest not	669.217 12.238 681.455 654.217 10.238 664.455 m (NRS), includ to exceed 10%	11.473 669.673 643.200 9.473 652.673 ling of net

PRUDENTIAL INDICATORS

PRODENTIAL INDICATORS							
			2017-18	2017-18			
		2016-17	Original	Updated	2018-19	2019-20	2020-2
PRUDENTIAL INDICATORS		Actual	Estimate	Estimate	Estimate	Forecast	Forecas
Treasury Indicators							
6) Interest Rate Exposures (Variable)							
The Council will set for the forthcoming year and the following two fina	ancial y	ears,an upper li	imits to its exposi	ure to effects of	changes in inte	erest rates on	variable rate
borrowing and investments. (Voluntary Indicator).							
Upper limit for variable interest rate exposures	£m	-45.122	205.569	205.569	205.569	205,569	205.569
Net principal exposure (Borrowing less Investments) Borrowing	%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
Investments	%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	70	100.00 %		100.0076	100.00 /	100.0070	100.007
7) Total Principal Sums Invested							
The Council will set an upper limit for each forward year period for the	maturi	ng of investmen	ts longer than 36	ō days.			
Upper limit for total principal sums invested for over 365 days	£m	5.214	40.000	40.000	40.000	40.000	40.000
(per maturity date)							
8) Maturity Structure of borrowing							
The Council will set for the forthcoming financial year and the following (Fixed & Variable Rate Borrowing).	g two y	ears both upper	r and lower limits	with respect to	the maturity str	ucture of its b	orrowing:
-							
Upper limit	~	0.000/	05 0004	05.000/	05.000/	05.000/	05 000
Under 12 months	%	3.20% 7.50%	25.00%	25.00% 25.00%	25.00% 25.00%	25.00% 25.00%	25.00% 25.00%
12 months and within 24 months 24 months and within 5 years	%	10.50%	25.00% 50.00%	25.00% 50.00%	25.00% 50.00%	25.00%	25.00% 50.00%
5 years and within 10 years	%	10.50%	75.00%	75.00%	75.00%	75.00%	75.00%
10 years and above	%	68.30%	100.00%	100.00%	100.00%	100.00%	100.00%
Lower limit All maturity periods	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Air maturity periods	/0	0.00 %	0.00%	0.00 %	0.00 %	0.00 %	0.0078
9) Borrowing in Advance of Need							
 Borrowing in Advance of Need The Council will set for the forthcoming financial year and the following 	g two y	ears upper limit	is to any borrowin	g undertaken in	advance of nee	ed.	
Borrowing in advance of need limited to percentage of the	%	0.00%	25.00%	25.00%	25.00%	25.00%	25.00%
expected increase in CFR over 3 year budget period	£m	0.000	11.188	28.915	11.299	-8.201	-11.961
(Voluntary Indicator)							