

INVESTMENT INDICATORS

Gross General Fund (GF) Debt to GF Net Service Expenditure

This provides an indication of the Council's financial strength and its ability to repay its debts. Statutory government guidance requires a limit to be placed on the number of times gross debt can exceed net service expenditure.						
	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Forecast	299%	295%	259%	236%	220%	203%
Recommended Limit	400%	500%	550%	550%	550%	550%

Forecast Investment Income to General Fund Net Service Expenditure

This provides an indication of how dependent the Council is on commercial income and other long term investments to fund its services.						
	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Investment Properties	4.7%	4.5%	4.8%	4.9%	4.6%	4.5%
Long Term Treasury Management Investments	0.7%	0.5%	0.2%	0.1%	0.0%	0.0%
Overall Investment Income	5.4%	5.0%	5.0%	5.0%	4.6%	4.5%

Limit on Investment Income to General Fund Net Service Expenditure

Statutory government guidance requires a limit to be placed on the Council's dependence on commercial income and other long term income to fund its services						
	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Investment Properties	7.0%	6.7%	7.2%	7.3%	7.0%	6.8%
Long Term Treasury Management Investments	1.1%	0.8%	0.3%	0.2%	0.2%	0.2%
Overall Investment Income	8.1%	7.5%	7.5%	7.5%	7.2%	7.0%

Interest Cover

This provides a measure of the risk that net income from investment properties will be insufficient to pay the interest on the debt that financed their acquisition

	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Investment Properties	258%	234%	264%	276%	278%	285%

Loan to Value Ratio

This indicator shows whether the market value of the investment properties is likely to be sufficient to repay the debt that financed them.

	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Investment Properties	1.0	1.0	1.0	1.0	1.0	1.0

Forecast Income Returns

This is a measure of the achievement of the portfolio of properties.

	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Investment Properties	2.98%	2.58%	3.28%	3.54%	3.56%	3.71%
Long Term Treasury Management Investments	1.17%	1.78%	2.65%	3.90%	4.00%	n/a

Gross and Net Income from Investment Properties

This indicator shows how much of the gross income is being retained by the Council.

	2021/22 Estimate £'000s	2022/23 Estimate £'000s	2023/24 Estimate £'000s	2024/25 Estimate £'000s	2025/26 Estimate £'000s	2026/27 Estimate £'000s
Gross Income	8,197,824	7,779,079	8,935,260	9,329,417	9,362,053	9,590,507
Net Income	4,674,339	4,056,657	5,153,579	5,552,132	5,589,165	5,822,015

External Operating Costs

This indicator shows the trend in operating costs over time, as the portfolio expands.

	2021/22 Estimate £'000s	2022/23 Estimate £'000s	2023/24 Estimate £'000s	2024/25 Estimate £'000s	2025/26 Estimate £'000s	2026/27 Estimate £'000s
Investment Properties	349,000	400,333	400,333	400,333	400,333	400,333