

### **3.00 BORROWING REQUIREMENTS AND DEBT MANAGEMENT**

#### 3.01 PWLB (Public Works Loans Board) Certainty Rate

The Council again qualified for the PWLB Certainty Rate, allowing the authority to borrow at a reduction of 20 basis points on the Standard Rate for a further 12 months from 1<sup>st</sup> November 2017.

#### 3.02 Borrowing Activity in 2017/18.

The total long term borrowing outstanding, brought forward into 2017/18 totalled £252.6 million.

	<b>Balance 01/04/2017 £m</b>	<b>Debt Maturing £m</b>	<b>New Debt £m</b>	<b>Balance 31/03/2018 £m</b>
<b>Capital Financing Requirement</b>	<b>305.3</b>	5.5	27.8	<b>327.6</b>
<b>Short Term Borrowing</b>	10.0	(10.0)	52.1	52.1
<b>Long Term Borrowing</b>	252.6	(1.6)	2.8	253.8
<b>TOTAL BORROWING</b>	262.6	(11.6)	54.9	305.9
<b>Other Long Term Liabilities</b>	6.0	(0.6)	0.00	5.4
<b>TOTAL EXTERNAL DEBT</b>	<b>268.6</b>	<b>(12.2)</b>	<b>54.9</b>	<b>311.3</b>
<b>Increase/(Decrease in Borrowing (£m))</b>	-	-	42.7	

3.03 At 31<sup>st</sup> March 2018, loans with the Public Works Loans Board were in the form of fixed rate (£220.4m) and variable rate (£10m), £18.95m was variable in the form of LOBO's (Lender's Option, Borrower's Option) and £4.02m were interest free loans from the Government, available for specific schemes. The Council's average rate for long term borrowing was 5.00%.

3.04 The Council's underlying need to borrow as measured by the Capital Financing Requirement (CFR) as at 31<sup>st</sup> March 2018 was £327.6m. The Council's total external debt was £311.6m.

#### 3.05 Loans at Variable Rates

The Council has £10m of PWLB variable rate loans, at an average rate of 0.48%