



PORTFOLIO HOLDER: FINANCE AND SUPPORT

CABINET – 6 FEBRUARY 2002

CORPORATE & FINANCE REVIEW PANEL – 21 MARCH 2002

BORROWING LIMITS 2002/2003

1. INTRODUCTION

- 1.1 The Council is required under the Local Government and Housing Act 1989 to determine its borrowing limits for the financial year 2002/2003, before 31 March 2002.
- 1.2 In calculating these limits the worst case scenario is used as a basis, i.e. the Council continues to pay its debts whilst no income is received.

2. BORROWING LIMITS 2002/2003

- 2.1 Based on the Council's borrowing requirements and cash flow for 2002/2003, the overall borrowing limit required is estimated at £55 million. This is £5 million less than 2001/02.
- 2.2 Of the overall £55 million, it is estimated that £25 million will be the short-term borrowing limit, i.e. for periods of less than one year. This is the same as 2001/2002.
- 2.3 Not more than £15 million will be payable at variable rates.

3. COMPLIANCE WITH THE BORROWING LIMITS

- 3.1 The Director of Resources will continue to monitor the stated borrowing limits.

4. ENVIRONMENTAL IMPLICATIONS

- 4.1 There are no environmental implications arising from this report.

5. CRIME AND DISORDER IMPLICATIONS

- 5.1 There are no crime and disorder implications arising from this report.

7. RECOMMENDATIONS

It is recommended that for 2002/2003:

- 7.1 The Council's overall borrowing limit is £60 million of which not more than £15 million is payable at variable interest rates: and
- 7.2 The Council's short-term borrowing limit is £25 million.

Further Information

Background Papers

Please contact Jan Hawker,
Treasury Management Accountant,
Ext. 5722
email: jan.hawker@nfdc.gov.uk

Local Government and Housing Act
1989
(Commencement No 3 Order 1989).
Published Papers

JSH/BORLIMIT/JAN2001