

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
Total	7,279.0	4,158.0	6,771.0	3,402.0	3,542.0

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
Total Financing Costs	-1,039	-728	-716	-614	-1,080

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		
Net Revenue Stream	12,662	14,096	14,671	14,860	15,361

	%	%	%	%	%
Ratio of Financing Costs to Net Revenue Stream	-8.2	-5.2	-4.9	-4.1	-7.0
Net Finance Stream					

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
Total	13,310	13,296	9,076	8,842	8,593

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
Total	11,310	11,296	9,076	8,842	8,593

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	2006/07 Forecast £000's	2007/08 Budget £000's	2008/09 Budget £000's	2009/10 Budget £000's
PI 7 - Impact on Council Tax				
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!