

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

2008/09 Actual %	2009/10 Estimate %	2009/10 Actual %
-6.4	-3.4	-2.6

This indicator shows the proportion of the net revenue stream (revenue budget) that is attributable to financing costs of capital expenditure. As there is no borrowing this shows as a negative figure as it is based on investment income only.

Incremental Impact of Capital Investment Decisions on the Council Tax

	2008/09 Actual £,000	2009/10 Estimate £,000	2009/10 Actual £,000
i) Forecast of total budgetary requirement no changes to capital programme	12,155	12,685	13,006
ii) Forecast of total budgetary requirement after changes to capital programme	12,155	13,290	13,006
iii) Additional Council Tax Required in £.p.	0.00	10.12	0.00

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

Current Financial Plan

2008/09 Actual £,000	2009/10 Estimate £,000	2009/10 Actual £,000
11,432	14,178	13,006

This is the actual capital expenditure taken from the Corporate Revenue and Capital Outturn 2009/10 elsewhere on this agenda.

Capital Financing Requirement as at 31st March 2010

2008/09 Actual £,000	2009/10 Estimate £,000	2009/10 Actual £,000
0	0	0

This is the amount of permanent borrowing required. This is not needed as the Authority is debt free.

PRUDENTIAL INDICATORS**Treasury Management Indicators****Authorised Limit for External Debt**

	2008/09 Actual £,000	2009/10 Estimate £,000	2009/10 Actual £,000
Borrowing	2,000	4,000	4,000
Other Long Term Liabilities	314	292	42
Total	2,314	4,292	4,042

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 Limit for External Debt

	2008/09 Actual £,000	2009/10 Estimate £,000	2009/10 Actual £,000
Borrowing	2,000	0	4,000
Other Long Term Liabilities	314	100	100
Total	2,314	100	4,100

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

Upper Limit for Fixed Interest Rate Exposure

2008/09 Actual %	2009/10 Estimate %	2009/10 Actual %
60	100	72

This is the maximum amount of net borrowing and investment that can be at a fixed rate. Due to the nature of the Council's cashflows it is likely that this limit will only be approached towards the end of the financial year when there are less surplus funds available for short term

PRUDENTIAL INDICATORS

Upper Limit for Variable Interest Rate Exposure

2008/09 Actual %	2009/10 Estimate %	2009/10 Actual %
72	80	83

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

Maturity Structure of New Fixed Rate Borrowing during 2009/10

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

There was no new fixed term borrowing in 2009/10. Any borrowing was for short term cashflow purposes at variable rates.

Principal Invested for more than 364 Days

2008/09 Actual %	2008/09 Estimate %	2008/09 Actual %
60	80	60

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

Actual External Debt for 2009/10

	2008/09 Actual	2008/09 Estimate	2008/09 Actual
Actual Borrowing	0	0	
Other Long Term Liabilities	314	100	100
Total	314	100	100

Actual point in time of external borrowing