

Prudential Indicators 2021/22 for Approval

1. Capital Expenditure

	Actual £m	Estimate £m	Estimate £m	Estimate £m	Estimate £m
Services	7.3	32.7	45.8	19.9	7.5
Commercial activities / non-financial investments	3.5	2.2	-	-	-
Total	10.8	34.9	45.8	19.9	7.5

Financing of capital expenditure	2019/20 Actual £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m
Capital receipts	8.0	-	7.2	1.0	7.1
Capital grants	2.8	7.9	3.4	0.1	-
Revenue	0.0	0.2	0.2	0.2	0.2
Net financing need for the year	4.5	26.7	35.0	18.6	0.2

Commercial activities / non-financial investments	2019/20 Actual £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m
Capital Expenditure	4.8	2.2	-	-	-
Financing costs	-	-	-	-	-
Net financing need for the year	4.8	2.2	-	-	-
Percentage of total net financing need %	107%	8%	-	-	-

2. Capital Financing Requirement

	2019/20 Actual £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m
Capital Financing Requirement					
CFR – non housing	(24.794)	(0.248)	34.715	53.245	53.400
CFR - Commercial activities/ non-financial investments	5.317	7.502	7.502	7.502	7.502
Total CFR	(19.477)	7.254	42.217	60.747	60.902
Movement in CFR	4.530	26.731	34.963	18.530	0.155

Movement in CFR represented by					
Net financing need for the year (above)	15,330	34,864	45.768	19.888	7.463
Less MRP/VRP and other financing movements	(10.800)	(8.111)	(10.805)	(1.358)	(7.308)
Movement in CFR	4.530	26.731	34.963	18.530	0.155

3. Core Funds and expected investment balances

Year End Resources	2019/20 Actual £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m
Fund balances / reserves	16.485	15.411	17.921	16.348	14.761
Capital receipts	-	-	-	-	-
Provisions	2.115	5.500	4.800	3.800	2.800
Other	0.300	-	-	-	-
Total core funds	18.900	20.911	22.721	20.148	17.561
Working capital*	38.000	15.000	3.000	3.000	6.000
Under/over borrowing	1.000	-	-	-	-
Expected investments	57.900	35.911	25.721	23.148	23.561

4. Actual External Borrowing

	2019/20	2020/21	2021/22	2022/23	2023/24
	Actual	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m
External Debt					
Debt at 1 April	7.5	7.5	34.2	26.0	44.5
Expected change in Debt	-	26.7	(8.2)	18.5	0.2
Other long-term liabilities (OLTL)	-	-	-	-	-
Expected change in OLTL	-	-	-	-	-
Actual gross debt at 31 March	7.5	34.2	26.0	44.5	44.7
The Capital Financing Requirement	(19.5)	7.3	42.2	60.7	60.9
Under / (over) borrowing	(7.5)	(26.9)	16.2	16.2	16.2

5. Operational Boundary

Operational boundary	2020/21	2021/22	2022/23	2023/24
	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m
Debt	20.0	40.0	100.0	100.0
Other long term liabilities	10.0	10.0	10.0	10.0
Commercial activities/ non-financial investments	10.0	20.0	30.0	30.0
Total	40.0	60.0	140.0	140.0

6. Authorised Limit

Authorised Limit	2020/21	2021/22	2022/23	2023/24
	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m
Debt	100.0	150.0	150.0	150.0
Other long term liabilities	10.0	10.0	10.0	10.0
Commercial activities/ non-financial investments	10.0	30.0	30.0	30.0
Total	120.0	190.0	190.0	190.0

7. Upper limit for principal sums invested for longer than 365 days

Current investments as at 30.11.20 in excess of 1 year maturing in each year	2021/22	2022/23	2023/24
£m	£m	£m	£m
20.0	40.0	40.0	40.0

8. Creditworthiness policy and counter-party limits

	Colour (and long term rating where applicable)	Money Limit per banking group (at time of investment)	Transaction Limit	Time Limit
Banks *	yellow	£10m	£10m	5yrs
Banks	purple	£10m	£10m	2 yrs
Banks	orange	£10m	£10m	1 yr
Banks – part nationalised	blue	£20m	£20m	1 yr
Banks – part nationalised – Council’s bank	blue	£50m	£30m	1 yr
Banks	red	£10m	£10m	6 mths
Banks	green	£10m	£10m	100 days
Banks	No colour	Not to be used	N/A	N/A
Limit 3 category – Council’s banker (where “No Colour”)	XXX	£30m	£30m	1 day
Property Funds	-	£20m	£10m	Not a fixed term investment so no time limit
DMADF	UK sovereign rating	unlimited	unlimited	6 months
Local authorities	n/a	£10m (per local authority)	£10m	unlimited

	Fund rating**	Money Limit (at time of investment)		Time Limit
Money Market Funds CNAV	AAA	£10m (per fund)	£10m	liquid
Money Market Funds LVNAV	AAA	£10m (per fund)	£10m	liquid
Money Market Funds VNAV	AAA	£10m (per fund)	£10m	liquid
Ultra-Short Dated Bond Funds with a credit score of 1.25	Dark pink / AAA	£10m (per fund)	£10m	liquid
Ultra-Short Dated Bond Funds with a credit score of 1.50	Light pink / AAA	£10m (per fund)	£10m	liquid

9. Ratio of financing costs to net revenue stream

%	2019/20 Actual	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
Services	3.0%	0.5%	0.5%	1.6%	4.5%

10. Maturity structure of borrowing

Maturity structure of fixed interest rate borrowing 2021/22		
	Lower	Upper
Under 12 months	0%	100%
12 months to 2 years	0%	100%
2 years to 5 years	0%	100%
5 years to 10 years	0%	100%
10 years to 20 years	0%	100%
20 years to 30 years	0%	100%
30 years to 40 years	0%	100%
40 years to 50 years	0%	100%

Maturity structure of variable interest rate borrowing 2021/22		
	Lower	Upper
Under 12 months	0%	100%
12 months to 2 years	0%	100%
2 years to 5 years	0%	100%
5 years to 10 years	0%	100%
10 years to 20 years	0%	75%
20 years to 30 years	0%	50%
30 years to 40 years	0%	25%
40 years to 50 years	0%	25%