

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

| 2011/12<br>% | 2012/13<br>% | 2013/14<br>% | 2014/15<br>% |
|--------------|--------------|--------------|--------------|
| -1.3         | -1.1         | -1.6         | -2.3         |

This indicator shows the proportion of the net revenue stream (revenue budget) that is attributable to financing costs of capital expenditure.

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

|                                                                                | 2011/12<br>£,000 | 2012/13<br>£,000 | 2013/14<br>£,000 | 2014/15<br>£,000 |
|--------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|
| i) Forecast of total budgetary requirement no changes to capital programme     | 7,340            | 4,476            | 2,018            | 1,820            |
| ii) Forecast of total budgetary requirement after changes to capital programme | 7,490            | 4,626            | 2,018            | 1,820            |
| iii) Additional Council Tax Required                                           | 2.49             | 2.46             | 0.00             | 0.00             |

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

**Current Financial Plan**

| 2011/12<br>£,000 | 2012/13<br>£,000 | 2013/14<br>£,000 | 2014/15<br>£,000 |
|------------------|------------------|------------------|------------------|
| 7,490            | 4,626            | 2,018            | 1,820            |

This is the estimate of capital expenditure taken from the Corporate Revenue and Capital Budget 2011/12 Onwards .

**Capital Financing Requirement**

| 2011/12<br>£,000 | 2012/13<br>£,000 | 2013/14<br>£,000 | 2014/15<br>£,000 |
|------------------|------------------|------------------|------------------|
| 0                | 0                | 0                | 0                |

This indicator measures the underlying need to borrow for capital purposes.

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

|                             | 2011/12<br>£,000 | 2012/13<br>£,000 | 2013/14<br>£,000 | 2014/15<br>£,000 |
|-----------------------------|------------------|------------------|------------------|------------------|
| Borrowing                   | 8,000            | 8,000            | 8,000            | 8,000            |
| Other Long Term Liabilities | 6,684            | 6,294            | 5,891            | 5,463            |
| Total                       | 14,684           | 14,294           | 13,891           | 13,463           |

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**

|                             | 2011/12<br>£,000 | 2012/13<br>£,000 | 2013/14<br>£,000 | 2014/15<br>£,000 |
|-----------------------------|------------------|------------------|------------------|------------------|
| Borrowing                   | 4,000            | 4,000            | 4,000            | 4,000            |
| Other Long Term Liabilities | 6,684            | 6,294            | 5,891            | 5,463            |
| Total                       | 10,684           | 10,294           | 9,891            | 9,463            |

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**

| 2011/12<br>% | 2012/13<br>% | 2013/14<br>% | 2014/15<br>% |
|--------------|--------------|--------------|--------------|
| 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**

| 2011/12<br>% | 2012/13<br>% | 2013/14<br>% | 2014/15<br>% |
|--------------|--------------|--------------|--------------|
| 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 2011/12**

|                              | Upper<br>Limit<br>% | Lower<br>Limit<br>% |
|------------------------------|---------------------|---------------------|
| 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 that at fixed term rates during 2012/13. This will be monitored as the year progresses and a decision will then be made.

PRUDENTIAL INDICATORS**Principal Invested for more than 364 Days**

| 2011/12<br>£,000 | 2012/13<br>£,000 | 2013/14<br>£,000 | 2014/15<br>£,000 |
|------------------|------------------|------------------|------------------|
| 3,000            | 5,000            | 3,000            | 3,000            |

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

**Actual External Debt for 2011/12**

|                             | 2010/11<br>£,000 |
|-----------------------------|------------------|
| Actual Borrowing            | 0                |
| Other Long Term Liabilities | 6,684            |
| Total                       | 6,684            |

Actual point in time of external borrowing