

APPENDIX 2

Prudential Indicators 2016/17 Mid Year Outturn

PRUDENTIAL INDICATOR	2016/17	2016/17
	Original Estimate	Projected Outturn
Capital Expenditure	£'m	£'m
Non - HRA	123.980	163.101
HRA	90.848	74.133
TOTAL	214.828	237.234
Ratio of financing costs to net revenue stream	%	%
Non - HRA	17.95%	14.46%
HRA (applies only to housing authorities)	9.94%	14.73%
Capital Financing Requirement as at 31 March	£'m	£'m
Non - HRA	489.234	489.052
HRA (applies only to housing authorities)	211.456	204.321
TOTAL	700.690	693.373
Incremental impact of capital investment decisions	£ p	£ p
Increase in Council Tax (band D) per annum	24.23	24.77
Increase in average housing rent per week	4.54	4.54
PRUDENTIAL INDICATOR	2016/17	2016/17
	Original Estimate	Projected Outturn
Authorised Limit for external debt -	£'m	£'m
Debt	785.749	763.466
Other long term liabilities	128.775	126.319
TOTAL	914.524	889.785
Operational Boundary for external debt -	£'m	£'m
Debt	755.749	733.466
Other long term liabilities	128.775	126.319
TOTAL	884.524	859.785
Upper limit for fixed interest rate exposure	%	%
Debt Only	100	100
Investment only	100	100
Upper limit for variable rate exposure	%	%
Debt Only	50	50
Investment only	100	100
Upper limit for total principal sums invested for over 364 days	£'m	£'m
Investments	20	20

Maturity structure of fixed rate borrowing during 2016/17	Lower limit	Upper limit	Outturn
	%	%	%
under 12 months	0.00%	20.00%	3.73%
12 months and within 24 months	0.00%	20.00%	0.00%
24 months and within 5 years	0.00%	30.00%	7.53%
5 years and within 10 years	0.00%	50.00%	7.30%
10 years and above	30.00%	100.00%	80.11%
Maturity Structure of variable interest rate borrowing 2016/17	Lower	Upper	Outturn
Under 12 months	0%	100%	0.00%
12 months to 2 years	0%	100%	0.00%
2 years to 5 years	0%	100%	0.00%
5 years to 10 years	0%	100%	1.33%
10 years and above	0%	100%	0.00%

DEFINITIONS

Capital Financing Requirement:

This is the sum of all capital spending that the authority has incurred to date, which have been financed by borrowing (and not by revenue contributions, capital receipts, or grant funding.) Hence this is an underlying need to borrow, but it may differ from our actual borrowing.

Authorised Limit

This represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited. It reflects the level of external debt which, while not necessarily desired, could be afforded in the short term, but is not sustainable in the longer term. This enables short term liquidity requirements to be accommodated. The Council has operated well below this limit for the year 2014/15.

Operational Boundary

This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the Capital Financing Requirement, but may be lower or higher depending on the levels of actual debt. It can include borrowing for future years (i.e. borrowing in advance while rates are low), this is why it can be higher than the capital financing requirement.