

2006/07

PRUDENTIAL INDICATORS

	Period 9 Estimate	Outturn
AFFORDABILITY		
Ratio of financing costs to net revenue stream		
Non - HRA	6.24%	5.53%
HRA	16.47%	15.39%

This expresses the capital financing budget as a proportion of the total budget requirement.

Level of "unsupported" borrowing for the General Fund

	£000	£000
Unsupported borrowing brought forward	12,624	12,624
New unsupported borrowing	15,064	15,034
Less unsupported borrowing repaid	<u>(2,814)</u>	<u>(2,640)</u>
Total unsupported borrowing carried forward	<u>24,874</u>	<u>25,018</u>

Level of "unsupported" borrowing relating to the HRA

	£000	£000
Unsupported borrowing brought forward	15,760	15,760
New unsupported borrowing	6,500	4,163
Less unsupported borrowing repaid	<u>(640)</u>	<u>(640)</u>
Total unsupported borrowing carried forward	<u>21,620</u>	<u>19,283</u>

Estimated incremental impact on council tax & average weekly rents of 2006/07 capital investment decisions

	£	£
Band D council tax (£1,033.91)	0.00	0.00
HRA rent (£49.56)	0.14	0.08

PRUDENCE**Level of capital expenditure**

	£000	£000
Childrens & Young People Services	16,550	17,047
Housing	8,905	8,731
Transport	10,856	11,334
Regeneration	16,237	16,586
Other	21,032	17,165
Total non-HRA	73,580	70,863
HRA	25,465	25,771
Total	99,045	96,634

Capital Financing Requirement

This measures the authority's underlying need to borrow for capital purposes.

	£000	£000
Non HRA	225,550	212,483
HRA	198,545	187,296

General Fund Capital Financing Requirement split between unsupported and supported borrowing

	£000	£000
Supported Borrowing	201,121	202,529
Unsupported Borrowing	24,429	9,954
	<u>225,550</u>	<u>212,483</u>

Authorised Limit

This is a statutory limit relating to external debt and is consistent with the authority's plans for capital expenditure and financing and with its treasury management policies.

The currently approved limit is £540 million.

Operational Boundary

This is based on the same estimates as the Authorised Limit but reflects the Chief Finance Officer's estimate of the most likely level of debt.

The currently approved limit is £420 million.

SUSTAINABILITY**Upper limit on fixed and variable interest rate exposures, as a percentage of total debt net of investments**

	%
Fixed interest rate	120
Variable interest rate	45

Upper & lower limits for the maturity structure of its borrowing

	%
Under 12 months	
upper limit	30
lower limit	0
12 months & within 24 months	
upper limit	30
lower limit	0
24 months & within 5 years	
upper limit	60
lower limit	0
5 years & within 10 years	
upper limit	60
lower limit	0
10 years & above	
upper limit	100
lower limit	0

The upper limit for principal sums invested for more than 364 days is £30 million for 2005/06 and subsequent years.