

PRUDENTIAL INDICATORS

Capital Financing Requirement

2011/12 Actual £,000	2012/13 Estimate £,000	2012/13 Actual £,000
0	6,000	0

It has been agreed that £6m external funding may be needed to fund the council's capital programme in 2012/13.

Authorised Limit for External Debt

	2011/12 Actual £,000	2012/13 Estimate £,000	2012/13 Actual £,000
Borrowing	8,000	10,000	0
Other Long Term Liabilities	6,684	6,294	6,294
Total	14,684	16,294	6,294

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. No borrowing was undertaken so no limits were breached.

Operational Limit for External Debt

	2011/12 Actual £,000	2012/13 Estimate £,000	2012/13 Actual £,000
Borrowing	4,000	6,000	0
Other Long Term Liabilities	6,684	6,294	6,294
Total	10,684	12,294	6,294

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

2011/12 Actual %	2012/13 Estimate %	2012/13 Actual %
99	100	93

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 investment.

Upper Limit for Variable Interest Rate Exposure

2011/12 Actual %	2012/13 Estimate %	2012/13 Actual %
48	80	53

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

Principal Invested for more than 364 Days

2011/12 Actual £,000	2012/13 Estimate £,000	2012/13 Actual £,000
3,000	3,000	2,000

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