

## PRUDENTIAL INDICATORS Q3 2024/25

PRUDENTIAL INDICATORS	Source	2023/24	2024/25	2025/26	2026/27	2027/28	Notes
		£'000	£'000	£'000	£'000	£'000	
		Actual	Forecast	Estimate	Estimate	Estimate	
		£'000	£'000	£'000	£'000	£'000	
<b>Total Annual Capital Expenditure</b>	<b>Capital Strategy</b>	57,729	58,313	80,864	144,743	56,784	A forecast of when approved capital expenditure will be incurred
<b>Capital financing requirement as at 31 March</b>	<b>Capital Strategy</b>	603,087	643,504	692,876	805,484	823,134	Total value of capital spend financed from borrowing.
<b>Annual change in capital financing requirement (CFR)</b>	<b>Capital Strategy</b>	33,619	40,417	49,372	112,608	17,650	Net impact that capital spend less MRP has on the CFR. When MRP exceeds the spend this will be negative.
<b>Net borrowing requirement</b>	<b>Capital Strategy</b>						
Brought forward 1 April		525,654	583,006	623,423	672,795	785,403	Annual actual borrowing estimates.
Carried forward 31 March		583,006	623,423	672,795	785,403	803,053	
In year borrowing requirement		57,352	40,417	49,372	112,608	17,650	
<b>Gross Borrowing as at 31st March</b>	<b>Capital Strategy</b>	583,006	623,423	672,795	785,403	803,053	Estimated total funds borrowed.
<b>Authorised limit for external debt</b>	<b>Capital Strategy</b>						
Borrowing		602,087	642,504	691,876	804,484	822,134	The affordable borrowing limit determined in compliance with the Local Government Act 2003. This sum can not exceed the CFR.
Other long-term liabilities		1,000	1,000	1,000	1,000	1,000	
Total		603,087	643,504	692,876	805,484	823,134	
<b>Operational boundary for external debt</b>	<b>Capital Strategy</b>						
Borrowing		592,087	632,504	681,876	794,484	812,134	Based on the Authority's estimate of most likely requirement for external debt.
Other long-term liabilities		1,000	1,000	1,000	1,000	1,000	
Total		593,087	633,504	682,876	795,484	813,134	
<b>Income from non treasury investments to net revenue stream</b>	<b>Capital Strategy</b>	115%	137%	125%	139%	144%	Percentage that income from borrowing is of the net annual budget
<b>Proportion of financing costs to net revenue stream</b>	<b>Capital Strategy</b>	106%	153%	135%	145%	156%	Percentage that Interest & Minimum Revenue Provision (MRP) is of the net annual budget.
<b>Liability Benchmark</b>	<b>Treasury Strategy</b>	583,006	613,231	667,308	782,490	805,383	An alternative strategy, showing the lowest risk level of borrowing
<b>Credit Risk Indicator</b>	<b>Treasury Strategy</b>	A	A	A	A	A	A target for exposure to credit risk of investment portfolio
<b>Liquidity Risk Indicator</b>	<b>Treasury Strategy</b>	0	0	0	0	0	A target for exposure to liquidity risk through borrowing without prior notice
<b>Interest Risk Indicator</b>	<b>Treasury Strategy</b>						
Upper Limit for variable interest rate exposure		90%	90%	90%	90%	90%	This section of indicators reflect the limits attributed to long term borrowing with a variable interest rate
Upper Limit on fixed interest rate exposure		100%	100%	100%	100%	100%	This section of indicators reflect the limits attributed to long term borrowing with a fixed interest rate.
<b>Refinancing Risk Indicator</b>	<b>Treasury Strategy</b>						
Under 12 months		50%	50%	50%	50%	50%	This indicator is set to control the authority's exposure to refinancing risk. These only show the upper limits, not the lower limits, please refer to the Treasury Strategy for the lower limits
12 months and within 24 months		30%	30%	60%	60%	60%	
24 months and within 5 years		50%	50%	70%	70%	70%	
5 years and within 10 years		100%	100%	100%	100%	100%	
10 years to 25 years		100%	100%	100%	100%	100%	
25 years and above		100%	100%	100%	100%	100%	
<b>Price Risk Indicator</b>	<b>Treasury Strategy</b>	15,000	15,000	15,000	15,000	15,000	This indicator shows the maximum long term investment limit
<b>Security of Commercial and Housing Investments</b>	<b>Investment Strategy</b>	(19,112)	n/a	n/a	n/a	n/a	The indicator shows the security of the Council's assets by comparing the accounting valuation to the debt outstanding.
<b>Non Treasury investment income as a proportion of Usable Reserves</b>	<b>Investment Strategy</b>	41%	46%	n/a	n/a	n/a	This indicator monitors the availability of reserves to cover the income from Commercial Property
<b>Yield of Commercial Property Investment Income</b>	<b>Investment Strategy</b>	6%	6%	n/a	n/a	n/a	This indicator shows the average yield of commercial property
<b>Commercial Property Investments Reserve Levels</b>	<b>Investment Strategy</b>	4,556	4,226	2,642	1,883	321	This indicator shows the forecast reserve levels to cover loss of commercial income from voids, or maintenance works required