

Revised Prudential Indicators 2019-20

Capital Expenditure

This indicator is a summary of the Authority's capital programme requirement.

	Original Estimate 2019-20 £000	Revised Estimate 2019-20 £000
Capital Expenditure		
- Property/Estates	1,329	1,758
- Vehicles	5,608	946
- Equipment	918	1,198
- Information Communication Technology	549	798
Total Capital Programme	8,404	4,700

Capital Financing Requirement

The capital financing requirement (CFR) measures the Authority's underlying need to borrow for capital purposes. It is simply the total historic capital expenditure, including financing that is implicit in Private Finance Initiative (PFI) schemes and finance leases, which has not yet been paid for from either revenue or capital resources.

	Original Estimate 2019-20 £m	Revised Estimate 2019-20 £m
CFR at 1 April (start of year)	38.535	35.759
Planned Capital expenditure	8.404	4.700
Less:		
Write down of PFI and Finance leases	-0.620	-0.620
Revenue Financing	-0.267	-0.750
Grants/Receipts Applied	0.000	-0.742

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	Original Estimate 2019-20 £m	Revised Estimate 2019-20 £m
Statutory Charge to Revenue	-1.503	-1.389
CFR at 31 March (end of year)	44.549	36.958

Ratio of Financing Cost to the Net Revenue Stream

This indicator shows the net cost of financing the Capital Programme as a percentage of the funding receivable from the Government and council tax payers, expressed as a ratio. The net cost of financing includes interest and principal repayments, netted off by interest receivable in respect of any cash investments held.

	Original Estimate 2019-20	Revised Estimate 2019-20
Ratio of financing costs to net revenue stream	6.31%	5.96%

External Debt

The Authority needs to ensure that its long-term gross debt does not exceed, except in the short term, the projected Capital Financing Requirement (CFR) for the forthcoming year and the following two financial years. This prevents the Authority from over borrowing in the long term and thereby taking on excessive levels of debt.

The current estimates for gross debt are shown in the table below:

	Original Estimate 2019-20 £m	Revised Estimate 2019-20 £m
Debt outstanding 1st April	16.975	9.975
New debt	8.000	9.400
Debt repayment	-0.202	-0.202
Debt outstanding	24.773	19.173
PFI/Lease Liabilities	12.608	12.608
PFI/Lease written down	-0.620	-0.620
PFI/Lease Liability outstanding	11.988	11.988
Gross Debt outstanding	36.761	31.161