

Prudential indicators

Section 1 - Affordability

Estimates of the ratio of financing costs to net revenue stream

(a) General Fund

	2004/2005 Actual %	2005/2006 Estimate %	2006/2007 Estimate %	2007/2008 Estimate %	2008/2009 Estimate %
PWLB interest	1,112,702.24	1,016,728.02	915,946.60	863,462.65	805,578.69
SODC interest	105,894.77	130,695.91	121,496.71	111,837.55	101,695.43
LT borrowing interest	262,500.00	263,938.37	261,780.84	65,445.21	0.00
	1,481,097.01	1,411,362.30	1,299,224.15	1,040,745.41	907,274.12
Investment income	-2,838,858.50	-2,460,000.00	-2,286,000.00	-2,106,000.00	-1,795,500.00
Net financing cost	-1,357,761.49	-1,048,637.70	-986,775.85	-1,065,254.59	-888,225.88
Revenue stream	22,332,000.00	25,395,184.00	26,687,436.00	26,357,598.00	26,192,785.00
Ratio	-6.1%	-4.1%	-3.7%	-4.0%	-3.4%

(b) Housing Revenue Account

	2004/2005 Actual %	2005/2006 Estimate %	2006/2007 Estimate %	2007/2008 Estimate %	2008/2009 Estimate %
Item 8 interest	1,375,361.00	1,515,000.00	1,573,338.00	1,471,858.00	1,469,594.00
Investment income	-160,882.46	-210,000.00	-169,669.00	-169,669.00	-169,669.00
Net financing cost	1,214,478.54	1,305,000.00	1,403,669.00	1,302,189.00	1,299,925.00
Revenue stream	17,966,000.00	13,980,000.00	14,095,730.00	15,503,755.00	15,406,312.00
Ratio	6.8%	9.3%	10.0%	8.4%	8.4%

Estimates of the incremental impact of capital investment decisions on the Council Tax

	2005/2006 Estimate £	2006/2007 Estimate £	2007/2008 Estimate £	2008/2009 Estimate %
	7.44	10.00	4.20	5.43

Estimates of the incremental impact of capital investment decisions on housing rents

	2005/2006 Estimate £	2006/2007 Estimate £	2007/2008 Estimate £	2008/2009 Estimate %
	1.54	1.35	1.06	0.85

Estimates of capital expenditure

(a) General Fund

	2004/2005 Actual £000's	2005/2006 Estimate £000's	2006/2007 Estimate £000's	2007/2008 Estimate £000's	2008/2009 Estimate £000's
	8,523.3	7,271.0	10,082.0	4,363.0	5,802.0

(b) Housing Revenue Account

	2004/2005 Actual £000's	2005/2006 Estimate £000's	2006/2007 Estimate £000's	2007/2008 Estimate £000's	2008/2009 Estimate £000's
	10,269.4	14,400.0	12,560.0	9,820.0	7,760.0

Estimates of capital financing requirement (underlying need to borrow for a capital purpose)

	2004/2005 Actual £000's	2005/2006 Estimate £000's	2006/2007 Estimate £000's	2007/2008 Estimate £000's	2008/2009 Estimate £000's
Housing	2,548	4,141	4,687	5,233	5,779
Non-housing	0	0	2,175	2,175	2,175

Authorised Limit for External Debt

	2005/2006	2006/2007	2007/2008	2008/2009
	£000's	£000's	£000's	£000's
Borrowing	20,000	20,000	25,000	25,000
Other Long Term Liabilities	4,000	4,000	4,000	4,000
Total	24,000	24,000	29,000	29,000

Operational Boundary for External Debt

	2005/2006	2006/2007	2007/2008	2008/2009
	£000's	£000's	£000's	£000's
Borrowing	17,500	17,500	20,000	20,000
Other Long Term Liabilities	3,000	3,000	3,000	3,000
Total	20,500	20,500	23,000	23,000

Actual external debt

	2004/2005	2005/2006
	Actual	Estimate
	£000's	£000's
Borrowing	10,224.31	8,773.01
Other Long Term Liabilities	2,711.53	2,520.68
Total	12,935.84	11,293.69

Section 2 - Prudence

Net Borrowing v Capital Financing Requirement

	2004/2005 Actual	2005/2006 Estimate	2006/2007 Estimate	2007/2008 Estimate	2008/2009 Estimate
Gross Borrowing	13,221,307.54	11,770,011.66	11,277,129.30	7,746,816.69	7,180,170.22
Other Long Term Liabilities	2,711,533.39	2,520,678.64	2,320,281.15	2,109,863.79	1,888,925.56
Total Debt 31 March	15,932,840.93	14,290,690.30	13,597,410.45	9,856,680.48	9,069,095.78
Investments	53,000,000.00	48,600,000.00	45,000,000.00	34,800,000.00	34,800,000.00
Net Borrowing	-37,067,159.07	-34,309,309.70	-31,402,589.55	-24,943,319.52	-25,730,904.22
CFR	2,548,051.69	4,140,711.69	6,861,711.69	7,407,711.69	7,953,711.69
Net Borrowing v CFR	39,615,210.76	38,450,021.39	38,264,301.24	32,351,031.21	33,684,615.91

Compliance with the CIPFA code of Practice for Treasury Management in the Public Sector

Ensure that the medium term borrowing will only be for a capital purpose.

Upper limit on fixed interest rate borrowing

2005/2006 Estimate	2006/2007 Estimate	2007/2008 Estimate	2008/2009 Estimate
%	%	%	%
100	100	100	100

Upper limit on variable interest rate borrowing

2005/2006 Estimate	2006/2007 Estimate	2007/2008 Estimate	2008/2009 Estimate
%	%	%	%
50	50	50	50

Upper limit for the maturity structure of borrowings

	2004/2005 Actual	2005/2006 Estimate	2006/2007 Estimate	2007/2008 Estimate	2008/2009 Estimate
	%	%	%	%	%
Under 12 months	11	30	30	30	30
12 months to 2 years	26	30	30	30	30
2 years to 5 years	24	30	80	80	80
5 years to 10 years	31	40	50	50	50
10 year and above	7	50	50	50	50

Lower limit for the maturity structure of borrowings

	2005/2006 Estimate	2006/2007 Estimate	2007/2008 Estimate	2008/2009 Estimate
	%	%	%	%
Under 12 months	0	0	0	0
12 months to 2 years	0	0	0	0
2 years to 5 years	0	0	0	0
5 years to 10 years	0	0	0	0
10 year and above	0	0	0	0

Upper limit for principal sums invested for periods longer than 364 days

	2004/2005 Actual	2005/2006 Estimate	2006/2007 Estimate	2007/2008 Estimate	2008/2009 Estimate
	£m	£m	£m	£m	£m
	6	10	10	10	10