

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 2020/21 financial year at Council on 25 February 2020 in the Treasury Management Strategy Statement.

The main purpose of the indicators is to control how much a Council needs to borrow. During 2020/21, 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 £90.0m in which the actual borrowing of £27.7m was within.

1. PRUDENTIAL INDICATORS	2020/21	2020/21
Extract from budget and rent setting report	Original Budget	Actual
	£'000	£'000
Capital Expenditure	51,571	17,554
Capital Financing Requirement 31 March 2021	86,073	49,288
Capital Financing Requirement – Brought Forward	56,220	41,737
Capital Financing Requirement – Council Services	14,929	7,551
Capital Financing Requirement – Commercial Activities	14,924	-
Annual Change in the Capital Financing Requirement	-	36,785
In year borrowing requirement	34,300	-
Brought forward 1 April	34,700	27,700
Carried forward 31 March	69,000	27,700
Ratio of financing costs to net revenue stream	12.00%	4.34%

2. TREASURY MANAGEMENT INDICATORS	2020/21	2020/21
	Original Budget	Actual
	£'000	£'000
Authorised Limit for external debt	90,000	90,000
Operational Boundary for external debt	88,400	55,600
External debt	69,000	27,700
Investments	2.229	14.864

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%