

PRUDENTIAL INDICATORS**PRUDENTIAL INDICATORS****Ratio of Financing Costs to Net Revenue Stream**

2012/13 %	2013/14 %	2014/15 %	2015/16 %	2016/17 %
-2.0	-0.9	-0.1	-0.1	-0.1

This indicator shows the proportion of the net revenue stream (revenue budget) that is attributable to financing costs of capital expenditure. As estimated investment income is higher than interest costs, this results in a negative total.

Incremental Impact of Capital Investment Decisions on the Council Tax

	2012/13 £,000	2013/14 £,000	2014/15 £,000	2015/16 £,000	2016/17 £,000
i) Forecast of total budgetary requirement no changes to capital programme	5,383	5,612	1,970	450	450
ii) Forecast of total budgetary requirement after changes to capital programme	5,009	7,885	11,948	5,223	5,878
iii) Additional Council Tax Required	-0.06	1.75	4.77	3.83	3.93

Demonstrates the affordability of the capital programme. It demonstrates the impact of the proposed capital programme upon the Council Tax.

Current Financial Plan

2012/13 £,000	2013/14 £,000	2014/15 £,000	2015/16 £,000	2016/17 £,000
5,009	7,885	11,948	5,223	5,878

This is the estimate of capital expenditure taken from the Corporate Budget Strategy 2013/14 Onwards. Assumption that Capital Programme may increase

Capital Financing Requirement

2012/13 £,000	2013/14 £,000	2014/15 £,000	2015/16 £,000	2016/17 £,000
1,901	-3,553	-12,099	-13,705	-14,003

This is a measure of the capital expenditure incurred historically by the council that has yet to be financed. Having a negative CF

PRUDENTIAL INDICATORS

TREASURY MANAGEMENT INDICATORS**Authorised Limit for External Debt**

	2012/13 £,000	2013/14 £,000	2014/15 £,000	2015/16 £,000	2016/17 £,000
Borrowing	10,000	10,000	10,000	10,000	10,000
Other Long Term Liabilities	6,294	5,856	5,426	4,971	4,514
Total	16,294	15,856	15,426	14,971	14,514

This limit is the main limit set as a maximum for external borrowing. It fulfils the requirements under section 3 of the Local Government Act 2003.

Operational Boundary

	2012/13 £,000	2013/14 £,000	2014/15 £,000	2015/16 £,000	2016/17 £,000
Borrowing	6,000	6,000	6,000	6,000	6,000
Other Long Term Liabilities	6,261	5,856	5,426	4,971	4,514
Total	12,261	11,856	11,426	10,971	10,514

This limit should be the focus of day to day treasury management. It is similar to the Authorised Limit but excludes the allowance for temporary cash flow borrowing as perceived as not necessary on a day to day basis.

Upper Limit for Fixed Interest Rate Exposure

2012/13 %	2013/14 %	2014/15 %	2015/16 %	2016/17 %
100	100	100	100	100

This is the maximum amount of net borrowing and investment that can be at a fixed rate. Variable rate call accounts may be cleared during periods of high payments eg Precept so fixed rate can peak during these periods.

Upper Limit for Variable Interest Rate Exposure

2012/13 %	2013/14 %	2014/15 %	2015/16 %	2016/17 %
80	80	80	80	80

This is the maximum amount of net borrowing and investment that can be at a variable rate. The limit set reflects the fact that during the year there can be excess surplus funds available for short term investment. These arise from timing differences between receipts received and payments made.

Maturity Structure of New Fixed Rate Borrowing during 2012/13

	Upper Limit %	Lower Limit %
Under 12 months	100	0
12 months to under 24 months	100	0
24 months to under 5 years	100	0
5 years to under 10 years	100	0
10 years and over	100	0

It may be necessary to borrow at fixed term rates during 2013/14. This will be monitored as the year progresses and a decision will then be made.

Principal Invested for more than 364 Days

2012/13 £,000	2013/14 £,000	2014/15 £,000	2015/16 £,000	2016/17 £,000
2,000	3,000	3,000	3,000	3,000

This indicator is set to reflect current advice from our Treasury Management Advisors.

External Debt as at 31st March

	2012/13 £,000	2013/14 £,000	2014/15 £,000	2015/16 £,000	2016/17 £,000
Actual Borrowing	0	0	0	0	0
Other Long Term Liabilities	5,856	5,426	4,971	4,514	4,033
Total	5,856	5,426	4,971	4,514	4,033

Actual point in time of external borrowing