

## Prudential Indicators Monitoring at 30 September 2012

**Affordability****a) Estimate of the ratio of financing costs to net revenue stream**

Ratio of financing costs to net revenue stream		
	2012-13 Estimate %	2012-13 Estimate at 30/09/2012 %
General Fund	6.98%	4.73%
HRA	28.51%	32.54%

**b) Estimate of the incremental impact of capital investment decisions on the council tax**

Estimates of incremental impact of new capital investment decisions on the Council Tax	
	2012-13 Estimate £.p
General Fund	0.21

This indicator is set before the start of the financial year, in the context of the budget setting process, which feeds into the setting of Council Tax and Housing Rents. As these are set and fixed for the financial year ahead, any capital investment decisions made during the year cannot impact on the existing Council Tax and Housing rent levels. This means that new capital investment plans approved during the year must be funded externally or from within existing resources.

**c) Estimate of the incremental impact of capital investment decisions on the housing rents**

Estimates of incremental impact of new capital investment decisions on average weekly housing rents	
	2012-13 Estimate £.p
Housing Revenue Account	5.08

This indicator is set before the start of the financial year, in the context of the budget setting process, which feeds into the setting of Council Tax and Housing Rents. As these are set and fixed for the financial year ahead, any capital investment decisions made during the year cannot impact on the existing Council Tax and Housing rent levels. This means that new capital investment plans approved during the year must be funded externally or from within existing resources.

**Prudence****d) Net borrowing and the capital financing requirement (CFR)**

Net external debt less than CFR				
	2012-13 £000	2012-13 Position at 30/09/2012 £000	2012-13 Maximum Net to 30/09/2012 £000	2012-13 Forecast Maximum £000
Borrowing	215,809	216,088	216,138	216,138
Less investments	81,970	54,220	37,071	37,071
Net external debt	133,839	161,868	179,067	179,067
2010-11 Closing CFR (Forecast)	25,043	215,440	215,440	215,440
Changes to CFR:	0	0	0	0
2011-12	(7,658)	3,376	3,376	3,376
2012-13	(10,974)	2,964	2,964	2,964
2013-14	528	(95)	(95)	(95)
Adjusted CFR	203,622	221,684	221,684	221,684
Net external debt less than adjusted CFR	Yes	Yes	Yes	Yes

**Capital Expenditure**

## e) Estimate of capital expenditure

Capital Expenditure		
	2012-13 Estimate £000	2012-13 Estimate at 30/09/2012 £000
General Fund	12,753	18,316
HRA	17,830	21,718
<b>Total</b>	<b>30,583</b>	<b>40,034</b>

## f) Estimates of capital financing requirement (CFR)

Capital Financing Requirement (Closing CFR)		
	2012-13 31 March 2013 Estimate £000	2012-13 31 March 2013 Forecast at 30/09/2012
General Fund	31,686	32,012
HRA	182,382	186,803
<b>Total</b>	<b>214,068</b>	<b>218,816</b>

**External Debt**

## g) Authorised limit for external debt

Authorised limit for external debt				
	2012-13 Limit £000	2012-13 Actual at 30/09/2012 £000	2012-13 Maximum to 30/09/2012 £000	2012-13 Forecast Maximum £000
Borrowing	245,000	216,088	216,168	216,168
Other long-term liabilities	5,000	557	557	557
<b>Total</b>	<b>250,000</b>	<b>216,645</b>	<b>216,725</b>	<b>216,725</b>

## h) Operational boundary for external debt

Operational boundary for external debt				
	2012-13 Boundary £000	2012-13 Actual at 30/09/2012 £000	2012-13 Maximum to 30/09/2012 £000	2012-13 Forecast Maximum £000
Borrowing	240,000	216,088	216,168	216,168
Other long-term liabilities	5,000	557	557	557
<b>Total</b>	<b>245,000</b>	<b>216,645</b>	<b>216,725</b>	<b>216,725</b>

## h) Adoption of the CIPFA code of Practice for Treasury Management in the Public Services

The Council has adopted CIPFA's Treasury Management in the Public Services: Code of Practice and Cross Sectoral Guidance Notes (the Code). The adoption of the Code is recorded in the Council's Constitution at paragraph 6.10.1 of the Financial Regulations .

## h) HRA Limit on Indebtedness

Capital Financing Requirement (Closing CFR)		
	2012-13 Limit £000	2012-13 HRA CFR at 30/09/2012 £000
<b>Total</b>	<b>208,401</b>	<b>186,803</b>