PRUDENTIAL CODE FOR CAPITAL FINANCE

Code Ref.	PRUDENTIAL INDICATOR	2008/09	2009/10	2010/11	2011/12	2012/13
	(1). CAPITAL FINANCE					
36	**1. Ratio of Financing Costs to Net Revenue Stream**	**%**	**%**	**%**	**%**	**%**
	Non-HRA	4.99	5.75	6.40	6.60	6.44
	HRA	20.63	21.29	20.62	20.47	20.02
40	**2. Incremental impact of capital investment decisions**	**£ p**	**£ p**	**£ p**	**£ p**	**£ p**
	Non-HRA - effect on Council Tax (Band D per annum)	-3.99	-1.91	4.34	6.27	7.42
	HRA – effect on weekly housing rent	0.00	0.00	0.00	0.00	0.00
45	**3. Net Borrowing and the Capital Financing Requirement**	**£’000**	**£’000**	**£’000**	**£’000**	**£’000**
	Prudential Indicator	-108,135	-97,895	-93,163	N/a	N/a
49	**4. Estimate of capital expenditure**	**£’000**	**£’000**	**£’000**	**£’000**	**£’000**
	Non-HRA	73,885	105,740	121,489	94,617	71,749
	HRA	7,914	8,167	7,691	7,691	7,691
	TOTAL	81,799	113,907	129,180	102,308	79,440
54	**5. Capital Financing Requirement (as at 31 March)**	**£’000**	**£’000**	**£’000**	**£’000**	**£’000**
	Non-HRA	122,930	135,427	141,503	146,425	148,340
	HRA	16,290	18,045	19,801	19,801	21,557
	TOTAL	139,220	153,472	161,304	166,226	169,897
	(2). TREASURY MANAGEMENT					
59	**6. Authorised limit for external debt -**	**£’000**	**£’000**	**£’000**	**£’000**	**£’000**
	borrowing	228,917	186,379	186,373	192,506	191,941
	other long term liabilities	28,303	27,038	26,147	25,020	23,938
	TOTAL	257,220	213,417	212,520	217,526	215,879
60	**7. Operational boundary -**	**£’000**	**£’000**	**£’000**	**£’000**	**£’000**
	borrowing	154,945	170,107	178,510	183,755	187,745
	other long term liabilities	28,303	27,038	26,147	25,020	23,938
	TOTAL	183,248	197,145	204,657	208,775	211,683
67	**8. Upper limit for fixed interest rate exposure**	100%	100%	100%	100%	100%
67	**9. Upper limit for variable interest rate exposure**	0%	-2%	-2%	-2%	-2%
67	**10. Upper limit for variable interest rate exposure**					
	Local Prudential Limit	30%	30%	30%	30%	30%
77	**11. Upper limit for total principal sums invested for over 364 days**	**£’000**	**£’000**	**£’000**	**£’000**	**£’000**
	(per maturity date)	15,000	15,000	15,000	15,000	15,000
	or maximum percentage of outstanding investments	40%	40%	40%	40%	40%

		2008/09 Borrowing	
74	**12. Maturity structure of fixed rate borrowing**	**upper limit**	**lower limit**
		%	%
	under 12 months	0	0
	12 months and within 24 months	10	0
	24 months and within 5 years	25	0
	5 years and within 10 years	25	0
	10 years and above	100	50