

APPENDIX C: Prudential Indicators and Treasury Management Targets

	Budget/ Year End Position 2022/23	Actual Quarter 4	Forecast/ Actual Quarter 3
Prudential Indicators			
1 Capital Expenditure			
This indicator is a summary of The Council's capital expenditure plans.			
2022/23	£10,402,000	£4,502,000 actual	£8,374,000 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	£900,000		
Dowding House	£1,870,000		
Strategic Land Acquisition	£924,000		
Property Purchase	£468,000		
The Amelia Scott	£2,000,000		
2021/22 Actual @ Year End	£6,162,000		
Property Investment		£855,000	£855,000
Dowding House		£1,781,000	£1,781,000
Strategic Land Acquisition		£0	£882,000
Property Purchase		£447,000	£447,000
The Amelia Scott		£2,000,000	£2,000,000
Civic Site Essential Works		£0	£130,000
2022/23 Actual @ Year End		£5,083,000 actual	£6,095,000 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.			
2021/22 Closing Investments Amount	£55,400,000		
2022/23 Closing Investments Amount		£52,800,000 actual	£49,400,000 projected (Quarter 3 end £72,000,000)

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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. Net Cost of Services Estimate Borrowing Costs Estimate Percentage	£14,950,000 £0 0.00%	£13,406,000 £0 0.00% actual	£15,278,000 £0 0.00% projected
Treasury Indicators			
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. Authorised limit for external debt Other long term liabilities (S106 with repayment conditions) Total	£25,000,000	£0 £7,206,000 £7,206,000 actual	£0 £8,171,000 £8,171,000 actual
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. Operational boundary for external debt Other long term liabilities (S106 with repayment conditions) Total	£25,000,000	£0 £7,206,000 £7,206,000 actual	£0 £8,171,000 £8,171,000 actual

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<u>Treasury Management Targets</u>			
<p>1 Target Investment Interest Rate Base Rate 0.75% from 17 Mar 22 to 4 May 22 Base Rate 1.00% from 5 May 22 to 15 Jun 22 Base Rate 1.25% from 16 Jun 22 to 3 Aug 22 Base Rate 1.75% from 4 Aug 22 to 21 Sep 22 Base Rate 2.25% from 22 Sep 22 to 2 Nov 22 Base Rate 3.00% from 3 Nov 22 to 14 Dec 22 Base Rate 3.50% from 15 Dec 22 to 1 Feb 23 Base Rate 4.00% from 2 Feb 23 to 22 Mar 23 Base Rate 4.25% from 23 Mar 23 to 10 May 23 Base Rate 4.50% from 11 May 23 onwards</p>	1.09%	2.37% actual	2.29% projected
<p>2 Longer term investment decisions Made in the context of a minimum investment rate of</p>	0.40%	£5m investment @ 4.66%	£5m investment @ 5.48%
<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 2022/23 Total	£40,800,000	£69,302,000 actual	£69,500,000 projected
2 Investment Income Investment Income including investments and bank interest	£445,000	£1,643,000 actual	£1,595,000 projected (Year to date £1,020,000)