

## Monitoring of Prudential Indicators

|  | Estimate<br>2006/07 | Projected<br>Estimate<br>2006/07 |
|--|---------------------|----------------------------------|
|--|---------------------|----------------------------------|

## 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<br>2006/07 | Predicted<br>Expenditure<br>2006/07 |
|--|---------------------|-------------------------------------|
| <b>Estimate of capital expenditure</b>           | £ million           | £ million                           |
| General Fund                                     | 2.419               | 3.146                               |
| Housing Revenue Account                          | 10.459              | 10.360                              |
| Total  | <u>12.878</u>       | <u>13.506</u>                       |
| <b>Estimate of capital financing requirement</b> | £ 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<br>limit                                       | Lower<br>limit | Upper<br>limit                                       | Lower<br>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<br>£ million | As at 31 st December 2006<br>£ million |
|--------------------|--------------------|--|
| Less than one year | 7.5 Minimum        | 37.5                                   |
| 1-2 years          | 6.0 }              | 4.0                                    |
| 2-3 years          | 5.0 } Maximum      | 2.0                                    |
| 3-4 years          | 4.0 }              | 1.0                                    |
| 4-5 years          | 4.0 }              | 1.0                                    |

