

APPENDIX C: Prudential Indicators and Treasury Management Targets

	Budget/ Year End Position 2021/22	Forecast/ Actual Quarter 3	Forecast/ Actual Quarter 2
Prudential Indicators			
1 Capital Expenditure			
This indicator is a summary of The Council's capital expenditure plans.			
2021/22 Estimate	£10,430,000	£12,240,000 projected	£17,767,000 projected
2 The Council's Borrowing Need			
This indicator is the Council's Capital Financing Requirement (CFR) which is the historic outstanding capital expenditure which has not yet been paid for either from revenue or capital resources. It is essentially a measure of the Council's indebtedness and so is its underlying borrowing need.			
Property Investment	£1,496,000		
Dowding House	£1,960,000		
Strategic Land Acquisition	£966,000		
Calverley Square Property Purchase	£489,000		
Waste Bins	£598,000		
Civic Site Essential Works	£95,000		
2020/21 Actual	£5,604,000		
Property Investment		£1,425,000	£1,425,000
Dowding House		£1,870,000	£1,870,000
Strategic Land Acquisition		£924,000	£924,000
Calverley Square Property Purchase		£468,000	£468,000
Waste Bins		£532,000	£532,000
Civic Site Essential Works		£540,000	£1,922,000
The Amelia Scott		£2,000,000	£2,000,000
2021/22 Estimate		£7,759,000 projected	£9,141,000 projected
3 Core Funds and Expected Investment Balances			
The application of resources to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources.			
2020/21 Closing Investments Amount	£34,600,000		
2021/22 Estimate Closing Investments Amount		£34,000,000 projected (Quarter 3 end £68,600,000)	£20,800,000 projected (Quarter 2 end £52,200,000)
Note: Grant income from Government relating to Covid-19 grants for businesses was held at year end and the end of Quarter 3 2021/22. This is expected to be paid out or back to Government by March 2022.			

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<p>4 Ratio of Financing Costs to Net Revenue Streams This indicator identifies trends in the cost of capital, borrowing and long term obligation costs of net investment income, against net revenue stream.</p> <p>Net Cost of Services Estimate £14,766,000 Borrowing Costs Estimate £0 Percentage 0.00%</p>		<p>£15,349,000 £0 0.00% projected</p>	<p>£15,417,000 £0 0.00% projected</p>
Treasury Indicators			
<p>1 Authorised Limit for External Debt The Council is expected to set a maximum authorised limit for external debt. This limit should not be exceeded and is therefore calculated on the basis of the worst case scenario for cash flow requirements in the short term.</p> <p>Authorised limit for external debt Other long term liabilities (S106 with repayment conditions) Total</p>		<p>£0 £5,945,000</p>	<p>£0 £5,558,000</p>
	£25,000,000	£5,945,000 actual	£5,558,000 actual
<p>2 Operational boundary for external debt The Council is required to set an operational boundary for external debt. This indicates the most likely maximum level of external debt for cash flow requirements in the short term. This indicator may be breached temporarily for operational reasons.</p> <p>Operational boundary for external debt Other long term liabilities (S106 with repayment conditions) Total</p>		<p>£0 £5,945,000</p>	<p>£0 £5,558,000</p>
	£25,000,000	£5,945,000 actual	£5,558,000 actual

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<u>Treasury Management Targets</u>			
<p>1 Target Investment Interest Rate Base Rate 0.10% from 19 Mar 20 to 16 Dec 22 Base Rate 0.25% from 16 Dec 22 to 3 Feb 22 Base Rate 0.50% from 3 Feb 22 onwards</p>	1.35%	0.80% projected	0.89% projected
<p>2 Longer term investment decisions Made in the context of a minimum investment rate of</p>	0.75%	No long term Investments made	No long term Investments made
<p>3 Cash flow Overall cash flow to be managed to achieve a nil borrowing requirement although borrowing will be considered an option where it is prudent to do so</p>	Nil	Nil	Nil

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<u>Other Key Data</u>			
1 Estimated average equated sums for investment 2021/22 Total	£26,800,000	£57,700,000 projected	£48,400,000 projected
2 Investment Income Investment Income including investments and bank interest	£362,000	£462,000 projected (Year to date £341,000)	£432,000 projected (Year to date £227,000)