

Appendix A		2019/20 Treasury Management Strategy - Mid year review				
Treasury Management Prudential Indicators						
	2018/19	2019/20	2019/20	2019/20	2020/21	2021/22
Capital Expenditure (Based on Q1 Capital report September 2019):	Actual	Original February 2019	Revised September 2019 (TM report)	Revised Mid year review 19-20	Revised Mid year review 19-20	Revised Mid year review 19-20
	£000	£000	£000	£000	£000	£000
General Fund	8,057	32,188	33,688	32,923	14,285	3,449
HRA	22,366	47,792	47,792	33,706	50,408	36,322
Total	30,423	79,980	81,480	66,629	64,693	39,771
Ratio of financing costs to net revenue stream:	Actual	Original February 2019	Revised September 2019 (TM report)	Revised Mid year review 19-20	Revised Mid year review 19-20	Revised Mid year review 19-20
	%	%	%	%	%	%
General Fund Capital Expenditure	6.45%	6.77%	6.77%	6.77%	10.31%	10.44%
HRA Capital Expenditure	14.94%	16.78%	16.78%	16.78%	16.46%	16.16%
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	Actual	Original February 2019	Revised September 2019 (TM report)	Revised Mid year review 19-20	Revised Mid year review 19-20	Revised Mid year review 19-20
	£000	£000	£000	£000	£000	£000
Borrowing - General Fund	25,016	43,341	48,207	48,407	51,483	54,970
Borrowing - HRA	210,973	235,729	235,729	224,034	247,837	274,439
Total	235,988	279,070	283,936	272,441	299,320	329,409
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 £8m headroom above the Operational Boundary (£2m General Fund and £6m HRA), which is in addition to our capital plans.						
Operational Boundary for external debt	Actual	Original February 2019	Revised September 2019 (TM report)	Revised Mid year review 19-20	Revised Mid year review 19-20	Revised Mid year review 19-20
	£000	£000	£000	£000	£000	£000
Borrowing - General Fund	20,016	38,341	43,207	46,407	49,483	52,970
Borrowing - HRA	205,973	230,729	230,729	218,034	241,837	268,439
Total	225,989	269,070	273,936	264,441	291,320	321,409
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 £7m headroom in addition to our capital plans (£5m General Fund and £2m HRA).						
Gross & Net Debt	Actual	Original February 2019	Revised September 2019 (TM report)	Revised Mid year review 19-20	Revised Mid year review 19-20	Revised Mid year review 19-20
	£000	£000	£000	£000	£000	£000
Gross External Debt - General Fund	16,737	38,341	38,341	30,124	33,096	36,119
Gross External Debt - HRA	202,674	230,729	230,729	211,231	235,033	261,636
Gross External Debt	205,483	269,070	269,070	241,355	268,129	297,755
Less Investments	(54,135)	(38,770)	(38,770)	(63,741)	(61,879)	(66,462)
Net Borrowing	151,348	230,300	230,300	177,614	206,250	231,292
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						
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	Actual	Original February 2019	Revised September 2019 (TM report)	Revised Mid year review 19-20	Revised Mid year review 19-20	Revised Mid year review 19-20
	£000	£000	£000	£000	£000	£000
Capital Financing Requirement GF	15,121	35,841	35,841	41,407	44,483	47,970
Capital Financing Requirement HRA	206,820	210,729	210,729	216,034	239,837	266,439
Total Capital Financing Requirement	221,941	246,570	246,570	257,441	284,320	314,409
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).						