

## TREASURY MANAGEMENT STRATEGY 2015/16

### ANNEX A – Scale of Operations

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**Capital Expenditure** - The projected capital expenditure - presented here in order to show the complete treasury position - and for which approval is separately requested in the Capital Programme 15/16 – 17/18 Report is expected to be:

Capital expenditure £M	2014/15 Revised	2015/16 Programme	2016/17 Programme	2017/18 Programme
Non-HRA	36	15	24	20
HRA	13	7	9	9
Total	49	22	33	29

**Debt Requirement** - Part of the capital expenditure programme will be financed directly through government grants, capital receipts etc. This leaves a residue which will increase the Council's external borrowing requirement (its Capital Financing Requirement [CFR]). The General Fund CFR is reduced each year by a statutory revenue charge for the repayment of debt. The HRA is under no requirement to make such a charge.

Capital Financing Requirement £M	2014/15 Revised	2015/16 Programme	2016/17 Programme	2017/18 Programme
Non-HRA	281	274	274	266
HRA	11	11	11	11
Total	292	285	285	277

The HRA limit on indebtedness imposed by the Department of Communities and Local Government is set out in the determination and remains at £35.74m.

Against this borrowing need (the CFR), the Council's expected external debt position for each year (the **Operational Boundary**) and the maximum amount it can borrow (the **Authorised Limit**) are:

£M	2014/15 Revised	2015/16 Projection	2016/17 Projection	2017/18 Projection
Authorised Limit	284	305	305	290
Operational Boundary	264	295	295	280

**The impact of the new schemes being approved as part of this budgetary cycle on council tax and housing rents** - as separately reported these are expected to be:

Incremental impact of capital investment decisions (£) on:	2014/15 Revised	2015/16 Programme	2016/17 Programme	2017/18 Programme
Average council tax	£3.96	£4.18	£4.40	£4.40
Housing rents	£nil	£0.18	£0.31	£0.63

**Investments** - The value of resources applied to finance the capital spend above is one of the elements which influence the Council's overall resources. The expected position of the Council's year-end resources (capital reserves, capital receipts, etc.), is shown below. This is supplemented with the expected cashflow position to provide an overall estimate of the year-end investment position. The Prudential Indicator identifying the ability to invest longer term is also shown.

£M	2014/15 Revised	2015/16 Projection	2016/17 Projection	2017/18 Projection
Total resources	-	-	-	-
Working capital	-	-	-	-
Temporary borrowing	(60)	(104)	(98)	(71)
Sums invested > 364 days	-	-	-	-