

Prudential Indicators 2018/19 Mid-Year

	Prudential Indicator		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
1	Capital expenditure To allow the authority to plan for capital financing as a result of the capital programme and enable the monitoring of capital budgets.	GF	£93.0m	£92.1m	£36.1m	£30.1m	£10.9m	
		HRA	£29.2m	£31.1m	£25.9m	£11.0m	£9.1m	
		PFI	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m	
		<u>Total</u>	<u>£122.2m</u>	<u>£123.2m</u>	<u>£62.0m</u>	<u>£41.1m</u>	<u>£20.0m</u>	
2	CFR as at 2017/18 outturn Indicates the Council's underlying need to borrow money for capital purposes. The majority of the capital programme is funded through government support, government grant or the use of capital receipts. The use of borrowing increases the CFR.	GF	£238.7m	£254.0m	£247.2m	£240.0m	£232.9m	
		HRA	£139.0m	£139.0m	£139.0m	£139.0m	£139.0m	
		PFI	£46.5m	£44.9m	£43.1m	£41.3m	£39.4m	
		<u>Total</u>	<u>£424.2m</u>	<u>£437.9m</u>	<u>£429.3m</u>	<u>£420.3m</u>	<u>£411.3m</u>	
3	Ratio of financing costs to net revenue stream An estimate of the cost of borrowing in relation to the net cost of Council services to be met from government grant and council taxpayers. In the case of the HRA the net revenue stream is the income from rents.	GF	12.42%	15.22%	17.18%	17.75%	17.77%	
		HRA	13.25%	13.25%	13.25%	13.25%	13.25%	
		<u>Total</u>	<u>12.59%</u>	<u>14.80%</u>	<u>16.35%</u>	<u>16.80%</u>	<u>16.81%</u>	
4	External debt To ensure that borrowing levels are prudent over the medium term the Council's external borrowing, net of investments, must only be for a capital purpose and so not exceed the CFR.	Gross Debt	£299.0m	£316.3m	£329.6m	£330.7m	£334.2m	
		Invest	£85.9m	£20.0m	£20.0m	£20.0m	£20.0m	
		<u>Net Debt</u>	<u>£213.1m</u>	<u>£296.3m</u>	<u>£309.6m</u>	<u>£310.7m</u>	<u>£314.2m</u>	

Annex A

	Prudential Indicator		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
5 a	<p>Authorised limit for external debt</p> <p>The authorised limit is a level set above the operational boundary in acceptance that the operational boundary may well be breached because of cash flows. It represents an absolute maximum level of debt that could be sustained for only a short period of time. The council sets an operational boundary for its total external debt, gross of investments, separately identifying borrowing from other long-term liabilities.</p>	Borrowing / Other long term liabilities Total	£450.3m £30.0m <u>£480.3m</u>	£447.9m £30.0m <u>£477.9m</u>	£439.4m £30.0m <u>£469.4m</u>	£430.3m £30.0m <u>£460.3m</u>	£421.3m £30.0m <u>£451.3m</u>	—————
5 b	<p>Operational boundary for external debt</p> <p>The operational boundary is a measure of the most likely, prudent, level of debt. It takes account of risk management and analysis to arrive at the maximum level of debt projected as part of this prudent assessment. It is a means by which the authority manages its external debt to ensure that it remains within the self-imposed authority limit. It is a direct link between the Council's plans for capital expenditure; our estimates of the capital financing requirement; and estimated operational cash flow for the year.</p>	Borrowing Other long term liabilities Total	£440.3m £10.0m <u>£450.3m</u>	£437.9m £10.0m <u>£447.9m</u>	£429.4m £10.0m <u>£439.4m</u>	£420.3m £10.0m <u>£430.3m</u>	£411.3m £10.0m <u>£421.3m</u>	—————

