

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

2011/12 %	2012/13 %	2013/14 %	2014/15 %
-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 £,000	2012/13 £,000	2013/14 £,000	2014/15 £,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 £,000	2012/13 £,000	2013/14 £,000	2014/15 £,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 £,000	2012/13 £,000	2013/14 £,000	2014/15 £,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 £,000	2012/13 £,000	2013/14 £,000	2014/15 £,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 £,000	2012/13 £,000	2013/14 £,000	2014/15 £,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 %	2012/13 %	2013/14 %	2014/15 %
100	100	100	100

Upper Limit for Variable Interest Rate Exposure

2011/12 %	2012/13 %	2013/14 %	2014/15 %
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 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 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 £,000	2012/13 £,000	2013/14 £,000	2014/15 £,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 £,000
Actual Borrowing	0
Other Long Term Liabilities	6,684
Total	6,684

Actual point in time of external borrowing