

## APPENDIX C – PRUDENTIAL INDICATORS 2025/26

The Prudential Code requires the Council to set Prudential Indicators in the Treasury Strategy and report performance against those indicators in the Annual Treasury Report.

As can be seen from the table below, all of the actual indicators are below the targeted level that was set out in the Treasury Strategy for 2025/26. Some variations may appear in subcategories such as in Prudential Indicator 1. This refers to the capital expenditure anticipated during the year, and as can be seen from the indicator, HRA capital expenditure has exceeded the original target which is due to additional funding becoming available during the year. Non-HRA expenditure is lower than the revised indicator and so total capital expenditure still lies within the targeted level. The increase in the movement in the CFR relates to the inclusion of Exceptional Financial Support within the CFR for 2025/26.

<b>Prudential Indicators</b>	<b>2025/26 Revised Indicator</b>	<b>2025/26 Actual</b>
<b>1. Capital Expenditure</b>		
Non-HRA	£120.5m	£47.2m
HRA (applies only to housing authorities)	£18.2m	£21.5m
<b>TOTAL</b>	<b>£138.8m</b>	<b>£68.7m</b>
<b>Financing of capital expenditure</b>		
Capital receipts	(£12.7m)	(£6.7m)
Capital grants	(£84.1m)	(£38.5m)
Other contributions	(£9.2m)	(£1.2m)
Major Repairs Allowance	(£5.6m)	(£6.7m)
Revenue	(£0.9m)	(£0.9m)
<b>Net financing need for the year</b>	<b>£26.3m</b>	<b>£14.7m</b>
<b>2. Net Borrowing &amp; Capital Financing Requirement (CFR)</b>		
Non – HRA	£462m	£411m
HRA	£123m	£106m
<b>TOTAL CFR</b>	<b>£585m</b>	<b>£517m</b>
<b>Movement in CFR</b>	<b>£19m</b>	<b>£70m</b>
Gross Borrowing (including HRA)	£527m	£460m
Investments	£75m	£54m
<b>Net Borrowing</b>	<b>£452m</b>	<b>£406m</b>
<b>3. Authorised Limit for External Debt</b>		
Borrowing	£657m	£460m
Other long-term liabilities (PFI)	£91m	£111m
<b>TOTAL</b>	<b>£748m</b>	<b>£531m</b>
<b>4. External Debt – Operational Boundary</b>		
Borrowing	£569m	£460m
Other long-term liabilities (PFI)	£91m	£111m
<b>TOTAL</b>	<b>£660m</b>	<b>£531m</b>

<b>5. Borrowing Limits</b> Fixed Interest Rate Exposure Variable Interest Rate Exposure	<b>Lower Limit</b> £374m £0m	<b>Upper Limit</b> £748m £374m	£460m £0m
<b>6. Investment Limits</b> Fixed Interest Rate Exposure Variable Interest Exposure	<b>Lower Limit</b> £0m £0m	<b>Upper Limit</b> £250m £250m	£54m 0
<b>7. Maturity Structure of Fixed/Variable Rate Borrowing During 2023/24</b> Under 12 mths 12 mths & within 24 mths 24 mths & within 5 years 5 years & within 10 years 10 years & within 20 years 20 years & within 30 years 30 years & within 40 years 40 years & within 50 years 50 years and above	<b>Lower Limit</b> 0% 0% 0% 0% 0% 0% 0% 0%	<b>Upper Limit</b> 25% 25% 50% 75% 100% 100% 100% 100%	13% 17% 15% 20% 13% 16% 3% 1% 2%
<b>8. Investment Limits</b> Upper Limits for Total Principal Sums Invested for over 365 days: Externally managed Internally Managed		£50m £70m	£0m £0m