

## **PRUDENTIAL INDICATORS**

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

2015/16 Actual %	2016/17 Estimate %	2016/17 Actual %
-1.3	-1.1	-1.4
2015/16 Actual £,000	2016/17 Estimate £,000	2016/17 Actual £,000
-252.00	-210.00	-106.00

This indicator shows the proportion of the net revenue stream (revenue budget) that is attributable to financing costs of capital expenditure. A negative figure shows investment income is higher than borrowing costs. This indicator is shown as a percentage and as a monetary value of the net revenue budget

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

	2015/16 Actual £,000	2016/17 Estimate £,000	2016/17 Actual £,000
i) Forecast of total budgetary requirement assuming no changes to capital programme	10,192	20,830	20,830
ii) Forecast of total budgetary requirement after changes to capital programme	4,536	15,200	4,410
iii) Additional Council Tax Required in £.p.	-3.58	-0.73	-2.14

Demonstrates the affordability of the capital programme. It also demonstrates the impact of the capital programme upon the Council Tax. Impact on Council Tax has reduced in 2016/17 due to slippage in Capital Programme

### **Capital Expenditure**

2015/16 Actual £,000	2016/17 Estimate £,000	2016/17 Actual to Date £,000
4,536	15,200	4,410

Actual capital expenditure as at 30th September 2016.

### **Capital Financing Requirement**

2015/16 Actual £,000	2016/17 Estimate £,000	2016/17 Actual £,000
-1,255	4,390	-6,400

The Capital Financing Requirement (CFR) measures the Authority's underlying need to borrow for a capital purpose.

## **Treasury Indicators**

### **Actual External Debt**

	2015/16 Actual £,000	2016/17 Estimate £,000	2016/17 Actual £,000
Actual Borrowing	0	11,950	0
Other Long Term Liabilities	4,971	4,514	4,514
Total	5,426	16,464	4,514

External borrowing as at 30th September 2016

### **Authorised Limit for External Debt**

	2015/16 Actual £,000	2016/17 Estimate £,000	2016/17 Actual £,000
Borrowing	1,500	15,950	0
Other Long Term Liabilities	4,971	4,514	4,514
Total	6,471	20,464	4,514

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

### **Operational Limit for External Debt**

	2015/16 Actual £,000	2016/17 Estimate £,000	2016/17 Actual £,000
Borrowing	1,500	11,950	0
Other Long Term Liabilities	4,971	4,514	4,514
Total	6,471	16,464	4,514

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. This limit acts as a warning but can be breached temporarily.

### **Upper Limit for Fixed Interest Rate Exposure**

	2015/16 Actual £,000	2016/17 Estimate £,000	2016/17 Actual £,000
	-29,000	-33,050	-22,000

This is the maximum amount of net borrowing and investment that can be at a fixed rate.

### **Upper Limit for Variable Interest Rate Exposure**

	2015/16 Actual £,000	2016/17 Estimate £,000	2016/17 Actual £,000
	-20,150	-40,000	-21,243

This is the maximum amount of net borrowing and investment that can be at a variable rate.

### **Principal Invested for more than 364 Days**

	2015/16 Actual £,000	2016/17 Estimate £,000	2016/17 Actual £,000
	0	8,000	0

This indicator shows the Council have not breached the limit agreed by Council within its Treasury Management Strategy 2016/17