

## **PRUDENTIAL INDICATORS**

### **Ratio of Financing Costs to Net Revenue Stream**

2015/16 %	2016/17 %	2017/18 %	2018/19 %	2019/20 %	2020/21 %
-1.3	0.6	3.2	4.4	4.8	5.0
£,000	£,000	£,000	£,000	£,000	£,000
-3.62	1.71	9.54	17.74	19.06	19.90

This indicator shows the proportion of the net revenue stream (revenue budget) that is attributable to financing costs of capital expenditure. Negative figures shows more investment interest than prudential borrowing interest, positive figures the opposite is true.

### **Incremental Impact of Capital Investment Decisions on the Council Tax**

	2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000
i) Forecast of total budgetary requirement no changes to capital programme	20,058	11,224	5,528	5,310	5,086	5,086
ii) Forecast of total budgetary requirement after changes to capital programme	4,514	20,830	19,700	13,641	2,314	1,815
iii) Additional Council Tax Required	-2.10	7.96	15.43	22.44	20.65	20.37

This indicator identifies the revenue costs associated with proposed changes to the capital programme compared to the Council's existing approved commitments and current plans.

### **Current Financial Plan**

2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000
4,514	20,830	19,700	13,641	2,314	1,815

This prudential indicator is a summary of the Council's proposed capital expenditure plans.

### **Capital Financing Requirement**

2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000
-5,054	10,020	23,272	33,743	33,637	33,546

This is a measure of the capital expenditure incurred historically by the council that has yet to be financed. Its a measure of the Council's borrowing need to fund the proposed capital programme

## TREASURY MANAGEMENT INDICATORS

### Authorised Limit for External Debt

	2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000
Borrowing	4,000	15,950	31,475	42,475	42,475	42,475
Other Long Term Liabilities	4,971	4,514	4,033	3,526	3,005	2,483
Total	8,971	20,464	35,508	46,001	45,480	44,958

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

	2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000
Borrowing	0	11,950	27,475	38,475	38,475	38,475
Other Long Term Liabilities	4,971	4,514	4,033	3,526	3,005	2,483
Total	4,971	16,464	31,508	42,001	41,480	40,958

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

2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000
-45,000	-33,050	-17,525	-6,525	-6,525	-6,525

This is the maximum amount of net borrowing and investment that can be at a fixed rate. The upper limit on fixed interest rates incorporates expected borrowing which reduced the negative investment limit.

### Upper Limit for Variable Interest Rate Exposure

2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000
-40,000	-40,000	-40,000	-40,000	-40,000	-40,000

This is the maximum amount of net borrowing and investment that can be at a variable rate. The upper limit on variable interest rate exposure is calculated as being 80% of the projected highest level of investments during 2016/17

### Maturity Structure of New Fixed Rate Borrowing during 2014/15

	Upper Limit %	Lower Limit %
Under 12 months	0	0
12 months to under 24 months	0	0
24 months to under 5 years	0	0
5 years to under 10 years	0	0
10 years and within 20 years	0	0
20 years and within 30 years	0	0
30 years and within 40 years	0	0
40 years and within 50 years	100	15
50 years and within 60 years	100	50
70 years and within 80 years	100	100

This indicator is set to control the Authority's exposure to refinancing risk.

### Principal Invested for more than 364 Days

2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000
8,000	8,000	8,000	8,000	8,000	8,000