

Prudential Indicators 2025/26 Outturn (31 March 2026)

	Prudential Indicator		2025/26 Actual	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	
1	<b>Capital Expenditure</b> To allow the authority to plan for capital financing as a result of the capital programme and enable the monitoring of capital budgets.	GF	£50.1m	£86.9m	£113.4m	£87.1m	£42.1m	
		HRA	£31.8m	£26.1m	£39.8m	£30.5m	£15.5m	
		Other LT	£4.8m	£0.5m	£0.5m	£0.5m	£0.5m	
		<u>Total</u>	<u>£86.7m</u>	<u>£113.5m</u>	<u>£153.7m</u>	<u>£118.1m</u>	<u>£58.1m</u>	
2	<b>CFR</b> 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	£332.0m	£356.8m	£413.5m	£438.5m	£448.8m	
		HRA	£133.5m	£129.8m	£133.7m	£144.7m	£145.6m	
		Other LT	£49.4m	£47.9m	£46.5m	£45.1m	£43.6m	
		<u>Total</u>	<u>£514.9m</u>	<u>£534.5m</u>	<u>£593.7m</u>	<u>£628.3m</u>	<u>£638.0m</u>	
3	<b>Liability Benchmark</b> 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;"><b>Liability Benchmark</b></p>						

## Annex A

	Prudential Indicator		2025/26 Actual	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	
4	<p><b>Ratio of Financing Costs to Net Revenue Stream</b></p> <p>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. Note that financing costs include debt and other long-term liabilities such as PFI and Leases.</p>	<p>GF</p> <p>HRA</p> <p><u>Total</u></p>	<p>12.51%</p> <p>12.62%</p> <p><u>12.53%</u></p>	<p>15.98%</p> <p>11.94%</p> <p><u>15.13%</u></p>	<p>17.94%</p> <p>11.88%</p> <p><u>16.71%</u></p>	<p>19.69%</p> <p>11.82%</p> <p><u>18.14%</u></p>	<p>20.32%</p> <p>11.76%</p> <p><u>18.69%</u></p>	
5	<p><b>External Debt</b></p> <p>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.</p>	<p>Gross Debt</p> <p>Invest</p> <p><u>Net Debt</u></p>	<p>£400.4m</p> <p>£4.4m</p> <p><u>£396.0m</u></p>	<p>£418.5m</p> <p>£5.0m</p> <p><u>£413.5m</u></p>	<p>£487.6m</p> <p>£5.0m</p> <p><u>£482.6m</u></p>	<p>£533.8m</p> <p>£5.0m</p> <p><u>£528.8m</u></p>	<p>£556.7m</p> <p>£5.0m</p> <p><u>£551.7m</u></p>	
6 a	<p><b>Authorised Limit for External Debt</b></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> <p><i>Estimate for year-end outturn positions, unless stated as an actual.</i></p>	<p>Borrowing CFR / Other long-term liabilities</p>	<p>£580.5m</p> <p>£30.0m</p> <p><u>£610.5m</u></p> <p>(£610.5m actual set at 2025/26 Strategy)</p>	<p>£590.2m</p> <p>£30.0m</p> <p><u>£620.2m</u></p> <p>(£620.2m actual set at 2026/27 Strategy)</p>	<p>£603.7m</p> <p>£30.0m</p> <p><u>£633.7m</u></p> <p>(Estimate based on current CFR projection)</p>	<p>£638.3m</p> <p>£30.0m</p> <p><u>£668.3m</u></p> <p>(Estimate based on current CFR projection)</p>	<p>£648.0m</p> <p>£30.0m</p> <p><u>£678.0m</u></p> <p>(Estimate based on current CFR projection)</p>	



## Annex A

	Prudential Indicator		2025/26	2026/27	2027/28	2028/29	2029/30	
7	<b>Maturity Structure of Borrowing</b> To minimise the impact of debt maturity on the cash flow of the Council. Over exposure to debt maturity in any one year could mean that the Council has insufficient liquidity to meet its repayment liabilities, and as a result could be exposed to risk of interest rate fluctuations in the future where loans are maturing. The Council therefore sets limits whereby long-term loans mature in different periods thus spreading the risk. These approved limits are set each year in the Treasury Strategy.	Maturity profile of debt against approved limits	<b>Maturity Profile</b>	<b>Debt (£)</b>	<b>Debt (%)</b>	<b>Approved Minimum Limit</b>	<b>Approved Maximum Limit</b>	This is the current actual level of debt against the approved limits set at the 2025/26 Strategy.
			Less than 1 yr	£53.8m	15%	0%	30%	
			1 to 2 Yrs	£31.5m	9%	0%	30%	
			2 to 5 Yrs	£82.0m	23%	0%	40%	
			5 to 10 yrs	£53.0m	15%	0%	40%	
			10 to 20 yrs	£69.8m	20%	30%	90%	
			20 to 30 yrs	£25.0m	7%			
			30 to 40 yrs	£26.0m	8%			
			40 to 50 yrs	£10.0m	3%			
			Total	£351.0m	100%			
7	<b>Upper Limit for Total Principal Sums Invested for Over 364 Days</b> 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. This upper limit is set each year in the Treasury Strategy.	Limit / (Current investments over 364 days maturing in each year)	£15.0m	£15.0m	£15.0m	£15.0m	£15.0m	
			(£0.0m)	(£0.0m)	(£0.0m)	(£0.0m)	(£0.0m)	