

**Table 1: Prudential Indicators - Authorised limit and operational boundary for external debt**

	2022/23	2023/24	2024/25	2025/26
	£m	Est. £m	Est. £m	Est. £m
Authorised borrowing limit	1,450	1,450	1,450	1,450
Operational boundary	1,350	1,350	1,350	1,350

**Table 2: Estimates of financing costs to net revenue stream** is a measure of the affordability of borrowing. The Council's financing costs relate substantially to borrowing when commercial property was acquired prior to March 2019. As the CIPFA TM Code notes, commercial investments are taken or held primarily for financial return and are not linked to treasury management activity or directly part of delivering services. However, as commercial property was directly related to borrowing costs, Table 3 also shows the net income after costs and contributions to future costs. This illustrates the affordability of the commercial investments.

	2022/23	2023/24	2024/25	2025/26
	Budget £m	Est. £m	Est. £m	Est. £m
Net Revenue Stream, £m	15,126	12,940	12,930	13,142
Financing costs, £m	36,213	36,454	36,647	36,920
Ratio	2.394	2.817	2.834	2.809

**Table 3: Commercial income, related costs and net contributions to future costs**

	2022/23	2023/24	2024/25	2025/26
	Budget £m	Est. £m	Est. £m	Est. £m
Commercial income *	(59,246)	(60,488)	(62,218)	(58,240)
Landlord costs *	9,214	10,241	5,883	1,344
Contribution to sinking funds	2,988	0,993	5,371	5,419
Financing costs	36,213	36,454	36,647	36,920
<b>Net income after landlord &amp; financing costs &amp; net contributions to sinking fund</b>	<b>(10,831)</b>	<b>(12,800)</b>	<b>(14,317)</b>	<b>(14, 557)</b>