

Prudential Indicators 2020/21 to 2022/23 for approval, and Indicative Indicators for 2023/24 and 2024/25

Appendix 1

	Indicators for approval			Indicative Indicators	
	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
<u>Prudential Indicators - Capital Affordability</u>					
a) Capital Expenditure	£ 11,225,600	£ 2,851,000	£ 2,019,000	£ 2,581,000	£ 2,000,000
b) Capital Financing Requirement (CFR)	£ 17,353,900	£ 17,812,700	£ 17,354,400	£ 17,443,800	£ 17,414,600
c) Gearing Ratio (CFR to long term assets)	37%	37%	35%	34%	33%
d) Ratio of Financing Costs to Net Revenue Stream					
Service activity	18.61%	8.32%	9.17%	8.93%	9.48%
Commercial activity	0.72%	1.98%	2.20%	2.14%	2.10%
Total	19.33%	10.30%	11.37%	11.07%	11.58%
e) Ratio of Commercial Income to Net Revenue Stream	1.41%	2.93%	3.18%	3.08%	3.00%
f) Maximum Gross Debt	£ 17,812,700	£ 17,902,100	£ 17,902,100	£ 17,902,100	£ 17,902,100
g) Ratio of Internal borrowing to CFR	26%	22%	20%	18%	18%
<u>Treasury Indicators -</u>					
<u>Affordability Limits to Borrowing</u>					
a) Operational Boundary for External Debt:					
Borrowing	£ 18,800,000	£ 18,900,000	£ 18,900,000	£ 18,900,000	£ 18,900,000
Other Long Term Liabilities	£ 1,500,000	£ 1,500,000	£ 1,500,000	£ 1,500,000	£ 1,500,000
Total Operational Boundary	£ 20,300,000	£ 20,400,000	£ 20,400,000	£ 20,400,000	£ 20,400,000
b) Authorised Limit for External Debt:					
Borrowing	£ 19,800,000	£ 19,900,000	£ 19,900,000	£ 19,900,000	£ 19,900,000
Other Long Term Liabilities	£ 1,500,000	£ 1,500,000	£ 1,500,000	£ 1,500,000	£ 1,500,000
Total Authorised Limit	£ 21,300,000	£ 21,400,000	£ 21,400,000	£ 21,400,000	£ 21,400,000
<u>Prudent Limits on Borrowing Activity</u>					
c) Investment treasury indicator and limit:					
Maximum NEW principal sum to be invested in-year for periods OVER 365 days (ie. Non-Specified Investments). This is subject to a limit of £3m per counterparty (Specified plus Non-Specified) AND to the TOTAL Non-Specified limit of £5m (all counterparties and all investment types).	£ 3,000,000	£ 3,000,000	£ 3,000,000	£ 3,000,000	£ 3,000,000
d) Upper limits for the maturity structure of total o/s Borrowing (fixed/variable) during 2020/21: (Lower limit 0% in all cases)					
Under 1 Year	40%				
1 Year to 2 Years	40%				
2 Years to 5 Years	50%				
5 Years to 10 Years	50%				
Over 10 Years	100%				