Prudential Indicators 2022/23 Outturn (31.03.23)

	Prudential Indicator		2022/23	2023/24	2024/25	2025/26	2026/27	2026/27
	0 11 1							
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	£50.8m	£218.7m	£67.1m	£25.5m	£23.8m	£24.3m
		HRA	£28.5m	£65.9m	£38.2m	£32.8m	£25.1m	£12.1m
		Other LT	£0.0m	£0.0m	£3.4m	£0.5m	£0.5m	£0.5m
	buagets.	Total	£79.3m	£284.6m	£108.7m	£58.8m	£49.4m	£36.9m
2	CFR							
	Indicates the Council's							
	underlying need to borrow money for capital purposes. The	GF	£292.8m	£391.6m	£403.0m	£404.9m	£408.2m	£414.0m
	majority of the capital programme is funded	HRA	£146.4m	£146.4m	£149.8m	£153.4m	£153.4m	£153.4m
	through government support, government grant or the use of	Other LT	£42.8m	£41.7m	£44.1m	£42.9m	£41.7m	£40.6m
	capital receipts. The use of borrowing	Total	£481.9m	£579.7m	£596.9m	£601.1m	£603.2m	£608.0m
	increases the CFR.							
3	Liability Benchmark The Liability	Liability Benchmark						
	Benchmark is based on current capital							
	plans and cash flow assumptions, therefore	£500,0	1					
	giving the Council an indication of how much	£400,000 (000) £300,000 £200,000						
	it needs to borrow, when it is likely to							
	need to borrow, and where to match							
	maturities to its							
	planned borrowing needs. The liability	£100,000						
	benchmark makes no assumption about the	εο						# (0, m, 0, a)
	level of future		2027	2032 2034 2036 2038 2040 2042	205, 205, 205, 205, 205, 205, 205, 205,	2058 2060 2062 2064 2066 2066	2072 2072 2074 2076 2078 2080 2080	208 (208 (208 (209 (209 (
	prudential borrowing in	=	PWLB Loans LOBO Loans	_	1	Short Term inc	excl LOBO loans) LA Temporary Вогго	wing (<1 year)
	unknown capital budgets.	==		s ement (forecast net lo rk (Gross Loans Req		Existing Loan I	Debt Outstanding	
4	Ratio of financing							
	costs to net revenue							
	stream An estimate of the cost	0.5	0.4007	44.0004	40.0=01	44.4004	4.4 =====	44750
	of borrowing in relation	GF	8.13%	11.63%	13.87%	14.46%	14.57%	14.75%
	to the net cost of Council services to be	HRA	11.04%	9.92%	9.52%	9.31%	9.10%	8.88%
	met from government grant and council	Total	8.68%	11.30%	13.04%	13.48%	13.54%	13.68%
	taxpayers. In the case of the HRA the net							

Annex A

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	Prudential Indicator		2022/23	2023/24	2024/25	2025/26	2026/27	2026/27
	revenue stream is the income from rents. Note that in future years some of the forecast debt will be directly funded by business rates income and a number of other self financing schemes, where income is generated to meet the cost of investment in the scheme. Therefore the actual figure will be lower							
_	than shown here.							
5	External debt To ensure that borrowing levels are prudent over the medium term the Council's external borrowing, net of	Gross Debt Invest	£344.1m £10.8m	£448.0m £15.0m	£474.7m £15.0m	£489.5 £15.0m	£502.9m £15.0m	£519.6m £15.0m
	investments, must only be for a capital purpose and so not exceed the CFR.	Net Debt	£333.3m	£433.0m	£459.7m	£474.5m	£487.9m	£504.6m
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 / Other long term liabilities	£525.0m £30.0m £555.0m (£555.0m set at 2022/23 Strategy)	£590.9m £30.0m £620.9m (£620.9m set at 2023/24 Strategy)	£606.9m £30.0m £636.9m (Based on current CFR projection)	£611.1m £30.0m £641.1m (Based on current CFR projection)	£613.2m £30.0m £643.2m (Based on current CFR projection)	£618.0m £30.0m £648.0m (Based on current CFR projection)

Annex A

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	Prudential Indicator		2022/23	2023/24	2024/25	2025/26	2026/27	2026/27
6 b	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	Sorrowing / Short Term Liquidity Requirement	£481.9m £43.1m £525.0m	£579.7m £11.2m £590.9m	£596.9m £10.0m £606.9m	£601.1m £10.0m £611.1m	£603.2m £10.0m £613.2m	£608.0m £10.0m £618.0m
	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.	Borrowing / Short	(£525.0m set at 2022/23 Strategy)	(£590.9m set at 2023/24 Strategy)	(Based on current CFR projection)	(Based on current CFR projection)	(Based on current CFR projection)	(Based on current CFR projection)

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	Prudential Indicator		2021/22	2022/23	2023/24	2024/25	2025/26	
7	Maturity structure of fixed rate borrowing To minimise the impact of debt maturity on the cash flow of the Council. Over exposure to debt maturity in any one		Maturity Profile	Debt (£)	Debt (%)	Approved Minimum Limit	Approved Maximum Limit	
		Maturity profile of debt against approved limits	Less than 1 yr	£9.3m	3%	0%	30%	In line with the TMSS Lobo loans are shown as due at their next call date as this is the date
	year could mean that the Council has		1 to 2 yrs	£15.3m	5%	0%	30%	
	insufficient liquidity to meet its repayment		2 to 5 yrs	£46.0m	15%	0%	40%	
	liabilities, and as a result could be exposed to risk of interest rate fluctuations in the future where loans are maturing. The Council		5 to 10 yrs	£70.7m	24%	0%	40%	
		urity profile	10 yrs and above	£160.0m	53%	30%	90%	the lender could require payment.
	therefore sets limits whereby long-term loans mature in different periods thus spreading the risk.	Matu	Total	£301.3m	100%	-	-	
7	Upper limit for total principal sums invested for over 364 days The Council sets an upper limit for each forward financial year period for the level of investments that mature in over 364 days. These limits reduce the liquidity and interest rate risk associated with investing for more than one year. The limits are set as a percentage of the average balances of the investment portfolio.		£15.0m	£15.0m	£15.0m	£15.0m	£15.0m	£15.0m