

Investment Indicators

Appendix 6b

Commercial Investment Indicators

1 Investment Category Value : Total Gross Asset Value - Current Value (i)

	2019/20 £000	2019/20 Ratio	2020/21 £000	2020/21 Ratio	2021/22 £000	2021/22 Ratio
Service Loans	17,386	1.2%	26,124	1.8%	26,124	1.8%
Service Shares	110,092	7.7%	110,092	7.7%	110,092	7.7%
Investment Property	213,525	14.8%	213,525	14.8%	213,525	14.8%
Total Commercial Assets	341,003	23.7%	349,741	24.3%	349,741	24.3%
Total Council Assets *	1,438,972		1,438,972		1,438,972	

* assumes asset value is constant over the period

2 Debt Funding per Investment Category

The Council's underlying borrowing requirement, in the form of the Capital Financing Requirement as at 31/3/2020, was 34% (31% as at 31/03/2019 - restated) of total council assets by current value.

3 Rate of Return (on Gross Asset Value)

	2019/20 Income £000	2019/20 Return %	2020/21 Income £000	2020/21 Return %	2021/22 Income £000	2021/22 Return %
Service Loans (ii)	642	3.7%	396	1.5%	710	2.7%
Service Shares	8,761	8.0%	6,075	5.5%	6,075	5.5%
Investment Property	12,197	5.7%	11,915	5.6%	11,509	5.4%
Total Commercial Assets	21,600	6.3%	18,386	5.3%	18,294	5.2%

4 Service Loans : 2020/21 Upper Limit - Capital Invested (iii)

Service Loans	2019/20 £000 actual	2020/21 £000 forecast	2021/22 £000 forecast
Group Entities	10,155	12,643	12,643
Local Organisations	3,156	9,406	9,406
Service Users	2,883	2,883	2,883
Total Existing Loans	16,194	24,932	24,932
Future Loans		0	28,068
Total Loans Limit	16,194	24,932	53,000

5 Shares : 2020/21 Upper Limit - Capital Invested (iii)

Shares	2019/20 £000 actual	2020/21 £000 forecast	2021/22 £000 forecast
Group Entities	34,279	34,279	34,279
Local Organisations	11,650	11,650	11,650
Total Existing Shares (iv)	45,929	45,929	45,929
Future Investment		0	4,071
Total Shares	45,929	45,929	50,000

6 Debt : Net Service Expenditure

Debt : NSE	2019/20 £000	2020/21 £000	2021/22 £000
Net Service Expenditure	641,650	643,348	679,259
Gross Debt	377,770	406,016	361,277
Ratio	58.9%	63.1%	53.2%

7 Commercial Income : Net Service Expenditure

Commercial Income : NSE	2019/20 £000	2020/21 £000	2021/22 £000
Net Service Expenditure	641,650	643,348	679,259
Gross Investment Income	21,600	18,386	18,294
Ratio	3.4%	2.9%	2.7%

Notes:

(i) Current value includes revaluation changes, in addition to capital invested

(ii) Forecast income figures for 2020/21 & 2021/22 exclude interest on loans committed but not drawn down

(iii) Capital invested excludes revaluation changes

Value of cash and other funds invested over time is estimated as £45.9m (as at 2019/20)