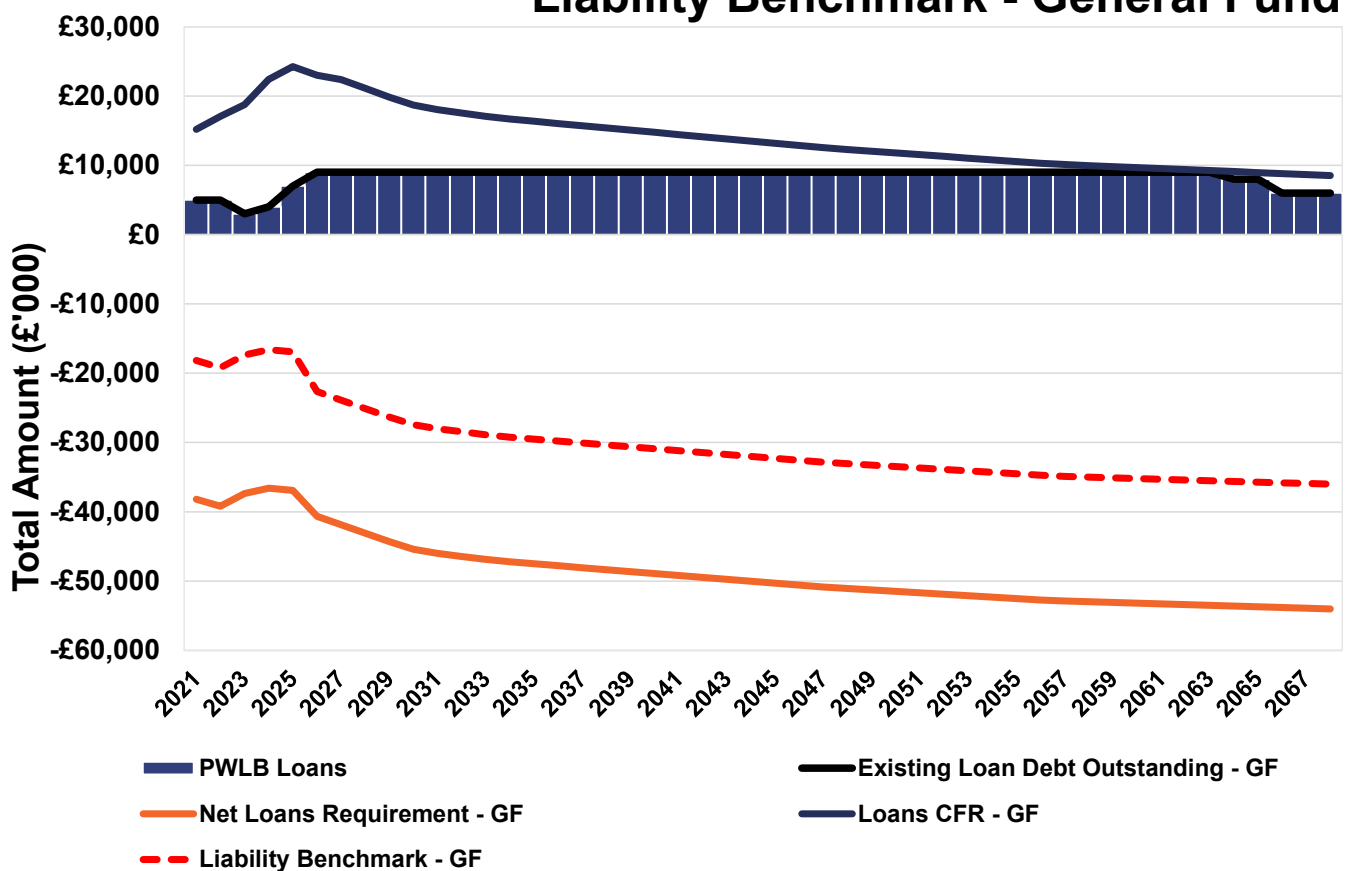


## LIABILITY BENCHMARK

CIPFA have adopted the liability benchmark as a prudential indicator. A liability benchmark advocates a net book management approach to treasury management, where borrowing and investments are netted down while maintaining appropriate investments for liquidity purposes. CIPFA views this as reducing the treasury risks associated with running debt and investment portfolios at the same time. They believe that ‘refinancing risk, interest rate risk and credit risk can be minimised or reduced by ensuring that the existing loans portfolio shows a profile close to the liability benchmark.

As the Council has a General Fund and a Housing Revenue Account and the accounting regulations are different for each of them it is more informative to show the liability benchmark separately for each.

### Liability Benchmark - General Fund



# Liability Benchmark - HRA

