

**PRUDENTIAL AND TREASURY MANAGEMENT INDICATORS**  
**2019/20 – 31 DECEMBER 2019**

It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits – the Authorised Limit and the Operational Boundary - as detailed below. The Council approved the Treasury and Prudential Indicators (affordability limits), for the 2019/20 financial year at Council on 26 February 2019 in the Treasury Management Strategy Statement.

The main purpose of the indicators is to control how much a Council needs to borrow. In 2019/20, The Treasury Management Strategy Statement approved the capital financing requirement at £77,665,000 and this allows the Council the ability to either use surplus funds to support the capital expenditure or to take external borrowing.

The Prudential and Treasury Indicators are detailed below as approved at Council prior to the beginning of the 2019/20 financial year – Original Budget - and Quarter 3 Actual:

<b>1. PRUDENTIAL INDICATORS</b>	<b>2019/20</b>	<b>2019/20</b>
<b>Extract from budget and rent setting report</b>	<b>Original Budget</b>	<b>Actual Q3</b>
	<b>£'000</b>	<b>£'000</b>
<b>Capital Expenditure</b>	44,317	21,834
<b>Capital Financing Requirement 31 March 2020</b>	77,665	56,221
Capital Financing Requirement – Brought Forward	37,664	38,170
Capital Financing Requirement – Council Services	1,913	3,051
Capital Financing Requirement – Commercial Activities	38,088	15,000
<b>Annual Change in the Capital Financing Requirement</b>	-	21,444
<b>In year borrowing requirement</b>	40,001	18,051
Brought forward 1 April	12,664	12,700
Carried forward 31 March	52,665	34,700
<b>Ratio of financing costs to net revenue stream</b>	2.87%	3.17%

<b>2. TREASURY MANAGEMENT INDICATORS</b>	<b>2019/20</b>	<b>2019/20</b>
	<b>Original Budget</b>	<b>Actual Q3</b>
	<b>£'000</b>	<b>£'000</b>
<b>Authorised Limit for external debt</b>	81,000	81,000
<b>Operational Boundary for external debt</b>	79,400	£79,400
<b>External debt</b>	52,665	22,700
<b>Investments</b>	5,000	18,110

<b>Maturity structure of fixed rate borrowing during 2019/20</b>	<b>Lower limit</b>	<b>Upper limit</b>
<b>Under 12 months</b>	<b>0%</b>	<b>100%</b>
<b>12 months to 2 years</b>	<b>0%</b>	<b>100%</b>
<b>2 years to 5 years</b>	<b>0%</b>	<b>100%</b>
<b>5 years to 10 years</b>	<b>0%</b>	<b>100%</b>
<b>10 years to 20 years</b>	<b>0%</b>	<b>100%</b>
<b>20 years to 30 years</b>	<b>0%</b>	<b>100%</b>
<b>30 years to 40 years</b>	<b>0%</b>	<b>100%</b>
<b>40 years to 50 years</b>	<b>0%</b>	<b>100%</b>