

**AMENDMENT PRESENTED AT
ACCOUNTS AND AUDIT COMMITTEE**

Date: Tuesday, 7 February 2017

4. TREASURY MANAGEMENT STRATEGY 2017/18 - 2019/20 - AMENDMENTS

To consider a report of the Executive Member for Finance and Chief Finance Officer.

1 - 2

This page is intentionally left blank

Agenda Item 4

TREASURY MANAGEMENT STRATEGY 2017/18 – 2019/20 – (Amendments)

As a consequence of updates made to the Council's proposed Capital Investment programme which impact on both the debt and capital financing requirements since this report was originally issued to the Accounts and Audit Committee Members, revised tables have been produced below for Members recommendation;

Page 6 - Debt position - paragraph 3.2

	2016/17	2017/18	2018/19	2019/20
	Estimate £000	Estimate £000	Estimate £000	Estimate £000
Debt at 1 April	104,221	109,882	132,037	133,519
External Debt maturing	(3,747)	(3,624)	(3,518)	(4,160)
New External Debt	9,408	25,779	5,000	0
Debt at 31 March	109,882	132,037	133,519	129,359
Capital Financing Requirement at 31 March	144,664	168,800	170,384	167,284
Under borrowing at 31 March	34,782	36,763	36,865	37,925

Page 16 – Table 2 - Authorised Limit for External debt

	2016/17 estimate £m	2017/18 estimate £m	2018/19 estimate £m	2019/20 estimate £m
Authorised Limit for External debt				
-External debt (01.04)	130.0	155.0	155.0	150.0
-Other long term Liabilities (PFI)	6.0	6.0	5.5	5.5
Total	136.0	161.0	160.5	155.5

Authorised external debt limit - maximum level of external debt that the authority will require to cover all known potential requirements and includes headroom to cover the risk of short-term cash flow variations that could lead to a need for temporary borrowing. This limit needs to be set or revised by Council and is the statutory limit determined under section 3(1) of the Local Government Act 2003.

Page 17 – Table 3 - Operational Boundary for External debt and Table 5 - Gross debt and Capital Financing Requirement.

	2016/17 estimate £m	2017/18 estimate £m	2018/19 estimate £m	2019/20 estimate £m
Operational Boundary for External debt				
-External debt (01.04)	115.0	140.0	140.0	135.0
-Other long term Liabilities (PFI)	6.0	6.0	5.5	5.5
Total	121.0	146.0	145.5	140.5
Operational boundary - calculated on a similar basis as the authorised limit but represents the likely level of external debt that may be reached during the course of the year excluding any temporary borrowing and is not a limit.				
Gross debt and Capital Financing Requirement				
-External debt (01.04)	115.0	140.0	140.0	135.0
-Other long term Liabilities (PFI)	6.0	6.0	5.5	5.5
Gross debt	121.0	146.0	145.5	140.5
-C.F.R.	144.7	168.8	170.4	167.3
Excess C.F.R.	23.7	22.8	24.9	26.8
Gross Debt and the Capital Financing Requirement – this indicator reflects that over the medium term, debt will only be for capital purposes. The Chief Finance Officer will ensure that all external debt does not exceed the capital financing requirement with any exceptions being reported to Council.				