

# Treasury Management Performance 2018/19

## Appendix 2 – Prudential Indicators

Cabinet

Date: 5<sup>th</sup> June 2019

### The Capital Prudential Indicators 2018/19

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

1. PRUDENTIAL INDICATORS	2017/18 Actual £m	2018/19 Estimate £m	2018/19 Actual £m
<b>Capital Expenditure</b>			
Non - HRA	£38.80	£197.79	£51.68
HRA (applies only to housing authorities)	£31.92	£63.39	£23.36
<b>TOTAL</b>	<b>£70.72</b>	<b>£261.19</b>	<b>£75.04</b>
The 2018/19 estimate included capital expenditure phased across all years whereas the 2018/19 Actual is based on only 2018/19 actual spend.			
<b>Ratio of financing costs to net revenue stream</b>			
Non - HRA	8.1%	8.0%	8.7%
HRA	44.3%	39.3%	38.8%
<b>CFR</b>			
Non – HRA	£348.23	£361.09	£368.78
HRA	£114.02	£109.02	£109.02
<b>TOTAL</b>	<b>£462.25</b>	<b>£470.11</b>	<b>£477.80</b>
<b>Annual change in Cap. Financing Requirement</b>			
Non – HRA	£13.95	£12.86	£20.55
HRA	(£5.00)	(£5.00)	(£5.00)
<b>TOTAL</b>	<b>£8.95</b>	<b>£7.86</b>	<b>£15.55</b>

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2. TREASURY MANAGEMENT INDICATORS	2017/18 Actual £m	2018/19 Original £m	2018/19 Actual £m
<b>Authorised Limit for external debt -</b>			
borrowing	£307.76	£445.50	£326.25
other long term liabilities	£51.28	£49.56	£49.56
<b>TOTAL</b>	<b>£359.04</b>	<b>£495.06</b>	<b>£375.81</b>
<b>Operational Boundary for external debt -</b>			
borrowing	£307.76	£440.50	£326.25
other long term liabilities	£51.28	£49.56	£49.56
<b>TOTAL</b>	<b>£359.04</b>	<b>£490.06</b>	<b>£375.81</b>
<b>Actual external debt</b>	<b>£307.76</b>	<b>£445.50</b>	<b>£326.25</b>

3. HRA INDICATORS	2017/18 Actual £m	2018/19 Original £m	2018/19 Actual £m
Notional HRA debt cap*	£172.60	£172.60	£172.60
HRA CFR 31st March	£114.02	£109.02	£109.02
<b>Notional HRA headroom</b>	<b>£58.58</b>	<b>£63.58</b>	<b>£63.58</b>
HRA Average investment balance	£28.50	£25.00	£19.00
Number of HRA dwellings	10,299	10,279	10,279
<b>Debt per dwelling</b>	<b>£11,070.53</b>	<b>£10,605.64</b>	<b>£10,605.64</b>

*\*Abolition of HRA debt cap. In October 2018, Prime Minister Theresa May announced a policy change of abolition of the HRA debt cap. The Chancellor announced in the Budget that the applicable date was 29.10.18. The debt cap therefore is only notional going forward.*