

Prudential Indicators 2023/24 Outturn (31.03.24)

	Prudential Indicator		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
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	£68.3m	£167.3m	£60.4m	£36.8m	£25.8m	£26.4m
		HRA	£30.1m	£47.6m	£19.0m	£12.7m	£12.1m	£12.3m
		Other LT	£0.0m	£3.2m	£0.5m	£0.5m	£0.5m	£0.5m
		<u>Total</u>	<u>£98.4m</u>	<u>£218.1m</u>	<u>£79.9m</u>	<u>£50.0m</u>	<u>£38.4m</u>	<u>£39.2m</u>
2	CFR 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	£313.2m	£396.8m	£406.0m	£413.9m	£422.1m	£430.6m
		HRA	£147.3m	£149.3m	£149.3m	£149.3m	£149.3m	£149.3m
		Other LT	£41.7m	£43.2m	£41.9m	£40.6m	£39.3m	£38.0m
		<u>Total</u>	<u>£502.2m</u>	<u>£589.3m</u>	<u>£597.2m</u>	<u>£603.8m</u>	<u>£610.7m</u>	<u>£617.9m</u>
3	Liability Benchmark The Liability Benchmark is based on current capital plans and cash flow assumptions, therefore giving the Council an indication of how much it needs to borrow, when it is likely to need to borrow, and where to match maturities to its planned borrowing needs. The liability benchmark makes no assumption about the level of future prudential borrowing in unknown capital budgets.	<p style="text-align: center;">Liability Benchmark</p> <p>The chart displays the total amount of loans and requirements over time. The Y-axis represents the Total Amount in £'000, ranging from £0 to £700,000. The X-axis represents years from 2023 to 2093. The chart includes several data series: PWLB Loans (dark blue bars), LOBO Loans (grey bars), Variable rate loans (light blue bars), Market Loans (excl LOBO loans) (orange bars), Short Term inc LA Temporary Borrowing (<1 year) (yellow bars), Existing Loan Debt Outstanding (black line), Net Loans Requirement (forecast net loan debt) (red line), and Liability Benchmark (Gross Loans Requirement) (dashed red line). The total amount peaks around 2029 at approximately £580,000 and then declines steadily, reaching near zero by 2065.</p>						
4	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	GF	11.39%	16.92%	16.84%	17.06%	17.18%	17.30%
		HRA	14.01%	12.95%	12.54%	12.10%	11.80%	11.51%
		<u>Total</u>	<u>11.90%</u>	<u>16.13%</u>	<u>16.00%</u>	<u>16.10%</u>	<u>16.15%</u>	<u>16.21%</u>

Annex A

	Prudential Indicator		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	revenue stream is the income from rents. <i>Note that financing costs include debt and other long-term liabilities such as PFI and Leases.</i>							
5	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 Invest Net Debt	£366.8m £5.0m <hr/> £361.8m	£459.3m £5.0m <hr/> £454.3m	£476.4m £5.0m <hr/> £471.4m	£493.1m £5.0m <hr/> £488.1m	£510.9m £5.0m <hr/> £505.9m	£529.6m £5.0m <hr/> £524.6m
6 a	Authorised Limit for External Debt 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.	Borrowing CFR / Other long-term liabilities	£590.9m £30.0m <hr/> £620.9m (£620.9m set at 2023/24 Strategy)	£602.3m £30.0m <hr/> £632.3m (£632.3m set at 2024/25 Strategy)	£607.2m £30.0m <hr/> £637.2m (Based on current CFR projection)	£613.8m £30.0m <hr/> £643.8m (Based on current CFR projection)	£620.7m £30.0m <hr/> £650.7m (Based on current CFR projection)	£627.9m £30.0m <hr/> £657.9m (Based on current CFR projection)

Annex A

	Prudential Indicator		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
6 b	<p>Operational Boundary for External Debt 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 CFR / Short Term Liquidity Requirement	£502.2m	£589.3m	£597.2m	£603.8m	£610.7m	£617.9m
			£88.7m	£13.0m	£10.0m	£10.0m	£10.0m	£10.0m
			<u>£590.9m</u>	<u>£602.3m</u>	<u>£607.2m</u>	<u>£613.8m</u>	<u>£620.7m</u>	<u>£627.9m</u>
			(£590.9m set at 2023/24 Strategy)	(£602.3m set at 2024/25 Strategy)	(Based on current CFR projection)	(Based on current CFR projection)	(Based on current CFR projection)	(Based on current CFR projection)

