

# Business Support Overview and Scrutiny Committee – Supplementary agenda

A meeting of the Business Support Overview and Scrutiny Committee will be held on:

**Date:** 7 February 2013

**Time:** 6.30pm

**Venue:** Meeting Room 2 - Level 3, Gun Wharf, Dock Road, Chatham ME4 4TR

## Items

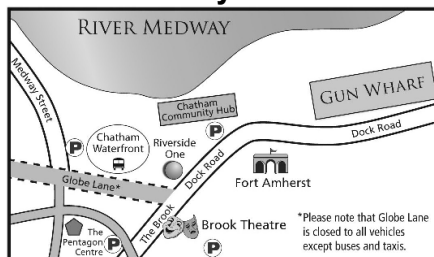
**9 Treasury Management Strategy 2013/2014**

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An amended appendix 3 was tabled at the meeting.

For further information please contact Caroline Salisbury, Democratic Services Officer on Telephone: 01634 332013 or Email: [democratic.services@medway.gov.uk](mailto:democratic.services@medway.gov.uk)

**Date: 13 February 2013**



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If you have any questions about this meeting and you want to speak to someone in your own language please ring **01634 335577**

বাংলা	331780	ગુજરાતી	331782	ਪੰਜਾਬੀ	331784	کوردی	331841	ارو	331785	Русский	332374
中文	331781	हिंदी	331783	Polski	332373	এহ্‌শফব	331786	فارسی	331840	Lietuviškai	332372

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## Prudential and Treasury Indicators

PRUDENTIAL INDICATORS	2013/2014	2014/2015	2015/2016
<b>Extract from budget and rent setting report</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Capital Expenditure</b>			
Non - HRA	27,566	4,561	750
HRA	5,000	5,000	5,000
TOTAL	32,566	9,561	5,750
<b>Ratio of financing costs to net revenue stream</b>			
Non - HRA	2.99%	2.83%	2.85%
HRA	17.94%	18.43%	17.78%
<b>Gross borrowing requirement</b>			
brought forward 1 April	172,325	162,324	162,324
carried forward 31 March	162,324	162,324	162,324
in year borrowing requirement	(10,001)	0	0
<b>Capital Financing Requirement as at 31 March</b>			
Non – HRA	209,770	207,404	206,721
HRA	39,516	38,726	37,951
TOTAL	249,286	246,120	244,672
<b>Annual change in Cap. Financing Requirement</b>			
Non – HRA	(2,035)	(2,376)	(673)
HRA	(806)	(790)	(775)
TOTAL	(2,841)	(3,167)	(1,448)
<b>Incremental impact of capital investment decisions</b>	<b>£ p</b>	<b>£ p</b>	<b>£ p</b>
Increase in council tax (band D) per annum	3.87	(7.54)	0.60
Increase in average housing rent per week	0.46	0.92	(0.10)

<b>TREASURY MANAGEMENT INDICATORS</b>	<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>
	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Authorised Limit for external debt -</b>			
Borrowing	431,515	425,832	422,039
other long term liabilities	4,400	4,400	4,400
<b>TOTAL</b>	<b>435,915</b>	<b>430,232</b>	<b>426,439</b>
<b>Operational Boundary for external debt -</b>			
borrowing	392,286	387,120	383,672
other long term liabilities	4,000	4,000	4,000
<b>TOTAL</b>	<b>396,286</b>	<b>391,120</b>	<b>387,672</b>
<b>Actual external debt</b>	165,497	165,447	165,447
<b>HRA Maximum CFR Debt Limit</b>	45,846	45,846	45,846
<b>Upper limit for fixed interest rate exposure</b>			
Principal fixed rate borrowing and investments	100%	100%	100%
<b>Upper limit for variable rate exposure</b>			
Principal variable rate borrowing and investments	40%	40%	40%
<b>Upper limit for total principal sums invested for over 364 days</b> (per maturity date)	£150,000	£150,000	£150,000

<b>Maturity structure of fixed rate borrowing during 2013/2014</b>	<b>upper limit</b>	<b>lower limit</b>
under 12 months	75%	0%
12 months and within 24 months	50%	0%
24 months and within 5 years	50%	0%
5 years and within 10 years	50%	0%
10 years and above	100%	0%