PRUDENTIAL INDICATORS

Ratio of Financing Costs to Net Revenue Stream

	2014/15 %	2015/16 %	2016/17 %	2017/18 %	2018/19 %	2019/20 %
Interest Paid	0	204	204	204	204	204
Interest Received	-210	-200	-200	-250	-400	-400
Net Revenue Expenditure	19116	19008	18324	18198	18120	18135
	-1.1	0.0	0.0	-0.3	-1.1	-1.1

This indicator shows the proportion of the net revenue stream (revenue budget) that is attributable to financing costs of capital expenditure. As estimated investment income is higher that interest costs, this results in a negative total.

Incremental Impact of Capital Investment Decisions on the Council Tax

	2014/15 £,000	2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000
i) Forecast of total budgetary requirement no changes to capital programme	1,970	5,170	5,528	5,310	5,086	5,086
ii) Forecast of total budgetary requirement after changes to capital programme	11,673	5,170	5,528	5,310	5,086	5,086
iii) Additional Council Tax Required	1.20	3.57	3.54	3.50	3.47	3.43

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

Current Financial Plan

2014/15 £,000	2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000
11,673	5,170	5,528	5,310	5,086	5,086

This is the estimate of capital expenditure taken from the Corporate Budget Strategy 2014/15 Onwards .

Capital Financing Requirement

2014/15 £,000	2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000
-65	-2,033	-2,033	-2,033	-2,033	-2,033

This is a measure of the capital expenditure incurred historically by the council that has yet to be financed. The negative figures shows that the Council's Capital Programme is fully funded

PRUDENTIAL INDICATORS

TREASURY MANAGEMENT INDICATORS

Authorised Limit for External Debt

	2014/15 £,000	2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000
Borrowing	10,000	10,000	10,000	10,000	10,000	10,000
Maidstone Leisure Centre	5,426	4,971	4,514	4,033	3,526	3,005
Other Long Term Liabilities	5,426	4,971	4,514	4,033	3,526	3,005
Total	15,426	14,971	14,514	14,033	13,526	13,005

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

	2014/15 £,000	2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000
Borrowing	6,000	6,000	6,000	6,000	6,000	6,000
Maidstone Leisure Centre	5,426	4,971	4,514	4,033	3,526	3,005
Other Long Term Liabilities	5,426	4,971	4,514	4,033	3,526	3,005
Total	11,426	10,971	10,514	10,033	9,526	9,005

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

2014/15 %	2015/16 %	2016/17 %	2017/18 %	2018/19 %	2019/20 %
100	100	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 period s of high payments eg Precept so fixed rate can peak during these periods.

Upper Limit for Variable Interest Rate Exposure

2014/15 %	2015/16 %	2016/17 %	2017/18 %	2018/19 %	2019/20 %
80	80	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 2014/15

	Upper Limit %	Lower Limit %
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 is may be necessary to borrow at fixed term rates during 2013/14. This will be monitored as the year progresses and a decision will then be made.

Principal Invested for more than 364 Days

2014/15 £,000	2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000
5,000	8,000	8,000	8,000	8,000	8,000