

## Prudential and Treasury Indicators

### Prudential Indicators

#### Ratio of Financing Costs to Net Revenue Stream

2019/20 Actual %	2020/21 Estimate %	2020/21 Actual %
-0.89	0.02	0.04
2019/20 Actual £000	2020/21 Estimate £000	2020/21 Actual £000
-184.00	5.00	9.00

This indicator shows the proportion of the net revenue stream (revenue budget) that is attributable to financing costs of capital expenditure. A negative figure shows investment income is higher than borrowing costs. This indicator is shown as a percentage and as a monetary value of the net revenue

#### Capital Expenditure

2019/20 Actual £m	2020/21 Estimate £m	2020/21 Actual £m
39.211	27.972	26.730

This indicator shows the total capital expenditure against budget.

#### Capital Financing Requirement

2019/20 Actual £m	2020/21 Estimate £m	2020/21 Actual £m
39.940	52.224	50.982

The Capital Financing Requirement (CFR) measures the Authority's underlying need to borrow for a capital purpose. Borrowing can be made external or using the Council's own resources (internal borrowing).

#### Actual External Debt

2019/20 Actual £m	2020/21 Estimate £m	2020/21 Actual £m
14.047	11.007	13.527

This indicator shows the Council level of gross debt as at 31st March 2021.

### Treasury Indicators

#### Authorised Limit for External Debt

	2019/20 Actual £m	2020/21 Estimate £m	2020/21 Actual £m
Borrowing	11.000	34.000	11.000
Other Long Term Liabilities	3.047	2.527	2.527
Total	14.047	36.527	13.527

This is the main limit which is set as a maximum for external borrowing. It fulfils the requirements under section 3 of the Local Government Act 2003. This includes the level of external borrowing and the financial liability in regards to the leisure centre.

#### Operational Limit for External Debt

	2019/20 Actual £m	2020/21 Estimate £m	2020/21 Actual £m
Borrowing	11.000	14.000	11.000
Other Long Term Liabilities	3.047	2.527	2.527
Total	14.047	16.527	13.527

This limit should be the focus of day to day treasury management. It is similar to the Authorised Limit but excludes the allowance for temporary cash flow borrowing as perceived as not necessary on a day to day basis. This limit acts as a warning but can be breached temporarily.

#### Maturity structure of fixed rate borrowing during 2020/21

	Upper Limit %	Lower Limit %
Under 12 months	100	0
12 months to under 24 months	100	0
24 months to under 5 years	100	0
5 years to under 10 years	100	0
10 years and within 20 years	100	0
20 years and within 30 years	100	0
30 years and within 40 years	100	0
40 years and within 50 years	100	0

The Council's total external borrowing as at 31st March 2021 was £11m which was all short term debt. Maturity dates are due within 1 year.