

## Prudential and Treasury Indicators

### Prudential Indicators

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

2020/21 Actual %	2021/22 Estimate %	2021/22 Actual %
0.04	0.36	-0.17
2020/21 Actual £000	2021/22 Estimate £000	2021/22 Actual £000
9.00	72.00	-33.70

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 budget. Expected borrowing was not fully utilised during 2021/22 which is the reason there is a negative result.

#### Capital Expenditure

2020/21 Actual £m	2021/22 Estimate £m	2021/22 Actual £m
26.730	33.179	26.431

This indicator shows the total capital expenditure against budget.

#### Capital Financing Requirement

2020/21 Actual £m	2021/22 Estimate £m	2021/22 Actual £m
50.982	75.093	66.203

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). This includes the current year's capital expenditure.

#### Actual External Debt

2020/21 Actual £m	2021/22 Estimate £m	2021/22 Actual £m
13.527	15.582	9.000

This indicator shows the Council level of gross debt as at 31st March 2022.

## Treasury Indicators

#### Authorised Limit for External Debt

	2020/21 Actual £m	2021/22 Estimate £m	2021/22 Actual £m
Borrowing	11.000	40.582	11.000
Other Long Term Liabilities	2.527	2.010	2.010
Total	13.527	42.592	13.010

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

	2020/21 Actual £m	2021/22 Estimate £m	2021/22 Actual £m
Borrowing	11.000	30.582	11.000
Other Long Term Liabilities	2.527	2.010	2.010
Total	13.527	32.592	13.010

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

	Original Limits £m	Actual £m
Under 12 months	11	2
12 months to under 24 months	0	0
24 months to under 5 years	0	0
5 years to under 10 years	0	0
10 years and within 20 years	0	0
20 years and within 30 years	0	0
30 years and within 40 years	0	0
40 years and within 50 years	0	0

£2m of the £11m borrowing had been repaid. The additional £9m has been rolled over as £4m short term borrowing and £5m long term.