Stevenage BOROUGH COUNCIL

Part I – Release to Press

Meeting: **AUDIT COMMITTEE / EXECUTIVE / COUNCIL**

Portfolio Area: Resources

Date: **5 SEPTEMBER / 13 SEPTEMBER / 4 OCTOBER 2016**

Executive Agenda Item: **5**

ANNUAL TREASURY MANAGEMENT REVIEW OF 2015/16

NON-KEY DECISION

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1. PURPOSE

1.1 To review the operation of the 2015/16 Treasury Management and Investment Strategy.

2. RECOMMENDATIONS

2.1 **Audit Committee & Executive**

That subject to any comments the 2015/16 Annual Treasury Management Review be recommended to Council for approval.

2.2 **Council**

That subject to any comments from the Audit Committee and the Executive the 2015/2016 Annual Treasury Management Review be approved

3. BACKGROUND

3.1 The Council is required under the Local Government Act 2003 to produce an Annual Treasury Report reviewing treasury management activities including the prudential and treasury indicators. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (revised 2013 (the Code)) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

3.2. This report covers one of three reporting requirements under the code of practice, the other reports being;

- Annual Treasury Management Strategy in advance of the year (last reported to Council 24 February 2016)

- Mid-year (minimum) treasury management update report (to be reported to Council 7 December 2016)

3.3 This report summarises:

- Capital expenditure for 2015/16;
- Impact of the expenditure on the Council's underlying indebtedness, (the Capital Financing Requirement);
- Reporting of the required prudential and treasury indicators;
- Overall treasury position identifying how the Council has borrowed in relation to this indebtedness, and the impact on investment balances;
- Summary of interest rate movements in the year;
- Detailed debt activity; and
- Detailed investment activity.

4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1 The Council's Capital Expenditure and Financing 2015/16

4.1.1 The Council's expenditure can be classified as capital when it is used to purchase assets with a life of more than one year and meets the guidelines laid out in CIPFA accounting practices.

4.1.2 Capital expenditure can be financed either by capital resources the Council has on its balance sheet (e.g. capital receipts & capital grants) or by making a revenue contribution to capital. If sufficient capital resources are not available to fund the expenditure incurred it would give rise to a need to borrow.

4.1.3 The Treasury Management review of 2015/16 Prudential Indicators have changed from the Treasury Strategy approved by Council on the 25 February 2015, (the original indicators were based on the capital programme approved by Executive 20 January 2015). Since then, capital budget changes have been approved and the Prudential Indicators updated in the 2015/16 Mid-Year Review,(approved by Council on the 9 December 2015). The 2015/16 capital out-turn figures used in this report were reported to Executive on the 12 July 2016.

4.1.4 In 2015/16 no capital expenditure required prudential borrowing in line with the original 2015/16 budget. Members approved prudential borrowing in the July Executive regarding the garages asset management plan, however, this borrowing is required in future years. There were no external loans taken out during 2015/16 to fund existing borrowing requirements from previous years.

4.1.5 The 2015/16 capital expenditure has been used to calculate the prudential indicators included in this report. Table One (shown overleaf) summarises the actual capital expenditure and how this was financed.

Table One: 2015/16 Capital Expenditure and Financing				
	2015/16 Original Estimate £'000	2015/16 Quarter 3 Revised Working Budget £'000	2015/16 Actual £'000	2015/16 Variance Actual to Quarter 3 Revised Working Budget £'000
Capital Expenditure:				
General Fund Capital Expenditure	6,991	6,376	5,585	(791)
HRA Capital Expenditure	29,853	27,973	20,549	(7,424)
Total Capital Expenditure	**36,844**	**34,349**	**26,134**	**(8,215)**
Resources Available for Capital Expenditure:				
• Capital Receipts	(12,424)	(11,494)	(4,095)	7,399
• Capital Grants /Contributions	(1,331)	(1,933)	(2,175)	(242)
• Capital Reserves	(1,416)	0		0
• Revenue contributions	(1,725)	(2,005)	(1,330)	675
• Major Repairs Reserve	(19,948)	(18,917)	(18,534)	383
Total Resources Available	**(36,844)**	**(34,349)**	**(26,134)**	**8,215**
Capital Expenditure Requiring Borrowing	**0**	**0**	**0**	**0**

4.2 The Council's Overall Need to Borrow

4.2.1 The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). It represents the amount of debt the Council needs to/has taken to fund the capital programme after repayments and Minimum Revenue Provision (MRP) are taken into account.

4.2.2 Whether physical borrowing is taken out depends on the level of cash balances held by the Council. Based on the Capital Strategy and Treasury Management Strategy, the treasury service manages the Council's cash position to ensure sufficient cash is available to meet the capital payments. This may be through borrowing from utilising cash balances held by the Council in the short to medium term or external bodies (such as the Government, through the Public Works Loan Board (PWLB) or the money markets).

4.3 Cash Balances and Cash Flow Management

4.3.1 Currently cash balances are estimated to be £43Million by 31 March 2017, which means the Council does not expect to take any external borrowing in 2016/17 until such time as either:

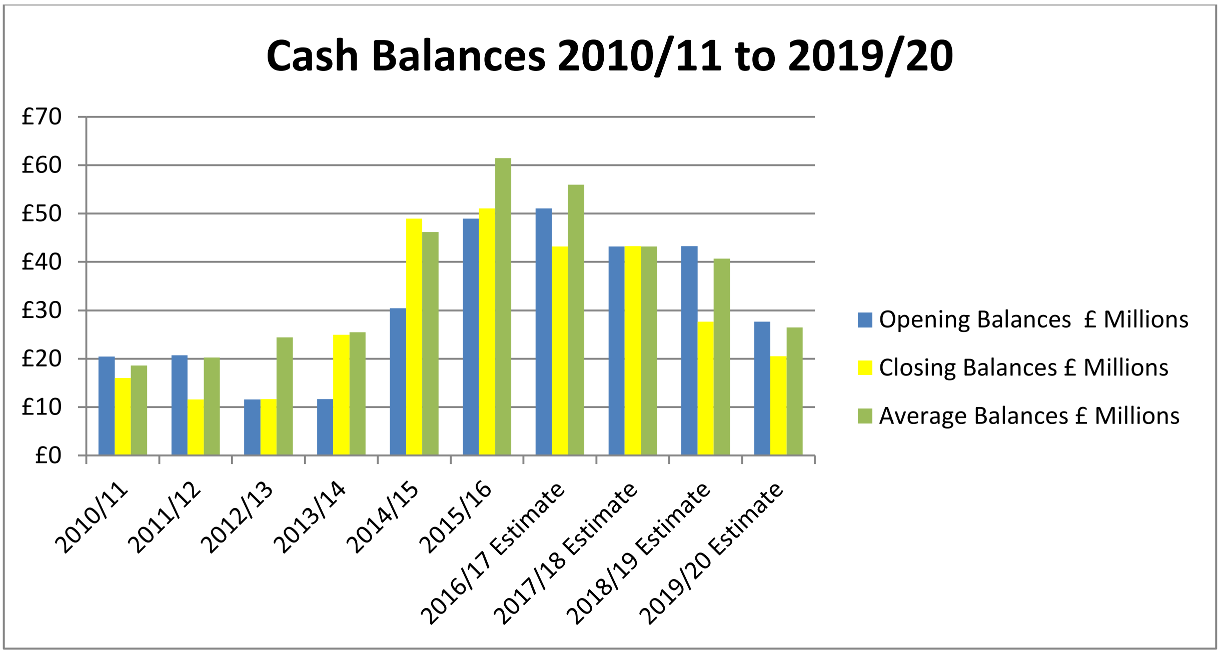
(i) it is anticipated interest rates will rise causing the future need to borrow for any historic spend is more expensive over the whole term of the loan.
or
(ii) cash balances fall below £10 Million.

4.3.2 The Council's cash balances of £51Million at 31 March 2016 were higher than those in 2014/15 and significantly higher compared to previous years (as shown in Chart One in para 4.3.5).

4.3.3 Cash balances have increased due to 'One for One' Right to Buy receipts, which have been retained by the Council but have yet to be spent on building or acquiring new council homes. These receipts have to be spent within the time limits set by Government or repaid with interest. At the end of April 2016 £3,839,963 of 'One for One' receipts were repaid to Government as the programme projected that they would not be spent within the three year time limit. Early payment reduces the interest penalties as the estimated average monthly cost of deferring the 'One for One' receipt repayment is approximately £12,000.

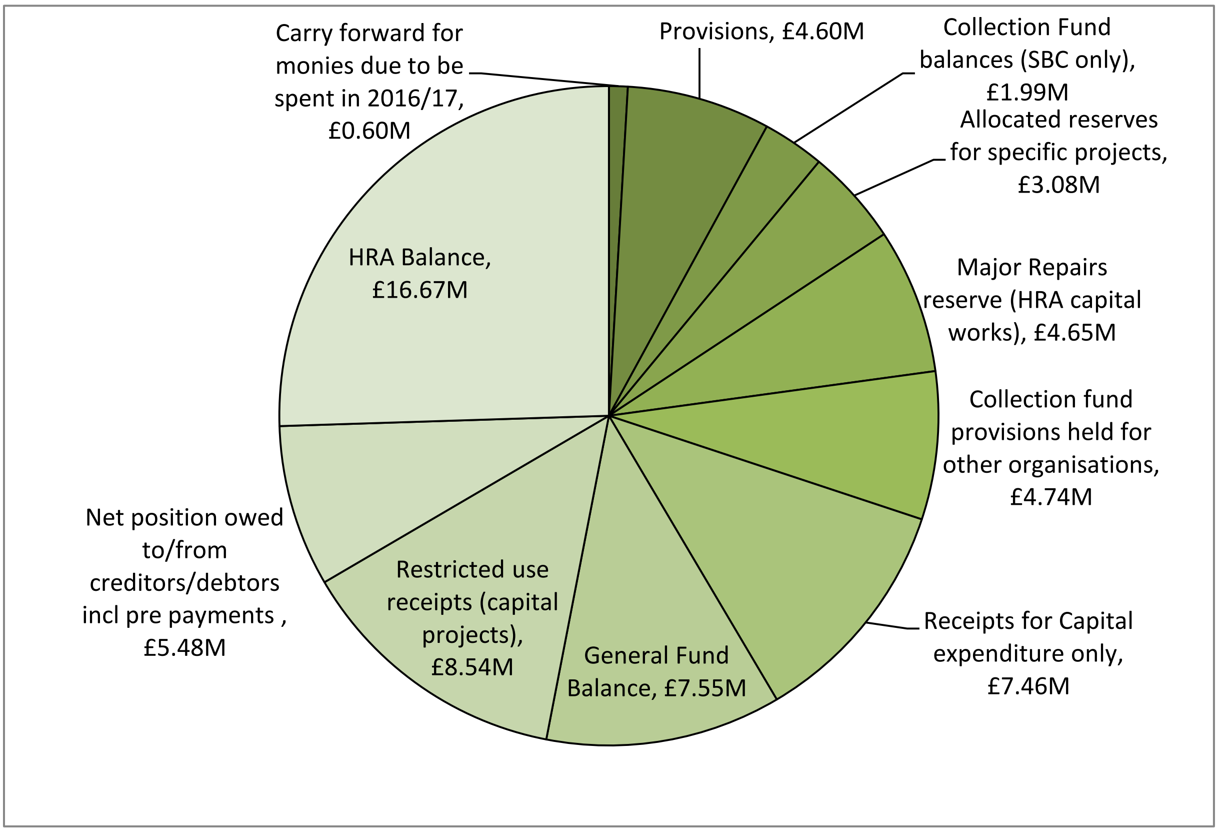
4.3.4 The following chart shows the opening, closing and average cash balances held by the Council over the last six years demonstrating that average balances held during the year have increased over the last three years and remained high in 2015/16. The chart also shows the current projections for the next three years.

Chart One: Cash Balances



4.3.5 The cash balances held by the Council are made up of various elements including the provisions held, capital receipts, for which some have restrictions over their use and may have to be returned, and timing issues between when the council receives the money and when it is to be paid out as shown in the following pie chart.

Chart Two: Reserves and Provisions Held at 31 March 2016



4.3.6 The difference between the totals shown in the pie chart above (£65Million) and the investment balances of £51Million held at year end is internal borrowing used for capital expenditure.

	£Million
Reserves and Provisions held by the Council	£65
Less Internal borrowing	(£14)
Residual balance = Investments	£51

4.4 Borrowing and the 2015/16 Capital Financing Requirement (CFR)

4.4.1 As stated in paragraph 4.1.4 the Council did not need to undertake any new physical borrowing in 2015/16, due to sufficient cash balances being held.

4.4.2 On average, balances were £61.45Million in 2015/16. In 2016 the average cash holdings between April and July was £58.7Million (£58.9Million April to July 2015). While investment returns are low the 'internal' borrowing rate is significantly cheaper than the cost of external borrowing and is a prudent use of the Council's cash balances, unless the conditions in paragraph 4.3.1 apply.

4.4.3 As at 31 March 2016 the Council had total external borrowing of £209,757,105. The General Fund had £3,342,105 external borrowing, £1,500,000 with another local authority and the remainder with the PWLB. The HRA had external borrowing of £206,415,000 all with the PWLB. The majority of the HRA debt (£194,911,000) was taken out in March 2012 to finance the payment required to central government for self-financing. This debt was arranged over a number of loans with fixed rates and with varying maturities. The remaining difference between the HRA debt portfolio and CFR (£2,090,922) is the result of asset transfers from General Fund to the HRA and HRA internal borrowing prior to self-financing.

4.4.4 The HRA borrowing includes £11,504,000 used to fund the pre 2012 decent homes programme. This debt was called 'supported borrowing' under the former HRA subsidy system but now forms part of the HRA debt portfolio.

4.4.5 HRA borrowing is constrained by legislation (unlike the General Fund) and is capped at £217,685,000. As at the 31 March 2016 the 'head room' available for new HRA borrowing was £9,179,078.

4.4.6 The Council's CFR for the year is shown below, and is one of the key prudential indicators.

Table Two : Capital Financing Requirement 2014/15 and 2015/16			
CFR Calculation	**31 March 2015 (£'000)**	**31 March 2016 (£'000)**	**Movement in Year (£'000)**
Opening Balance	**229,396**	**230,082**	
Closing Capital Financing Requirement (General Fund)	*16,426	15,423	(1,003)
Closing Capital Financing Requirement (Housing Revenue Account)	*213,656	208,506	(5,150)
Closing Balance	**230,082**	**223,929**	
Increase/ (Decrease)	**686**	**(6,153)**	**(6,153)**

**There has been a correction to the GBV for the 2013/14 appropriation to HRA of £13k this has changed the split between the General Fund and HRA to that previously reported*

4.4.7 The HRA CFR has decreased by a total of £5.150Million in year as a result of: a repayment of debt (reducing the CFR by £5.5Million) and three properties transferred from the General Fund to the HRA (increasing the CFR by £350,000). There are no scheduled HRA repayments of debt in 2016/17.

4.4.8 The General Fund CFR has decreased by £1,003,630 in year as a result of: transfers to the HRA (reducing the CFR by £350,000) and Minimum Revenue Provision (MRP) made in year (reducing the CFR).

4.4.9 The Council could further reduce its CFR by:

- the application of additional capital financing resources (such as unapplied capital receipts) if available; or
- charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP) which would increase the cost to the General Fund or HRA.

4.5 Minimum Revenue Requirement (MRP)

4.5.1 The Council must make its borrowing decisions in accordance with the Prudential Code which requires the Council to demonstrate a need to borrow and to show that the cost of borrowing for the General Fund is affordable. The Council's MRP policy, as required by CIPFA guidance, is approved annually by Council as part of the Treasury Management Strategy. The calculation of MRP is based upon prior years' borrowing requirement and the life of the assets for which borrowing was required.

4.5.2 MRP will need to be made regardless of whether actual external borrowing has been taken and hence differs from the treasury management arrangements, the latter considers utilising cash balances when borrowing rates are relatively high compared to investment interest earned (as in paragraph 4.4.2). In 2015/16 the MRP charged to the General Fund was £653,630.

4.6 Other indicators

4.6.1 The treasury management indicators for 2016/17 onwards have been calculated based on the updated Capital Strategy reported to Executive (12 July 2016) plus further capital schemes approved by Executive on the 12 July 2016. The Prudential Indicators use estimates of future years' investment balances which are based on the current HRA MTFS estimates. This has been adjusted for a forecast reduction in Right to Buy sales for 2016/17 from 100 to 50. The HRA Business Plan will be updated in November 2016 and this will be reflected in the 2016/17 Treasury Management Mid-Year Review.

4.6.2 On 20 July 2016 Council approved a 10 year plan for the garage estates. This investment requires a total of £6,757,650 prudential borrowing over the period 2017/18 to 2020/21, the Capital Financing Requirement from 2017/18 in Appendix A reflects this borrowing requirement.

4.6.3 The net borrowing position of the Council as at 31 March 2016 was £158,697,105 (total borrowings/loans of £209,757,105 less total investments held of £51,060,000).

4.6.4 The operational boundary and authorised limit refers to the borrowing limits within which the treasury team operate. A temporary breach of the operational boundary is permissible for short term cash flow purposes however a breach of the authorised limit would require a report to Council. There were no breaches of either limit in 2015/16.

4.6.5 The ratio of financing costs to net revenue stream is equal to General Fund interest costs divided by the General Fund net revenue income from Council Tax and RSG/NDR. The 2015/16 indicator is 6.74%, 0.47% lower than the estimated 7.21% as the Council used investment balances instead of borrowing to finance its capital programme.

4.6.6 The full list of Treasury Prudential Indicators is shown in Appendix A and has been updated for the 2015/16 out-turn position and revised 2016/17 estimates.

4.7 Treasury Position 31 March 2016

4.7.1 The Council's debt and investment position is managed by the treasury management section to ensure adequate liquidity for revenue and capital activities. In addition investment decisions are based on the security of the investments and spread over a number of counter parties to manage the Council's exposure to risk.

4.7.2 The Council's average investment returns are low reflecting the 0.50% Bank of England Base Rate during 2015/16 (this was reduced to 0.25% on 4 August 2016). In 2015/16 the average rate of interest earned was 0.61% compared to 0.50% earned in 2014/15. However, this still exceeded the 7 day LIBID benchmark rate of 0.36% (source: CAPITA).

4.7.3 As referred to in paragraph 4.3.2 cash balances have been higher in 2015/16 and in response to this, the counterparty limits including money market funds were increased in the Annual Treasury Management Strategy 2016/17 report from £7Million to £8Million. This was approved by Council 24 February 2016 as part of the Treasury Management Strategy update.

4.7.4 Table three illustrates the rates available to the Council over different terms as at 10 August 2016.

Table Three: Fixed Term Investment Rates Quoted as at 10th August 2016

Term	Lloyds	Goldman Sachs	Coventry BS	Nationwide BS	National Australia Bank
	%	%	%	%	%
1 Month	0.25		0.20		-0.15
2 Months			0.22		-0.15
3 Months	0.50	0.35	0.24	0.28	0.02
6 Months	0.65	0.52	0.35	0.40	0.26
9 Months	0.80	0.61	0.42	0.50	0.32
1 Year	1.00	0.69	0.50	0.61	0.42
2 Years					
3 Years					
5 Years					

**Rates shaded in grey are available on the market but are not an approved investment under the Council's current Treasury Management Strategy. These are shown for illustrative purposes only*

4.7.5 In terms of variable investments there are currently only three banks quoting openly in the market which offer instant access accounts, Lloyds and Handelsbanken.

4.7.6 While borrowing costs for loans of between eight to ten years are around 1.28-1.42% (as at 11 August 2016) it is still prudent to utilise the Council's high cash balances (as shown in paragraph 4.3.5) for short-term internal borrowing. However, borrowing costs have decreased and are forecast to decrease further. It may be prudent to take some borrowing at lower interest rates based on the forecast reduction of future cash balances. The decision and timing of when to borrow is being monitored by officers.

4.7.7 The Council's treasury position for the year was as follows;

Table Four Treasury Position as at 31 March 2016						
	2014/15			2015/16		
	31 March 2014 Principal £'000s	Rate / Return %	Average Life (Yrs)	31 March 2015 Principal £'000s	Rate / Return %	Average Life (Yrs)
Fixed rate loans - PWLB	214,020	3.37	18.27	208,257	3.38	17.75
Local Authority Loans	1,500	1.98	3.26	1,500	1.98	2.26
Total Borrowing	**215,520**	**3.34**	**18.14**	**209,757**	**3.37**	**17.64**
CFR	230,083			223,929		
Over/(under) borrowing*	(14,563)			(14,172)		
Investments Portfolio	**48,950**	**0.50**		**51,060**	**0.61**	

** financed by internal borrowing.*

Decrease in Under-Borrowing as at 31st March 2016	£'000's
Prudential borrowing identified for 2015/16 Capital Programme	0
Actual borrowing taken out in year	0
Actual borrowing repaid in the year	263
MRP reduces CFR, consequently reduces the under-borrowing by	(654)
Total Effect is to Decrease Under-Borrowing	(391)

Unfinanced CFR 2015/16 (Internal Borrowing and Appropriations)			
	CFR £'000	Gross Borrowing £'000	Unfinanced CFR £'000
Regeneration Assets	7,408	3,342	4,066
General Fund	8,014	0	8,014
HRA	208,506	206,415	2,091
Total	**223,928**	**209,757**	**14,172**

4.7.8 The maturity structure of the debt portfolio was as follows (see also Appendix B):

Table Five Maturity of Debt Portfolio for 2014/15 and 2015/16		
Time to maturity	**31 March 2015 Actual £'000's**	**31 March 2016 Actual £'000's**
Maturing within one year	5,763	263
1 year or more and less than 2 years	263	5,504
2 years or more and less than 5 years	6,030	789
5 years or more and less than 10 years	789	1,026
10 years or more	202,674	202,175
Total	**215,520**	**209,757**

4.7.9 There are two investments of £2Million, one with Glasgow City Council due to mature December 2017 and another with Newport City Council due to mature July 2017. All other investments held during 2015/16 are due to mature within one year. A summary of the Council's exposure to fixed and variable rate investments is shown below in Table Six. (See also Appendix B).

Table Six : Fixed and Variable Rate Investment Totals		
	31 March 2015 Actual £'000's	31 March 2016 Actual £'000's
Fixed rate principal	15,800	25,660
Variable rate principal	33,150	25,400
Total	48,950	51,060

4.7.10 The Debt Management Office (DMO) is used as a 'safe haven' and the Treasury Management Strategy allows for unlimited deposits here. When cash balances are high the DMO is used so that counter party limits are not breached. No investments have been deposited with the DMO since October 2014 when Treasury Management limit changes were implemented.

4.8 Post 31 March 2016 Treasury Management Position

4.8.1 The European Union (EU) Referendum decision on 23 June 2016 to leave the EU has had implications the UK economy and consequently for the Council's treasury management position.

4.8.2 The UK Sovereign Rating was downgraded by Fitch and Standard & Poor's to AA and Moody affirmed at AA+. All three major credit rating agencies have the UK on negative outlook. A Treasury Management Strategy Urgency Decision was approved at Council on 20 July 2016 to exclude the UK from the Council's minimum sovereign rating of AA- and that the use of UK financial institutions would be based on their individual UK entity ratings. Council recommended that any investments placed under this exclusion be reported back to the Executive. Since the 20 July 2016 there has been no further change to the UK Sovereign Rating. The treasury management team will keep Members updated should this position change.

4.8.3 Following on from the referendum result, the Bank of England Base Rate was cut for the first time in more than seven years on 4 August 2016, reducing it from 0.5% to a new historic low of 0.25%. The latest forecast by the Council's treasury advisors Capita is a further decrease in the Bank Base Rate in Quarter 4 of 2016 to 0.10%.

4.8.4 In August 2016 economists at Moody's credit ratings agency forecast that the UK economy will slow down but should not go into a recession, however, this has yet to feed through into their UK Sovereign rating. The Bank of England has intervened by reducing the Bank of England Base Rate and introducing more quantitative easing. In addition a fall in sterling while a boost for exports would impact on inflationary pressures and both CPI and RPI have increased between June and July 2016.

4.8.5 The fundamental review of the Treasury Management policy and investment portfolio will be included in the 2017/18 Treasury Management Strategy which will be reported to Council 28 February 2017. Training will be provided to Members before the report is submitted.

4.9 **Economic Review & Interest Rate Outlook**

4.9.1 **UK Growth** - UK GDP growth was 0.5%, 0.4%, and 0.6% in quarters 2, 3 and 4 respectively in 2015, and 0.4% in the first quarter of 2016.

4.9.2 **Wage inflation** – Wage growth has been weak since the financial crisis. Whole-economy average weekly earnings (AWE) increased by 2.3% in the three months to May 2016, compared with the same period a year ago. Although growth remains below its pre-crisis average, it was somewhat stronger than had been projected in the May 2016 Bank of England Inflation Report. The National Living Wage, which came into effect in April, is likely to have a limited effect on overall wage growth. (Source: Bank of England Inflation Report August 2016).

4.9.3 **UK Credit Rating** - the UK Sovereign Rating was downgraded by Fitch and Standard & Poor's to AA and Moody affirmed at AA+. All three major credit rating agencies have the UK on negative outlook (paragraph 4.8.2).

4.9.4 **UK Debt** - The March 2016 Budget forecasted borrowing to decrease to £72.2 Billion by the end of 2015/16, and to further decrease to £55.5 Billion in 2016/17 and an overall surplus of £10.5bn is anticipated in 2019/20. However after the EU referendum George Osbourne abandoned his target to restore government finances to a surplus by 2020. In a speech he said, given the effects of the referendum vote, the government had to be 'realistic about achieving a surplus by the end of the decade'. The new Chancellor has said he will do 'whatever is needed' i.e. to promote growth meaning that the deficit elimination timetable will need to slip further into the future as promoting growth (and ultimately boosting tax revenues in the longer term), will be a more urgent priority.

4.9.5 **Inflation -** Consumer Price Index (CPI) was 0.5% in June 2016, (0.6% July). This remains more than 1% below the Monetary Policy Committee (MPC) target of 2%. There has been a fall in the value of sterling and this is likely to increase inflation in near term, there will be a hastening of its return to the 2% target and it's likely to rise above the target in the latter part of the MPC's 3 year forecast period.

4.9.6 **Interest Rate** – Market expectations for the first increase in the base rate moved considerably during 2015/16 initially forecast for Q3 2015, however by the end of the year the expectation was put back to Q2 of 2018.

4.9.7 However as a result of indications from the Bank of England, Capita Asset Services has provided the following interest rate forecast (as at 9 August 2016) which shows a further reduction to 0.1% in December 2016 only increasing to 0.5% in June 2019.

	NOW	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19
BANK RATE	0.25	0.25	0.10	0.10	0.10	0.10	0.10	0.10	0.25	0.25	0.25	0.25	0.50
3 month LIBID	0.50	0.30	0.20	0.20	0.20	0.20	0.20	0.30	0.30	0.30	0.40	0.50	0.60
6 month LIBID	0.55	0.40	0.30	0.30	0.30	0.40	0.40	0.50	0.50	0.50	0.60	0.60	0.70
12 month LIBID	0.75	0.60	0.50	0.50	0.60	0.60	0.70	0.70	0.70	0.80	0.80	0.80	0.90
5 yr PWLB	1.00	1.00	1.00	1.00	1.10	1.10	1.10	1.10	1.20	1.20	1.20	1.20	1.30
10 yr PWLB	1.60	1.50	1.50	1.50	1.60	1.60	1.60	1.60	1.70	1.70	1.70	1.70	1.80
25 yr PWLB	2.30	2.30	2.30	2.30	2.40	2.40	2.40	2.40	2.50	2.50	2.50	2.50	2.60
50 yr PWLB	2.10	2.10	2.10	2.10	2.20	2.20	2.20	2.20	2.30	2.30	2.30	2.30	2.40

4.10 **Compliance with Prudential Limits 2015/16**

4.10.1 During the financial year Officers operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement and in compliance with the Council's Treasury Management Practices.

4.10.2 The full list of approved Treasury Prudential Indicators and their corresponding actual expenditure for 2015/16 are shown in Appendix A.

5. IMPLICATIONS

5.1 Financial Implications

5.1.1 This report is of a financial nature and reviews the treasury management function for the 2015/16. Any consequential financial impacts of the Strategy have been reflected in the July Capital Strategy update and the 4th Quarter 2015/16 budget monitoring report.

5.2 Legal Implications

5.2.1 Approval of the Prudential Code Indicators and the Treasury Management are intended to ensure that the Council complies with relevant legislation and best practice.

5.3.1 Risk Implications

5.3.1 The table below identifies the risks if the recommendations are agreed. The risks have been assessed in accordance with the Council's risk management strategy.

	Description of risk	Mitigation	Residual Risk Level
1.	Investment balances increase and monies placed with banking groups exceed approved Counter Party Limits	The Treasury Team would actively seek to find alternative Counter Parties to lend to or seek Council approval to increase the Counter Party Limits	M
2.	There is an increase in the capital programme which cannot be resourced from available resources and can exceed the	Operational and authorised boundary should have sufficient headroom above CFR to meet the Council's borrowing	L

	Council's borrowing limit.	requirement arising from the Capital Strategy.	
3	The Council is unable to defer spend within the General Fund capital programme in future years or identify resources to fund the unsupported borrowing in the Capital Strategy.	This would increase the cost of borrowing to the General Fund and would require funding.	M
4	The Council invests funds with a bank which is unable to meet the repayment.	The Counter Party ratings are reviewed on a weekly basis and should prevent placing funds with banks at risk. The Council has a very strict lending criteria.	L
5	A larger number of banks are unable to meet the Council's lending criteria.	The Treasury Team would actively seek to find alternative Counter Parties to lend to.	M

Key: M= Medium L=Low

5.4 Equalities and Diversity Implications

5.4.1 All the services identified in the report have their own Equalities Impact Assessments, which are reviewed where appropriate.

BACKGROUND DOCUMENTS

BD1 - Annual Treasury Management Review 2014/15 (7 October 2015 Council)
http://www.stevenage.gov.uk/content/committees/139616/139701/139721/147990

BD2 -Mid-Year Review Report 2015/16 (9 December 2015 Council)
http://www.stevenage.gov.uk/content/committees/139616/139701/139721/153241

BD3 - Prudential Code Indicators and Treasury Management Strategy 2015/16 (24 February 2016 Council)
http://www.stevenage.gov.uk/content/committees/139616/139701/139721/Council-24-Feb-2016-Item12.pdf

APPENDICES

Appendix A – Prudential Indicators 2015/16 Actuals, 2016/17 revised.
Appendix B – Investments and Borrowing Portfolio