

Treasury Management Prudential Indicators		Appendix A			2016/17 Treasury Management Mid Year		
Capital Expenditure (Based on Capital Strategy November 2016):							
	2015/16	2016/17	2016/17	2016/17	2017/18	2018/19	2019/20
		Original Estimate	Revised September	Revised	Revised	Revised	Revised
	Actual	January 2016*	2016	November 2016	November 2016	November 2016	November 2016
	£000	£000	£000	£000	£000	£000	£000
General Fund	5,585	6,629	9,903	7,950	7,062	5,167	4,802
HRA	20,549	25,316	28,025	27,347	15,522	35,656	34,586
Total	26,134	31,945	37,928	35,297	22,584	40,823	39,388
*Note the 2016/17 Original General Fund capital programme is £472k more than the draft capital programme due to scheme slippage from 2015/16 of £377k on the Town Centre regeneration and £95k for a new scheme relating to site assembly for the capital disposal programme.							
Ratio of financing costs to net revenue stream:							
	2015/16	2016/17	2016/17	2016/17	2017/18	2018/19	2019/20
		Original Estimate	Revised September	Revised	Revised	Revised	Revised
	Actual	January 2016	2016	November 2016	November 2016	November 2016	November 2016
	%	%	%	%	%	%	%
General Fund Capital Expenditure	6.74%	8.61%	8.90%	9.35%	8.43%	8.12%	9.17%
HRA Capital Expenditure	15.36%	15.56%	15.43%	15.33%	15.78%	15.13%	15.16%
General Fund: Net revenue stream is the RSG, NNDR grant and Council Tax raised for the year. HRA: The net revenue stream is the total HRA income shown in the Council's accounts from received rents, service charges and other incomes. The ratio of financing costs to net revenue stream reflects the high level of debt as a result of self financing.							
Authorised Limit for external debt							
	2015/16	2016/17	2016/17	2016/17	2017/18	2018/19	2019/20
		Original Estimate	Revised September	Revised	Revised	Revised	Revised
	Actual	January 2016	2016	November 2016	November 2016	November 2016	November 2016
	£000	£000	£000	£000	£000	£000	£000
Borrowing - General Fund	16,234	15,700	15,580	15,580	15,296	16,622	18,507
Borrowing - HRA	212,506	212,386	212,506	212,506	208,765	208,765	216,717
Total	228,740	228,086	228,086	228,086	224,061	225,387	235,224
The authorised limit in that it is the level up to which the Council may borrow without getting further approval from Full Council. The Council may need to borrow short term for cash flow purposes, exceeding the operational boundary. The authorised limit allows for £9m headroom, which is in addition to our capital plans.							
Operational Boundary for external debt							
	2015/16	2016/17	2016/17	2016/17	2017/18	2018/19	2019/20
		Original Estimate	Revised September	Revised	Revised	Revised	Revised
	Actual	January 2016	2016	November 2016	November 2016	November 2016	November 2016
	£000	£000	£000	£000	£000	£000	£000
Borrowing - General Fund	11,234	10,700	10,580	10,580	10,296	11,622	13,507
Borrowing - HRA	208,506	208,386	208,506	208,506	204,765	204,765	212,717
Total	219,740	219,086	219,086	219,086	215,061	216,387	226,224
The operational boundary differs from the authorised limit in that it is the level up to which the Council expects to have to borrow. The Council may need to borrow short term for cash flow purposes, exceeding the operational boundary. The operational boundary allows for £1m headroom in addition to our capital plans.							
Gross & Net Debt							
	31/03/2016	31/03/2017	31/03/2017	2016/17	31/03/2018	31/03/2019	31/03/2020
		Original Estimate	Revised September	Revised	Revised	Revised	Revised
	Actual	January 2016	2016	November 2016	November 2016	November 2016	November 2016
	£000	£000	£000	£000	£000	£000	£000
Gross External Debt - General Fund	3,342	3,079	3,079	3,079	2,816	1,053	6,236
Gross External Debt - HRA	206,415	206,415	206,415	206,415	202,674	202,674	202,674
Gross External Debt	209,757	209,494	209,494	209,494	205,490	203,727	208,910
Less Investments	(51,060)	(35,808)	(43,164)	(39,602)	(55,391)	(33,972)	(15,002)
Net Borrowing	158,697	173,686	166,330	169,892	150,099	169,754	193,909
The Gross External Debt is the actual debt taken out by the Council plus any relevant long term liabilities. The Gross External Debt should not exceed the Operational Boundary for external debt. For 2019/20 £6.5M is							
The Net Borrowing is defined as gross external debt less investments. The net borrowing requirement may not, except in the short term, exceed the total capital financing requirement in the preceding year, plus the estimates of any additional financing.							
Capital Financing Requirement							
	31/03/2016	31/03/2017	31/03/2017	2016/17	31/03/2018	31/03/2019	31/03/2020
		Original Estimate	Revised September	Revised	Revised	Revised	Revised
	Actual	January 2016	2016	November 2016	November 2016	November 2016	November 2016
	£000	£000	£000	£000	£000	£000	£000
Capital Financing Requirement GF	15,423	14,889	14,769	14,769	14,485	15,811	17,696
Capital Financing Requirement HRA	208,506	208,386	208,506	208,506	204,765	204,765	212,717
Total Capital Financing Requirement	223,929	223,275	223,275	223,275	219,250	220,576	230,412
The Capital Financing Requirement (CFR) reflects the amount of money the Council would need to borrow to fund it's capital programme. This is split between the Housing Revenue Account CFR (HRACFR) and the General Fund CFR (GFCFR).							
Incremental Impact on Capital Investment Decisions							
	2015/16	2016/17	2016/17	2016/17	2017/18	2018/19	2019/20
		Original Estimate	Revised September	Revised	Revised	Revised	Revised
	Actual	January 2016	2016	November 2016	November 2016	November 2016	November 2016
	£000	£000	£000	£000	£000	£000	£000
Increase (Decrease) in Council Tax (band D)	0.00	0.00	0.00	0.00	0.00	0.56	3.51
Increase (Decrease) in average rent per week	(0.11)	(0.03)	0.04	(0.01)	(0.04)	11.00	5.67
General Fund -This is an indicator of the affordability of the capital programme and its effect on the Council Tax. This indicator shows change in Borrowing Cost and MRP charged to the Revenue Budget because of movement in Capital Strategy from November 2015 to January 2016.							
HRA -This is an indicator of the affordability of the capital programme and its effect on the rent payer. From 2012/13 under self financing, the cost of borrowing, in terms of interest cost, and any provision for the future reduction in debt liability, is covered by no longer making contributions to CLG in the form of negative subsidy payments. The reported figures reflect the change on investment interest due to movement in HRA Capital Programme from November 2015 to January 2016.							
Upper limit for fixed interest rate exposure							
	2015/16	2016/17	2016/17	2016/17	2017/18	2018/19	2019/20
		Original Estimate	Revised September	Revised	Revised	Revised	Revised
	Actual	January 2016	2016	November 2016	November 2016	November 2016	November 2016
	£000	£000	£000	£000	£000	£000	£000
Fixed Rate Borrowing - General Fund	16,234	15,700	15,580	15,580	15,296	16,622	18,507
Fixed Rate Borrowing - HRA	212,506	212,386	212,506	212,506	208,765	208,765	216,717
Fixed Rate Investments	100%	100%	100%	100%	100%	100%	100%
Net Fixed Rate Borrowing	NA	NA	NA	NA	NA	NA	NA
Upper limit for variable interest rate exposure							
	2015/16	2016/17	2016/17	2016/17	2017/18	2018/19	2019/20
		Original Estimate	Revised September	Revised	Revised	Revised	Revised
	Actual	January 2016	2016	November 2016	November 2016	November 2016	November 2016
	£000	£000	£000	£000	£000	£000	£000
Variable rate borrowing - General Fund	16,234	15,700	15,580	15,580	15,296	16,622	18,507
Variable rate borrowing - HRA	212,506	212,386	212,506	212,506	208,765	208,765	216,717
Gross Variable Rate	228,740	228,086	228,086	228,086	224,061	225,387	235,224
Variable rate investments	100%	100%	100%	100%	100%	100%	100%
Upper limit for total principal sums invested for over 364 days							
	2015/16	2016/17	2016/17	2016/17	2017/18	2018/19	2019/20
		Original Estimate	Revised September	Revised	Revised	Revised	Revised
	Actual	January 2016	2016	November 2016	November 2016	November 2016	November 2016
	£000	£000	£000	£000	£000	£000	£000
Sums invested for over 364 days	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Gross Debt & CFR for 2016/17 Estimated							
				GF	HRA	Total	
				Actual	Actual	Actual	
				£000	£000	£000	
Opening balance for 2016/17CFR plus estimates of additional capital financing requirement for the current and the next two financial year				17,759	208,506	226,265	
Actual Gross Debt 2016/17				3,079	206,415	209,494	
Actual Gross Debt is the actual borrowing for any purpose plus other relevant long-term liabilities. It should not, except in the short term, exceed the CFR in the previous year plus the estimates of any increase in the CFR at the end of the current and next two financial years. If in any of these years, there is a reduction in the CFR, this reduction is ignored in estimating the cumulative increase in the CFR which is used for this comparison with external debt.							