

Prudential and Treasury Indicators**Prudential Indicators**

- a) The actual capital expenditure that was incurred in 2016/17 and the estimates of capital expenditure to be incurred for the current and future years that are recommended for approval are:

TABLE 1 SECTION 2.4	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Capital Expenditure	actual	Latest Estimate	estimate	estimate	estimate	estimate	estimate
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Private Sector Housing Improvement Invest and Repair Programme	558	619	614	500	500	500	500
Community Project Schemes	310	690	198	180	180	180	180
IT Investment Programme	180	188	32	32	32	32	32
Invest to Save Projects	264	220	220	220	220	220	220
HRA	195	42,668	27,630	22,630	20,380	20,380	380
	4,494	4,083	6,156	3,229	3,451	3,445	3,518
Total Capital Programme	6,002	48,468	34,850	26,791	24,763	24,757	4,830
Leases	91	-	-	90	3,700	-	90
Total Capital Expenditure	6,093	48,468	34,850	26,881	28,463	24,757	4,920

- b) The actual capital expenditure that was incurred in 2016/17 and the estimates of capital expenditure to be incurred for the current and future years, including the financing of the programme are:

TABLE 2 SECTION 2.4	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Capital Expenditure	actual	Latest Estimate	estimate	estimate	estimate	estimate	estimate
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Non - HRA	1,508	44,385	28,694	23,562	21,312	21,312	1,312
HRA	4,494	4,083	6,156	3,229	3,451	3,445	3,518
Total Capital Programme	6,002	48,468	34,850	26,791	24,763	24,757	4,830
Leases	91	-	-	90	3,700	-	90
Total Capital Expenditure	6,093	48,468	34,850	26,881	28,463	24,757	4,920
Financed By							
Capital Grants	619	634	1,148	500	500	500	500
Capital Receipts	743	1,273	969	857	808	517	303
Revenue Contribution	4,640	2,948	2,674	2,512	2,783	3,068	3,355
Net financing need for the year	91	43,613	30,059	23,012	24,372	20,672	762

- c) Estimates of the end of year capital financing requirement for the authority for the current and future years and the actual capital financing requirement at 31 March 2017 are:

TABLE 3 SECTION 2.5	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Capital Financing requirement as at 31 March	actual	Latest Estimate	estimate	estimate	estimate	estimate	estimate
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Non - HRA	15,137	57,708	83,898	104,462	126,015	143,966	142,007
HRA	63,722	60,822	59,845	56,345	52,845	49,845	46,845
TOTAL	78,860	118,530	143,743	160,807	178,860	193,811	188,852
Movement in CFR	(4,303)	39,670	25,213	17,064	18,053	14,951	(4,959)

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- d) Estimates of the change in capital financing requirement for the authority for the current and future years and the actual change in capital financing requirement in 2016/17 are:

TABLE 4 SECTION 2.5	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Movement in CFR represented by	actual	Latest Estimate	estimate	estimate	estimate	estimate	estimate
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Net financing need for the year	91	43,613	30,059	23,012	24,372	20,672	762
HRA Settlement	0	0	0	0	0	0	0
Less MRP and other financing movements	4,394	3,943	4,846	5,948	6,319	5,721	5,721
Movement in CFR	(4,303)	39,670	25,213	17,064	18,053	14,951	(4,959)

- e) Estimates of the resources at 31 March for the authority for the current and future years are:

TABLE 5 SECTION 2.10	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Year End Resources	actual	Latest Estimate	estimate	estimate	estimate	estimate	estimate
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Fund balances	2,265	2,265	2,275	2,235	2,195	2,155	2,155
Reserves	23,129	25,105	25,105	24,605	24,605	24,105	24,105
Capital receipts	3,558	1,994	1,763	1,717	1,432	1,108	1,076
Total core funds	28,952	29,364	29,143	28,557	28,232	27,368	27,336
Working Capital	3,050	3,050	3,050	3,050	3,050	3,050	3,050
Less : Internal Borrowing	13,301	13,207	12,169	10,038	8,058	6,573	4,012
Expected Investments	18,701	19,207	20,024	21,569	23,224	23,845	26,374

- f) Estimates of the ratio of financing costs to net revenue stream for the current and future years, and the actual figures for 2016/17 are:

TABLE 6 SECTION 2.12	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Ratio of financing costs to net revenue stream	actual	Latest Estimate	estimate	estimate	estimate	estimate	estimate
	Non - HRA	1.65%	5.85%	28.07%	46.91%	63.19%	77.35%
HRA	11.03%	10.59%	10.26%	10.28%	9.89%	9.40%	8.91%

- g) HRA Ratios

TABLES 7 SECTION 2.13	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Ratio of HRA Debt to HRA Revenues	actual	Latest Estimate	estimate	estimate	estimate	estimate	estimate
	£m	£m	£m	£m	£m	£m	£m
HRA debt	64	61	60	56	53	50	47
HRA debt cap	79	79	79	79	79	79	79
HRA revenues	16	16	16	16	16	16	17
Ratio of debt to revenues %	404%	380%	374%	352%	330%	312%	276%

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TABLES 8 SECTION 2.14	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Ratio of HRA Debt to Number of dwellings	actual	Latest Estimate	estimate	estimate	estimate	estimate	estimate
HRA debt £m	64	61	60	56	53	50	47
Number of HRA dwellings	3,701	3,691	3,681	3,671	3,661	3,651	3,641
Debt per dwelling £000	17.22	16.48	16.26	15.35	14.43	13.65	12.87

h) Estimates of the treasury portfolio position for the current and future years and the actual position at 31 March 2017 are:

TABLE 9 SECTION 2.17	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Current treasury portfolio position	actual	Latest Estimate	estimate	estimate	estimate	estimate	estimate
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
External Debt							
Debt at 1 April	65,490	61,435	101,405	127,852	147,233	167,443	184,047
Expected Change in Debt	(4,055)	39,970	26,447	19,381	20,210	16,604	(2,238)
Other long term liabilities (OLTL) at 1 April	1,998	4,124	3,918	3,722	3,536	3,359	3,191
Expected Change in OLTL	2,126	(206)	(196)	(186)	(177)	(168)	(160)
Actual debt at 31 March	65,559	105,323	131,574	150,769	170,802	187,238	184,840
The Capital Financing Requirement	78,860	118,530	143,743	160,807	178,860	193,811	188,852
Under / (over) borrowing	13,301	13,207	12,169	10,038	8,058	6,573	4,012
Total Investments at 31 March							
Expected Investments	18,701	19,207	20,024	21,569	23,224	23,845	26,374
Net Debt	46,858	86,116	111,550	129,200	147,578	163,393	158,466

i) This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt.

TABLE 10 SECTION 2.21	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Operational Boundary for external debt -	actual	Latest Estimate	estimate	estimate	estimate	estimate	estimate
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Borrowing	88,000	125,000	149,000	166,000	184,000	199,000	194,000
TOTAL	88,000	125,000	149,000	166,000	184,000	199,000	194,000

j) A further key prudential indicator represents a control on the maximum level of debt. This represents a limit beyond which external debt cannot be exceeded during the year, unless subsequently amended by Full Council.

TABLE 11 SECTION 2.22	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Authorised Limit for external debt -	actual	Latest Estimate	estimate	estimate	estimate	estimate	estimate
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Borrowing	93,000	130,000	154,000	171,000	189,000	204,000	199,000
TOTAL	93,000	130,000	154,000	171,000	189,000	204,000	199,000

k) HRA Debt Limit. Separately, the Council is also limited to a maximum HRA CFR through the HRA self-financing regime. This is in accordance with the settlement and is prescribed as part of the self financing determination.

TABLE 12 SECTION 2.23	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
HRA Debt Limit	actual	Latest Estimate	estimate	estimate	estimate	estimate	estimate
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
HRA Debt Cap	79,146	79,146	79,146	79,146	79,146	79,146	79,146
HRA CFR	63,722	60,822	59,845	56,345	52,845	49,845	46,845
HRA Headroom	15,424	18,324	19,301	22,801	26,301	29,301	32,301

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I) The Council's Prudential Indicators for treasury management are detailed below:

TABLE 13 SECTION 2.50		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Interest rate exposures		actual	Latest Estimate	estimate	estimate	estimate	estimate	estimate
Upper limit for fixed interest rate exposure based on net debt		n/a	100%	100%	100%	100%	100%	100%
Upper limit for variable rate exposure based on net debt		n/a	100%	100%	100%	100%	100%	100%
Maturity structure of fixed rate borrowing			Lower Limit			Upper Limit		
under 12 Months			0%			100%		
between 12 Months and 24 months			0%			100%		
between 24 months and 5 years			0%			100%		
between 5 and 10 years			0%			100%		
more than 10 years			0%			100%		

TABLE 16 In the report refers to time and monetary limits applying to investments.

TABLE 14 SECTION 2.53		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
		actual	Latest Estimate	estimate	estimate	estimate	estimate	estimate
		£000	£000	£000	£000	£000	£000	£000
Principal sums invested for over 364 days		10,000	10,000	15,000	20,000	20,000	20,000	20,000

Note: All indicators have been reviewed by our external treasury advisors Link Asset Services (formerly Capita Asset Services).