

2004/05

PRUDENTIAL INDICATORS

	Original Estimate	Period 7 Forecast	Period 9 Forecast
AFFORDABILITY			
Ratio of financing costs to net revenue stream			
Non - HRA	3.9%	3.8%	3.8%
HRA	20.2%	17.3%	17.3%

Level of "unsupported" borrowing for the General Fund

	£000	£000	£000
Unsupported borrowing brought forward	3,998	3,798	3,798
New unsupported borrowing	9,400	6,295	5,544
Less unsupported borrowing repaid	(731)	(723)	(730)
Total unsupported borrowing carried forward	<u>12,667</u>	<u>9,370</u>	<u>8,612</u>

Level of "unsupported" borrowing relating to the HRA

	£000	£000	£000
Unsupported borrowing brought forward	0	0	0
New unsupported borrowing	6,000	6,000	6,000
Less unsupported borrowing repaid	0	0	0
Total unsupported borrowing carried forward	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>

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

	£	£	£
Band D council tax (£982.75)	2.58	0.49	0.39
HRA rent (£45.85)	0.42	0.14	0.14

PRUDENCE**Level of capital expenditure**

	£000	£000	£000
Education	25,000	19,824	17,201
Housing	8,534	8,684	8,784
Transport	9,099	11,528	10,992
Regeneration	5,131	10,344	10,427
Other	14,920	20,114	17,800
Total non-HRA	62,684	70,494	65,204
HRA	27,161	28,387	27,867
Total	89,845	98,881	93,071

Capital Financing Requirement 31 March 2005

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

	£000	£000	£000
Non HRA	201,408	192,972	190,332
HRA	174,049	172,020	172,020

General Fund Capital Financing Requirement split between unsupported and supported borrowing

	£000	£000	£000
Supported Borrowing	188,741	183,602	181,720
Unsupported Borrowing	<u>12,667</u>	<u>9,370</u>	<u>8,612</u>
	<u>201,408</u>	<u>192,972</u>	<u>190,332</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 £503.161 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 £462.621 million.

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

	%
Fixed interest rate	150
Variable interest rate	25

Upper & lower limits for the maturity structure of borrowing

	%
Under 12 months	
upper limit	15
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