

DEBT AND PRUDENTIAL INDICATORS

WHOLE COUNCIL	19/20 Indicators £m	19/20 Forecast £m	20/21 Indicators £m	20/21 Forecast £m	21/22 Indicators £m	21/22 Forecast £m
Capital Finance						
1 Capital Expenditure - Capital Programme	631.5	502.5	554.2	685.1	377.2	446.7
2 Capital Expenditure - other long term liabilities	36.3	36.3	38.2	38.2	37.8	37.8
3 Capital expenditure	667.8	538.8	592.4	723.2	415.0	484.5
4 Capital Financing Requirement (CFR)	4,731.8	4,607.9	4,909.2	4,822.4	5,069.9	4,903.9
Planned Debt						
5 Peak loan debt in year	3,590.5	3,313.9	3,781.4	3,829.2	3,884.2	3,889.9
6 + Other long term liabilities (peak in year)	432.5	432.5	415.5	415.5	373.4	396.8
7 = Peak debt in year	4,023.0	3,746.4	4,196.9	4,244.7	4,257.6	4,286.7
8 does peak debt exceed year 3 CFR?	no	no	no	no	no	no
Prudential limit for debt						
9 Gross loan debt	3,867.5	3,313.9	3,984.5	3,829.2	4,103.3	3,889.9
10 + other long term liabilities	432.5	432.5	415.5	415.5	396.7	396.8
11 = Total debt	4,300.0	3,746.4	4,400.0	4,244.7	4,500.0	4,286.7

Notes

- 1 Forecast capital expenditure has increased since the indicator was set due to additions to the capital programme, as reported in the quarterly capital monitoring reports.
- 4 The Capital Financing Requirement represents the underlying level of borrowing needed to finance historic capital expenditure (after deducting debt repayment charges). This includes all elements of CFR including Transferred Debt.
- 5-7 These figures represent the forecast peak debt (which may not occur at the year end). The Prudential Code calls these indicators the Operational Boundary.
- 8 It would be a cause for concern if the City Council's loan debt exceeded the CFR, but this is not the case due to positive cashflows, reserves and balances. The Prudential Code calls this Borrowing and the Capital Financing Requirement.
- 11 The Authorised limit for debt is the statutory debt limit. The City Council may not breach the limit it has set, so it includes allowance for uncertain cashflow movements and potential borrowing in advance for future needs.

DEBT AND PRUDENTIAL INDICATORS

Appendix C4b

HOUSING REVENUE ACCOUNT		19/20	19/20	20/21	20/21	21/22	21/22
		Indicators	Forecast	Indicators	Forecast	Indicators	Forecast
		£m	£m	£m	£m	£m	£m
Capital Finance							
1	Capital expenditure	134.0	105.4	131.7	125.8	109.7	129.4
HRA Debt							
2	Capital Financing Requirement (CFR)	1,051.9	1,084.5	1,051.0	1,097.1	1,032.7	1,090.6
3	Statutory cap on HRA debt		1,150.4		1,150.4		1,150.4
Affordability							
4	HRA financing costs	96.7	96.3	96.9	97.2	97.5	98.7
5	HRA revenues	273.8	273.8	279.7	279.7	285.8	285.8
6	HRA financing costs as % of revenues	35.3%	35.2%	34.7%	34.7%	34.1%	34.5%
7	HRA debt : revenues	3.8	4.0	3.8	3.9	3.6	3.8
8	Forecast Housing debt per dwelling	£17,446	£18,038	£17,605	£18,423	£17,461	£18,446

Notes

- 2-3 The HRA Capital Financing Requirement (CFR) is being used by the Government as the measure of HRA debt for the purposes of establishing a cap on HRA borrowing for each English Housing Authority.
- 4 Financing costs include interest, and depreciation rather than Minimum Revenue Provision (MRP), in the HRA.
- 7 This indicator is not in the Prudential Code but is a key measure of long term sustainability. This measure is forecast to fall below 2.0 by 2026/27, which is two years later than previously forecast.
- 8 This indicator is not in the Prudential Code but is a key measure of affordability: the HRA debt per dwelling should not rise significantly over time.

DEBT AND PRUDENTIAL INDICATORS

Appendix C4c

GENERAL FUND	19/20	19/20	20/21	20/21	21/22	21/22
	Indicators £m	Forecast £m	Indicators £m	Forecast £m	Indicators £m	Forecast £m
Capital Finance						
1 Capital expenditure (including other long term liabilities)	533.8	433.3	460.7	597.4	305.3	355.1
2 Capital Financing Requirement (CFR)	3,680.0	3,523.4	3,858.2	3,725.3	4,037.2	3,813.4
General Fund debt						
3 Peak loan debt in year	2,538.6	2,229.4	2,730.4	2,732.1	2,898.6	2,799.3
4 + Other long term liabilities (peak in year)	432.5	432.5	415.5	415.5	396.8	396.8
5 = Peak General Fund debt in year	2,971.1	2,661.9	3,145.9	3,147.6	3,295.4	3,196.1
General Fund Affordability						
6 Total General Fund financing costs	249.3	248.6	267.3	259.5	272.4	259.1
7 General Fund net revenues	851.6	851.6	867.5	867.5	892.5	892.5
8 General Fund financing costs (% of net revenues)	29.3%	29.2%	30.8%	29.9%	30.5%	29.0%
9 General Fund financing costs (% of gross revenues)	22.4%	22.4%	23.6%	23.6%	23.6%	23.6%

Note

- 4 Other long term liabilities include PFI, finance lease liabilities, and transferred debt liabilities.
- 6 Financing costs include interest and MRP (in the General Fund), for loan debt, transferred debt, PFI and finance leases.
- 8 This indicator includes the gross revenue cost of borrowing and other finance, including borrowing for the Enterprise Zone and other self-supported borrowing.
- 9 This is a local indicator measuring finance costs against relevant gross income including revenues from sales, fees, charges and rents, which are available to support borrowing costs.

PRUDENTIAL INDICATORS

TREASURY MANAGEMENT

	19/20	19/20	20/21	20/21	21/22	
	Indicators	Forecast	Indicators	Forecast	Indicators	
Interest rate exposures		Forecast Maximum		Forecast Maximum		Forecast Maximum
1	upper limit on fixed rate exposures	93%		94%		91%
2	upper limit on variable rate exposures	22%	15%	19%	19%	29%
Maturity structure of borrowing (lower limit and upper limit)		Limit	Forecast Year End	Limit	Forecast Year End	Forecast Year End
3	under 12 months	0% to 30%	10%	0% to 30%	14%	0% to 30%
4	12 months to within 24 months	0% to 30%	1%	0% to 30%	14%	0% to 30%
5	24 months to within 5 years	0% to 30%	11%	0% to 30%	4%	0% to 30%
6	5 years to within 10 years	0% to 30%	13%	0% to 30%	15%	0% to 30%
7	10 years to within 20 years	5% to 40%	21%	5% to 40%	14%	5% to 40%
8	20 years to within 40 years	10% to 60%	39%	10% to 60%	35%	10% to 60%
9	40 years and above	0% to 40%	6%	0% to 40%	4%	0% to 40%
Investments longer than 364 days upper limit on amounts maturing in:		Limit	Forecast	Limit	Forecast	Limit
10	1-2 years	400	0	400	0	400
11	2-3 years	100	0	100	0	100
12	3-5 years	100	0	100	0	100
13	later	0	0	0	0	0

Note

1-9 These indicators assume that LOBO loan options are exercised at the earliest possibility, and are calculated as a % of net loan debt.