

PRUDENTIAL AND TREASURY MANAGEMENT INDICATORS

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. During 2019/20, the Council's actual capital financing requirement at year end was £41.56m, the actual borrowing required was £3.390m with surplus funds accounting for the remaining funding needed to support the capital programme. The authorised borrowing limit was £81.0m in which the actual borrowing of £27.7m was within.

1. PRUDENTIAL INDICATORS	2019/20	2019/20
Extract from budget and rent setting report	Original Budget	Actual
	£'000	£'000
Capital Expenditure	44,317	7,403
Capital Financing Requirement 31 March 2020	77,665	41,560
Capital Financing Requirement – Brought Forward	37,664	38,170
Capital Financing Requirement – Council Services	1,913	3,390
Capital Financing Requirement – Commercial Activities	38,088	-
Annual Change in the Capital Financing Requirement	-	36,105
In year borrowing requirement	40,001	15,000
Brought forward 1 April	12,664	12,700
Carried forward 31 March	52,665	27,700
Ratio of financing costs to net revenue stream	2.87%	3.03%

2. TREASURY MANAGEMENT INDICATORS	2019/20	2019/20
	Original Budget	Actual
	£'000	£'000
Authorised Limit for external debt	81,000	81,000
Operational Boundary for external debt	79,400	79,400
External debt	52,665	27,700
Investments	5,000	13,970

Maturity structure of fixed rate borrowing during 2019/20	Lower limit	Upper limit
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%