

2005/06

PRUDENTIAL INDICATORS

P9

Estimate

Actual

AFFORDABILITY

Ratio of financing costs to net revenue stream

Non - HRA	3.84%	3.31%
HRA	16.59%	16.45%

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	5,846	5,846
New unsupported borrowing	8,207	7,080
Less unsupported borrowing repaid	<u>(782)</u>	<u>(563)</u>
Total unsupported borrowing carried forward	<u>13,271</u>	<u>12,363</u>

Level of "unsupported" borrowing relating to the HRA

	£000	£000
Unsupported borrowing brought forward	6,000	6,000
New unsupported borrowing	12,000	10,000
Less unsupported borrowing repaid	<u>(240)</u>	<u>(240)</u>
Total unsupported borrowing carried forward	<u>17,760</u>	<u>15,760</u>

Estimated incremental impact on council tax & average weekly rents of 2005/06 capital investment decisions

	£	£
Band D council tax (£1007.32)	10.44	10.44
HRA rent (£47.02)	0.28	0.23

PRUDENCE

Level of capital expenditure

	£000	£000
Education	23,777	25,281
Housing	12,800	12,620
Transport	11,073	11,005
Regeneration	15,670	14,005
Other	14,865	12,102
Total non-HRA	78,185	75,013
HRA	35,068	35,881
Total	113,253	110,894

Capital Financing Requirement 31 March 2006

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

	£000	£000
Non HRA	214,534	206,905
HRA	189,186	187,296

General Fund Capital Financing Requirement split between unsupported and supported borrowing

	£000	£000
Supported Borrowing	199,732	193,616
Unsupported Borrowing	<u>14,802</u>	<u>13,289</u>
	<u>214,534</u>	<u>206,905</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 £487.448 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 £388.79 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.