

Appendix C		2021/22 Treasury Management Strategy						
Treasury Management Prudential Indicators								
		2020/21	2020/21	2021/22	2022/23	2023/24	2024/25	
Capital Expenditure (Based on Final Capital Strategy February 2021):		Revised Mid year review 20-21	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	
		£000	£000	£000	£000	£000	£000	
General Fund		35,271	20,878	17,400	20,145	26,137	14,795	
HRA		34,057	31,600	52,488	56,858	37,256	28,748	
Total		69,328	52,478	69,887	77,004	63,393	43,543	
Ratio of financing costs to net revenue stream:		Revised Mid year review 20-21	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	
		%	%	%	%	%	%	
General Fund Capital Expenditure		8.17%	4.14%	4.78%	5.28%	6.12%	6.73%	
HRA Capital Expenditure		15.93%	15.84%	16.82%	17.09%	17.08%	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		Revised Mid year review 20-21	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	
		£000	£000	£000	£000	£000	£000	
Borrowing - General Fund		49,918	34,343	45,294	51,126	52,484	51,730	
Borrowing - Queensway residential		15,000	15,000	15,000	15,000	15,000	15,000	
Borrowing - HRA		245,474	245,474	272,076	287,716	299,696	299,696	
Total		310,392	294,817	332,371	353,843	367,180	366,426	
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		Revised Mid year review 20-21	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	
		£000	£000	£000	£000	£000	£000	
Borrowing - General Fund		47,918	32,343	43,294	49,126	50,484	49,730	
Borrowing - Queensway residential		15,000	15,000	15,000	15,000	15,000	15,000	
Borrowing - HRA		239,474	239,474	266,076	281,716	293,696	293,696	
Total		302,392	286,817	324,371	345,843	359,180	358,426	
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) plus the additional borrowing facility that may be drawn down by the Housing WOC.								
Gross & Net Debt		31/03/2021	2020/21	2021/22	2022/23	2023/24	2024/25	
		Revised Mid year review 20-21	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	
		£000	£000	£000	£000	£000	£000	
Gross External Debt - General Fund		17,353	2,525	6,444	12,710	14,770	14,770	
Gross External Debt - HRA		230,487	230,487	257,089	272,729	284,709	284,709	
Gross External Debt		247,840	233,012	263,533	285,439	299,479	299,479	
Less Investments		(60,629)	(62,399)	(58,969)	(49,005)	(47,604)	(42,297)	
Net Borrowing		187,211	170,613	204,564	236,434	251,875	257,181	
The Gross External Debt is the actual debt taken out by the Council plus any relevant long term liabilities. The Gross External Debt should								
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		31/03/2021	31/03/2021	31/03/2022	31/03/2023	31/03/2024	31/03/2025	
		Revised Mid year review 20-21	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	Revised Final Cap Feb 21 Exec	
		£000	£000	£000	£000	£000	£000	
Capital Financing Requirement GF		42,918	27,343	31,060	36,892	38,249	37,495	
Capital Financing Requirement HRA		237,474	237,474	264,076	279,716	291,696	291,696	
Total Capital Financing Requirement		280,392	264,817	295,136	316,608	329,945	329,191	
The Capital Financing Requirement (CFR) reflects the amount of money the Council would need to borrow to fund its capital programme. This is split between the Housing Revenue Account CFR (HRACFR) and the General Fund CFR (GFCFR).								