

**Prudential and Treasury Indicators****Prudential Indicators**

- a) The actual capital expenditure that was incurred in 2015/16 and the estimates of capital expenditure to be incurred for the current and future years that are recommended for approval are:

<b>TABLE 1 SECTION 2.3</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Capital Expenditure</b>	<b>actual</b>	<b>Latest Estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Private Sector Housing Improvement	354	738	500	500	500	500	500
Invest and Repair Programme	552	425	436	166	136	136	136
Community Project Schemes	191	193	157	32	32	32	32
IT Investment Programme	200	269	220	220	220	220	220
Invest to Save Projects	682	2,744	20,459	20,679	20,279	20,279	20,279
HRA	4,263	4,936	4,001	3,225	3,253	3,475	3,469
<b>Total Capital Programme</b>	<b>6,242</b>	<b>9,305</b>	<b>25,773</b>	<b>24,822</b>	<b>24,420</b>	<b>24,642</b>	<b>24,636</b>
Leases	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	<b>6,242</b>	<b>9,305</b>	<b>25,773</b>	<b>24,822</b>	<b>24,420</b>	<b>24,642</b>	<b>24,636</b>

- b) The actual capital expenditure that was incurred in 2015/16 and the estimates of capital expenditure to be incurred for the current and future years, including the financing of the programme are:

<b>TABLE 2 SECTION 2.3</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Capital Expenditure</b>	<b>actual</b>	<b>Latest Estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Non - HRA	1,979	4,369	21,772	21,597	21,167	21,167	21,167
HRA	4,263	4,936	4,001	3,225	3,253	3,475	3,469
<b>Total Capital Programme</b>	<b>6,242</b>	<b>9,305</b>	<b>25,773</b>	<b>24,822</b>	<b>24,420</b>	<b>24,642</b>	<b>24,636</b>
Leases	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	<b>6,242</b>	<b>9,305</b>	<b>25,773</b>	<b>24,822</b>	<b>24,420</b>	<b>24,642</b>	<b>24,636</b>
<b>Financed By</b>							
Capital Grants	600	657	527	500	500	500	500
Capital Receipts	766	926	1,006	453	692	642	350
Revenue Contribution	4,876	3,587	3,233	2,912	2,701	2,973	3,259
Net financing need for the year	0	4,135	21,007	20,957	20,527	20,527	20,527

- 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 2016 are:

<b>TABLE 3 SECTION 2.4</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Capital Financing requirement as at 31 March</b>	<b>actual</b>	<b>Latest Estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Non - HRA	15,941	18,649	38,672	58,199	76,840	95,158	113,627
HRA	67,222	64,285	61,285	58,285	54,785	51,285	47,785
<b>TOTAL</b>	<b>83,163</b>	<b>82,934</b>	<b>99,957</b>	<b>116,484</b>	<b>131,625</b>	<b>146,443</b>	<b>161,412</b>
Movement in CFR	(4,349)	(229)	17,023	16,527	15,141	14,818	14,969

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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 2015/16 are:

<b>TABLE 4 SECTION 2.4</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Movement in CFR represented by</b>	<b>actual</b>	<b>Latest Estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Net financing need for the year	0	4,135	21,007	20,957	20,527	20,527	20,527
HRA Settlement	0	0	0	0	0	0	0
Less MRP and other financing movements	4,349	4,364	3,984	4,430	5,386	5,709	5,558
<b>Movement in CFR</b>	<b>(4,349)</b>	<b>(229)</b>	<b>17,023</b>	<b>16,527</b>	<b>15,141</b>	<b>14,818</b>	<b>14,969</b>

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

<b>TABLE 5 SECTION 2.10</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Year End Resources</b>	<b>actual</b>	<b>Latest Estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fund balances	2,265	2,455	2,455	2,455	2,455	2,455	2,455
Reserves	19,668	21,089	21,089	21,089	20,589	20,089	20,089
Capital receipts	3,105	1,994	1,763	1,717	1,432	1,108	1,076
<b>Total core funds</b>	<b>25,038</b>	<b>25,538</b>	<b>25,307</b>	<b>25,261</b>	<b>24,476</b>	<b>23,652</b>	<b>23,620</b>
Working Capital	5,270	5,270	5,270	5,270	5,270	5,270	5,270
Less : Internal Borrowing	15,675	19,661	19,884	19,156	17,487	16,021	14,609
<b>Expected Investments</b>	<b>14,633</b>	<b>11,147</b>	<b>10,693</b>	<b>11,375</b>	<b>12,259</b>	<b>12,901</b>	<b>14,281</b>

- f) Estimates of the ratio of financing costs to net revenue stream for the current and future years, and the actual figures for 2015/16 are:

<b>TABLE 6 SECTION 2.12</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Ratio of financing costs to net revenue stream</b>	<b>actual</b>	<b>Latest Estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
	Non - HRA	1.58%	5.24%	8.01%	20.42%	33.27%	44.89%
HRA	11.43%	11.03%	10.69%	10.28%	9.89%	9.40%	8.91%

- g) The estimate of the incremental impact of capital investment decisions proposed, over and above capital investment decisions that have previously been taken by the Council are:

<b>TABLES 7 and 8 SECTIONS 2.13 and 2.14</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Incremental impact of capital investment decisions, over and above capital investment decisions that have previously been taken by the Council are:</b>	<b>actual</b>	<b>Latest Estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Council Tax Band D (indicative figure - per year)	n/a	(0.24)	3.40	22.17	22.03	20.61	n/a
Housing Rents Average Weekly Housing Rents	n/a	(0.05)	0.00	0.10	(0.00)	(0.00)	n/a

- h) HRA Ratios

<b>TABLES 9 SECTION 2.16</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Ratio of HRA Debt to HRA Revenues</b>	<b>actual</b>	<b>Latest Estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
HRA debt	67	64	61	58	55	51	48
HRA revenues	16	16	16	16	16	16	17
<b>Ratio of debt to revenues %</b>	<b>420%</b>	<b>402%</b>	<b>383%</b>	<b>364%</b>	<b>342%</b>	<b>321%</b>	<b>281%</b>

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<b>TABLES 10 SECTION 2.17</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Ratio of HRA Debt to Number of dwellings</b>	<b>actual</b>	<b>Latest Estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
HRA debt £m	67	64	61	58	55	51	48
Number of HRA dwellings	3,721	3,701	3,691	3,681	3,671	3,661	3,651
Debt per dwelling £000	18.07	17.37	16.60	15.83	14.92	14.01	13.09

i) Estimates of the treasury portfolio position for the current and future years and the actual position at 31 March 2016 are:

<b>TABLE 11 SECTION 2.20</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Current treasury portfolio position</b>	<b>actual</b>	<b>Latest Estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>External Debt</b>							
<b>Debt at 1 April</b>	<b>69,589</b>	<b>65,490</b>	<b>61,375</b>	<b>78,270</b>	<b>95,615</b>	<b>112,511</b>	<b>128,876</b>
Expected Change in Debt	(4,099)	(4,115)	16,895	17,345	16,896	16,365	16,459
<b>Other long term liabilities (OLTL) at 1 April</b>	<b>863</b>	<b>1,998</b>	<b>1,898</b>	<b>1,803</b>	<b>1,713</b>	<b>1,627</b>	<b>1,546</b>
Expected Change in OLTL	1,135	(100)	(95)	(90)	(86)	(81)	(78)
<b>Actual debt at 31 March</b>	<b>67,488</b>	<b>63,273</b>	<b>80,073</b>	<b>97,328</b>	<b>114,138</b>	<b>130,422</b>	<b>146,803</b>
The Capital Financing Requirement	83,163	82,934	99,957	116,484	131,625	146,443	161,412
Under / (over) borrowing	15,675	19,661	19,884	19,156	17,487	16,021	14,609
<b>Total Investments at 31 March</b>							
Expected Investments	16,360	11,147	10,693	11,375	12,259	12,901	14,281
<b>Net Debt</b>	<b>51,128</b>	<b>52,126</b>	<b>69,380</b>	<b>85,953</b>	<b>101,879</b>	<b>117,521</b>	<b>132,522</b>

j) 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.

<b>TABLE 12 SECTION 2.24</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Operational Boundary for external debt -</b>	<b>actual</b>	<b>Latest Estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	90,000	88,000	105,000	121,000	137,000	151,000	166,000
<b>TOTAL</b>	<b>90,000</b>	<b>88,000</b>	<b>105,000</b>	<b>121,000</b>	<b>137,000</b>	<b>151,000</b>	<b>166,000</b>

k) 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.

<b>TABLE 13 SECTION 2.25</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Authorised Limit for external debt -</b>	<b>actual</b>	<b>Latest Estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	95,000	93,000	110,000	126,000	142,000	156,000	171,000
<b>TOTAL</b>	<b>95,000</b>	<b>93,000</b>	<b>110,000</b>	<b>126,000</b>	<b>142,000</b>	<b>156,000</b>	<b>171,000</b>

l) 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.

<b>TABLE 14 SECTION 2.26</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>HRA Debt Limit</b>	<b>actual</b>	<b>Latest Estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
HRA Debt Cap	79,146	79,146	79,146	79,146	79,146	79,146	79,146
HRA CFR	67,222	64,285	61,285	58,285	54,785	51,285	47,785
HRA Headroom	11,924	14,861	17,861	20,861	24,361	27,861	31,361

## Appendix A

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

<b>TABLE 15 SECTION 2.32</b>		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Interest rate exposures</b>	<b>actual</b>		<b>Latest Estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
<b>Upper limit for fixed interest rate exposure based on net debt</b>	n/a	100%	100%	100%	100%	100%	100%	100%
<b>Upper limit for variable rate exposure based on net debt</b>	n/a	100%	100%	100%	100%	100%	100%	100%
<b>Maturity structure of fixed rate borrowing</b>		<b>Lower Limit</b>			<b>Upper Limit</b>			
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.

<b>TABLE 17 SECTION 2.54</b>		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>actual</b>		<b>Latest Estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Principal sums invested for over 364 days		10,000	10,000	10,000	10,000	10,000	10,000	10,000

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