

Monitoring of Prudential Indicators

	Estimate 2006/07	Projected Estimate 2006/07
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Prudential Indicators for Affordability

- the negative figures indicate that the Authority is an investor rather than a borrower

Estimate of the ratio of financing costs to net revenue stream		
General Fund	(10%)	(10%)
Housing Revenue Account	(0%)	(0%)
Estimate of the incremental impact of capital investment decisions	£ p	£ p
For a Band D Council Tax (General Fund)	N/A	N/A
For the average weekly housing rent (Housing Revenue Account)	N/A	N/A

Prudential Indicators for Prudence

Net borrowing should not be greater than the capital financing requirement except in the short term, i.e. no borrowing to finance revenue expenditure

Not applicable to debt free authorities

Prudential Indicators for Capital Expenditure, External Debt and Treasury Management

	Estimate 2006/07	Predicted Expenditure 2006/07
Estimate of capital expenditure	£ million	£ million
General Fund	2.419	2.419
Housing Revenue Account	10.459	10.459
Total	<u>12.878</u>	<u>12.878</u>
Estimate of capital financing requirement	£ million	£ million
General Fund	(5.694)	(5.694)
Housing Revenue Account	0.000	0.000
Total	<u>(5.694)</u>	<u>(5.694)</u>

External Debt

Any debt will be short term borrowing to meet unexpected cash flow requirements and will be of less than 12 months so that debt free status is not affected

Authorised limit	£ million	£ million
Borrowing	7.5	7.5
Other Long Term Liabilities	0.0	0.0
Total	<u>7.5</u>	<u>7.5</u>
Operational limit	£ million	£ million
Borrowing	0.0	0.0
Other Long Term Liabilities	0.0	0.0
Total	<u>0.0</u>	<u>0.0</u>

Treasury Management

Has the Authority adopted the CIPFA Code of Practice for Treasury Management in the Public Services?

Yes Yes

Interest rate exposures - upper limit on gross investments

Fixed rate	100%	100%
Variable rate	20%	20%

Maturity structure of borrowing

	Upper limit	Lower limit	Upper limit	Lower limit
under 12 months	100%	0%	100%	0%
12 months and within 24 months	Not set as the Authority intends to remain debt free		Not set as the Authority intends to remain debt free	
24 months and within 5 years				
5 years and within 10 years				
10 years and above				

Investments

Principal sums maturing in

	Limit £ million	As at 30 th September 2006 £ million
Less than one year	7.5 Minimum	33.5
1-2 years	6.0 }	3.0
2-3 years	5.0 } Maximum	3.0
3-4 years	4.0 }	1.0
4-5 years	4.0 }	1.0