

Appendix C: Quarterly Reporting

Capital Financing Indicators

Indicators 1-2 demonstrate the affordability and sustainability of the Council's capital programme.

	Indicator	Description	2023/24 Treasury Management Strategy reference.	2023/24 Budget £M	2023/24 Q1 estimate for year £M	2023/24 Q2 estimate for year £M
1	Capital Expenditure	Monitors capital expenditure projections against budget. Capital expenditure is a key driver of Treasury Management activity.	2.1	113.719	81.191	72.584
2	The Capital Financing Requirement (CFR)	Monitors the Council's underlying need to borrow for capital purposes against projections set out in the budget.	2.2	393.901	370.2544	372.763

Forecast Capital Expenditure for 2023/24 has reduced since the budget was set due to slippage. This has reduced the Council's borrowing requirement for the year.

Affordability Indicators

Indicators 3-5 demonstrate the affordability of the Council's borrowing on revenue.

	Indicator	Description	2023/24 Treasury Management Strategy reference.	2023/24 Budget £M	2023/24 Q1 estimate for year £M	2023/24 Q2 estimate for year £M
3	Ratio of Financing costs to net revenue stream- General Fund	Monitors the percentage of revenue budget required to cover capital financing costs against budget projections.	2.7	-0.11%	-2.64%	-5.68%
4	Ratio of Financing costs to net revenue stream- Housing Revenue Account	Monitors the percentage of revenue budget required to cover capital financing costs against budget projections.	2.7	17.29%	14.63%	13.84%
5	Ratio of HRA debt to revenues %	Compares the total HRA debt to the 23/24 HRA income against budget projections.	2.8	546%	-506%	-495%

Treasury Indicators

Treasury indicators ensure borrowing is within authorised limits and avoids large repayments being at the same time. Limits on investments act to secure the Council's cash.

	Indicator	Description	2023/24 Treasury Management Strategy reference.	2023/24 Budget £M	2023/24 Q1 estimate for year £M	2023/24 Q2 estimate for year £M
6	Gross Debt does not exceed the Capital Financing Requirement	Ensures borrowing is not undertaken for revenue purposes or to generate profit.	3.1	Complies	Complies	Complies
7	Operational Debt Boundary	Limit beyond which external debt is not normally expected to exceed.	3.2	355.402	355.402	346.381
8	Authorised Limit for External Debt	Limit beyond which external debt is prohibited and needs to be revised by full Council.	3.2	410.0	410.0	410.000
9	Maturity Structure of borrowing (fixed and variable)	Limits to reduce exposure to large sums falling due for refinancing at the same time.	3.3	Complies	Complies	Complies
10	Upper limit for principal sums invested for longer than 365 days	Limit of lower of 50% of portfolio or £40m.	4.5		Complies	Complies
11	Security of Investments- Compliance with Counterparty Limits.	Limit on investment balances held with Counterparties	4.6		Complies	Complies
12	Liability Benchmark	Calculated using the net loan requirement plus an allowance for short term investments needed to provide an adequate but not excessive level of liquidity for daily cash flow management.	2.3	295.74	288.13	290.640