

PRUDENTIAL INDICATORS - CURRENT STRATEGY

Ratio of Financing Costs to Net Revenue Stream

2015/16 %	2016/17 %	2017/18 %	2018/19 %	2019/20 %	2020/21 %
-1.3	-1.4	-1.5	-2.0	-2.0	-2.0

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 than interest costs, this results in a negative total.

Incremental Impact of Capital Investment Decisions on the Council Tax

	2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000
i) Forecast of total budgetary requirement no changes to capital programme	20,058	11,224	5,528	5,310	5,086	5,086
ii) Forecast of total budgetary requirement after changes to capital programme	4,413	27,043	4,220	3,932	3,291	4,271
iii) Additional Council Tax Required	-2.10	2.12	-0.01	-0.22	-0.29	-0.12

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

Current Financial Plan

2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000
4,413	27,043	4,220	3,932	3,291	4,271

This prudential indicator is a summary of the Council's current capital expenditure plans.

Capital Financing Requirement

2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000
472	6,472	6,472	6,472	6,472	6,472

This is a measure of the capital expenditure incurred historically by the council that has yet to be financed. It is a measure of the Council's borrowing need to fund the agreed capital programme.

TREASURY MANAGEMENT INDICATORS - CURRENT STRATEGY

Authorised Limit for External Debt

	2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000
Borrowing	4,000	10,000	10,000	10,000	10,000	10,000
Other Long Term Liabilities	4,971	4,514	4,033	3,526	3,005	3,005
Total	8,971	14,514	14,033	13,526	13,005	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

	2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000
Borrowing	0	6,000	6,000	6,000	6,000	6,000
Other Long Term Liabilities	4,971	4,514	4,033	3,526	3,005	3,005
Total	4,971	10,514	10,033	9,526	9,005	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

2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000
-45,000	-39,000	-39,000	-39,000	-39,000	-39,000

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

2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000
-40,000	-40,000	-40,000	-40,000	-40,000	-40,000

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

This indicator is set to control the Authority's exposure to refinancing risk.

Principal Invested for more than 364 Days

2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000
8,000	8,000	8,000	8,000	8,000	8,000

Total principal funds invested for greater than 364 days