

**APPENDIX A**

**PRUDENTIAL CODE INDICATORS**

1. The actual capital expenditure that was incurred in 2006/07 and the estimates of capital expenditure for the current and future years that are recommended for approval are:

	2006/07 Actual £000's	2007/08 Probable £000's	2008/09 Estimate £000's	2009/10 Estimate £000's	2010/11 Estimate £000's
General Fund	13,463	18,287	17,648	8,674	4,190
HRA	7,610	8,259	12,665	6,760	6,860
<b>Total</b>	<b>21,073</b>	<b>26,546</b>	<b>30,313</b>	<b>15,434</b>	<b>11,050</b>

2. Estimates of the ratio of financing costs to net revenue stream for the current and future years, and the actual figures for 2005/06 are:-

	2006/07 Actual %	2007/08 Probable %	2008/09 Estimate %	2009/10 Estimate %	2010/11 Estimate %
Financing Costs re. General Fund Capital Exp	12.21	14.61	15.36	15.91	15.73
HRA Capital Exp	2.63	4.15	4.15	4.15	4.15

3. Estimated capital financing requirements for the current and future years and the actual capital financing requirement at 31<sup>st</sup> March 2007 are:

	31/03/06 Actual £000's	31/03/07 Probable £000's	31/03/08 Estimate £000's	31/03/09 Estimate £000's	31/3/10 Estimate £000's
	-4,591	-4,997	-6,120	-6,000	-6,000

4. The estimated incremental impact of capital expenditure proposals on Band D Council Tax is as follows:

	2006/07 £	2007/08 £	2008/09 £	2009/10 £	2010/11 £
	24	15	2	8	3

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5. In order to ensure that over the medium term net borrowing will only be for capital purposes, net external borrowing should not exceed the total of capital financing requirements in the preceding year plus estimated current and next 2 years requirement.

6. \* Authorised limit for external debt:

	2006/07	2007/08	2008/09	2009/10	2010/11
	£000's	£000's	£000's	£000's	£000's
Borrowing	15,000	15,000	15,000	15,000	15,000
Other Long Term Liabilities	Nil	Nil	Nil	Nil	Nil

7. \* The Code also requires an Operational Limit to be set which can be less than the Authorised Limit. However, in this Council's circumstances it is recommended that the Operation Limit equates to the Authorised Limit.

8. \* The Council has adopted the CIPFA Code of Practice for Treasury Management and manages its treasury position in terms of borrowings and investments in accordance with the code.

9. \* Upper limit of variable interest rate exposure as a percentage of total debt:

	2006/07	2007/08	2008/09	2009/10	2010/11
	100%	100%	100%	100%	100%

10. \* Short term borrowing limit:

	2006/07	2007/08	2008/09	2009/10	2010/11
	£000's	£000's	£000's	£000's	£000's
	15,000	15,000	15,000	15,000	15,000

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### 11. \* Interest Rate Exposure

Fixed Interest Rate This is defined as the maximum principal sums outstanding at fixed rates, less the principal sums outstanding in respect of investments that are fixed rate investments. As the Council is debt free, this is a negative figure. After 2007/08 there is no intention to split the Prudential Indicators between the internal and external fund.

	2006/07	2007/08	2008/09	2009/10	2010/11
	£000's	£000's	£000's	£000's	£000's
SBC	-40,000	-60,000	-60,000	-60,000	-60,000
Fund Manager	-31,000				

Variable Interest Rate This is defined as above, but substituting 'variable rates' for 'fixed rates'

	2006/07	2007/08	2008/09	2009/10	2010/11
	£000's	£000's	£000's	£000's	£000's
SBC	-10,000	-32,500	-33,000	-33,000	-33,000
Fund Manager	-31,000				

### 12. \* Maturity Structure of Borrowing

As the Council is debt free, this indicator does not apply.

### 13 \* Total principal sums invested for periods longer than 364 days.

	2006/07	2007/08	2008/09	2009/10	2010/11
	£000's	£000's	£000's	£000's	£000's
SBC	12,000	25,000	30,000	30,000	30,000
Fund Manager	29,000	31,000			

\* denotes indicators which form part of the Treasury Management Strategy