

APPENDIX D

CAPITAL PRUDENTIAL AND TREASURY INDICATORS 2022/23 – 2024/25

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

Capital expenditure

	2020/21 Actual £m	2021/22 Forecast £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
Housing	2.4	3.4	3.5	3.0	3.0
Adults	0.1	0.1	1.7	0.3	0.0
Assistant Chief Executive	7.8	11.1	14.0	7.2	6.3
Children, Families and Education	17.6	15.4	16.0	6.1	
Sustainable Communities, Regen and Econ Dev	33.1	44.6	45.1	28.4	29.5
Resources	2.4	3.5	4.6	2.7	
Corporate	65.8	52.4	27.5	7.5	2.5
HRA services	22.9	70.2	23.7	23.3	23.0
TOTAL	152.1	200.7	136.1	78.5	64.3

Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

a) Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital, (borrowing and other long-term obligation costs net of investment income), against the net revenue stream.

	2020/21 Actual %	2021/22 Estimate %	2022/23 Estimate %	2023/24 Estimate %	2024/25 Estimate %
Non-HRA	13.00	10.67	10.60	10.99	10.99
HRA	13.7	13.4	13.9	13.5	13.08
Total					

The estimates of financing costs include current commitments and the proposals in the budget report.

b) **HRA ratios**

	2020/21 Actual £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000
HRA debt £'000	334,342	334,342	334,342	334,342	334,342
HRA revenues £'000	88,582	90,375	94,117	96,765	99,183
Ratio of debt to revenues	3.77	3.70	3.55	3.46	3.37

	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
HRA debt £'000	334,342	334,342	334,342	334,342	334,342
Number of HRA dwellings	13,393	14,572	14,700	14,700	14,900
Debt per dwelling £'000	24.96	22.94	22.74	22.74	22.44

Maturity structure of borrowing

Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large, fixed rate sums falling due for refinancing, and are required for upper and lower limits.

The Council is asked to approve the following treasury indicators and limits:

Maturity structure of fixed interest rate borrowing 2022/23		
	Lower	Upper
Under 12 months	0%	30%
12 months to 2 years	0%	20%
2 years to 5 years	0%	30%
5 years to 10 years	0%	30%
10 years and above	0%	100%