

**Prudential Indicators - Workings**

**Annex 1**

**PI 1 - Capital Financing Requirement (CFR) - The actual capital expenditure that was incurred in 2005/06 and the estimates of capital expenditure to be incurred for the current and future years that are recommended for approval are:**

	2005/06 Actual £000's	2006/07 Forecast £000's	2007/08 Budget £000's	2008/09 Budget £000's	2009/10 Budget £000's
Capital Expenditure	6,727.0	3,497.0	6,271.0	2,902.0	3,042.0
Equipment Fund	552.0	661.0	500.0	500.0	500.0
<b>Total</b>	<b>7,279.0</b>	<b>4,158.0</b>	<b>6,771.0</b>	<b>3,402.0</b>	<b>3,542.0</b>

**PI 3 - 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:**

Interest Payable with respect to Short Term Borrowing	0	0	0	0	0
Interest Payable with respect to Borrowing	0	0	0	0	0
Interest payable under "irredeemable" long term liabilities	618	604	584	566	
Interest & Investment Income	-1,657	-1,332	-1,300	-1,180	-1,080
Replacement for Minimum Revenue Provision (MRP)	0	0	0	0	0
<b>Total Financing Costs</b>	<b>-1,039</b>	<b>-728</b>	<b>-716</b>	<b>-614</b>	<b>-1,080</b>

**Amount To Be Met From Government Grants & Local Taxpayers**

Demand on Collection Fund	5,738	5,960	6,434	6,668	6,964
Revenue Support Grant	3,243	1,235	7,992	8,192	8,397
Distribution form Non-Domestic Rating Pool	3,681	6,431			
LABGI ?		470	245		

<b>Net Revenue Stream</b>	<b>12,662</b>	<b>14,096</b>	<b>14,671</b>	<b>14,860</b>	<b>15,361</b>
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	%	%	%	%	%
<b>Ratio of Financing Costs to Net Revenue Stream</b>	<b>-8.2</b>	<b>-5.2</b>	<b>-4.9</b>	<b>-4.1</b>	<b>-7.0</b>
<b>Net Finance Stream</b>					

**PI 4 - Estimates of the end of year Capital Financing Requirement for the Council for the current & future years and the actual CFR at 31 March 2006 are:**

	£000's	£000's	£000's	£000's	£000's
CFR (see CFR sheet for calculation)	-185	-185	6,086	8,988	12,030

**PI 5 - Authorised Limit for External Debt**

Borrowing	4,000	4,000			
Other Long Term Liabilities	9,310	9,296	9,076	8,842	8,593
<b>Total</b>	<b>13,310</b>	<b>13,296</b>	<b>9,076</b>	<b>8,842</b>	<b>8,593</b>

**PI 6 - Operational Boundary for External Debt**

Borrowing	2,000	2,000			
Other Long Term Liabilities	9,310	9,296	9,076	8,842	8,593
<b>Total</b>	<b>11,310</b>	<b>11,296</b>	<b>9,076</b>	<b>8,842</b>	<b>8,593</b>

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	2006/07 Forecast £000's	2007/08 Budget £000's	2008/09 Budget £000's	2009/10 Budget £000's
<b>PI 7 - Impact on Council Tax</b>				
Capital Programme	3,497	6,271	2,902	3,042
Less.				
Capital Receipts				
Housing - Disabled Facilities Grant		-200	-200	-200
Less Supported Housing Capital (GOSW note)	-557			
Hence - NWDC has rev. based on prog. Of :	<u>2,940</u>	<u>6,071</u>	<u>2,702</u>	<u>2,842</u>
Interest Rate for 'cashflow cost'	0.047			
Incremental Effect	66.15	0.00	0.00	0.00
Cumulative Effect		132.30	132.30	132.30
	<u>66.15</u>	<u>132.30</u>	<u>132.30</u>	<u>132.30</u>
Council Tax Base (CTB)	48,933			
Effect on Council Tax - Incremental Effect	1.35	#DIV/0!	#DIV/0!	#DIV/0!
- Cumulative Effect	1.35	#DIV/0!	#DIV/0!	#DIV/0!