

PRUDENTIAL INDICATORS

Ratio of Financing Costs to Net Revenue Stream

2012/13 Actual %	2013/14 Estimate %	2013/14 Actual %
-2.2	-1.1	-1.0

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

	2012/13 Actual £,000	2013/14 Estimate £,000	2013/14 Actual £,000
iii) Additional Council Tax Required in £.p.	0.22	0.32	0.35

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

Capital Expenditure

2012/13 Actual £,000	2013/14 Estimate £,000	2013/14 Actual £,000
5,008	6,057	5,753

Capital expenditure for financial year 2013/14

Capital Financing Requirement

2012/13 Actual £,000	2013/14 Estimate £,000	2013/14 Actual £,000
-5,454	-8,546	-10,678

The CFR measures the underlying need to borrow (whether this will be with internal cash or external borrowing). As this figure is negative, this shows the Council has surplus funds to fund it's current capital

Treasury Management Indicators

Authorised Limit for External Debt

	2012/13 Actual £,000	2013/14 Estimate £,000	2013/14 Actual £,000
Borrowing	0	10,000	0
Other Long Term Liabilities	6,294	5,856	5,856
Total	6,294	15,856	5,856

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 during 2013/14

Operational Limit for External Debt

	2012/13 Actual £,000	2013/14 Estimate £,000	2013/14 Actual £,000
Borrowing	0	6,000	0
Other Long Term Liabilities	6,294	5,856	5,856
Total	6,294	11,856	5,856

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

2012/13 Actual %	2013/14 Estimate %	2013/14 Actual %
93	100	71

This is the maximum amount of gross 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

Upper Limit for Variable Interest Rate Exposure

2012/13 Actual %	2013/14 Estimate %	2013/14 Actual %
62	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. As rates have been fairly static during the year, it has not been a high risk

Principal Invested for more than 364 Days

2012/13 Actual £,000	2013/14 Estimate £,000	2013/14 Actual £,000
2,000	3,000	3,000

This indicator is shows that the Council had invested its £3m core cash for 365 days @ 1.01%.