

**General Fund Prudential Indicator Calculations**

The purpose of the prudential indicators is to demonstrate that the Council's financial plans meet the statutory requirement to be affordable, prudent and sustainable.

**General Fund Capital Expenditure**

The prudential indicator for capital expenditure should be based upon a capital programme that takes into account the Council's asset management and capital investment strategies.

<b>Strategic Theme</b>	<b>2011/12 Actual £'000</b>	<b>2012/13 Estimate £'000</b>	<b>2013/14 Estimate £'000</b>	<b>2014/15 Estimate £'000</b>	<b>2015/16 Estimate £'000</b>
OTHER	1,042	691	1,155	661	661
PROVIDE GREAT THINGS FOR ME TO SEE DO AND VISIT	3,849	3,362	880	170	50
MAINTAIN THE ASSETS OF OUR CITY	0	0	95	350	0
HELP ME FIND SOMEWHERE SUITABLE TO LIVE	786	2,750	584	540	540
IMPROVE THE ENVIRONMENT AND MY NEIGHBOURHOOD	481	1,194	480	3,300	0
Safe City	1	2	0	0	0
A Learning City	1	1	0	0	0
Prosperous City	170	860	0	0	0
Accessible City	374	1,187	0	0	0
Electronic City	223	312	0	0	0
Healthy and Active City	358	302	0	0	0
<b>Total General Fund Capital Expenditure</b>	<b>7,285</b>	<b>10,661</b>	<b>3,194</b>	<b>5,021</b>	<b>1,251</b>

**General Fund Financing costs**

The figures for the actual financing costs will be taken from the Council's financial statements using the definition of financing costs specified in the Prudential Code. Estimates for the current and future years should be calculated in a manner consistent with this definition.

<b>Description</b>	<b>2011/12 Actual £'000</b>	<b>2012/13 Estimate £'000</b>	<b>2013/14 Estimate £'000</b>	<b>2014/15 Estimate £'000</b>	<b>2015/16 Estimate £'000</b>
Interest payable with respect to short term borrowing	120	75	140	150	200
Interest payable under 'irredeemable' long term liabilities	0	0	0	0	0
Interest and investment income	(45)	0	0	0	0
Replacement for Minimum Revenue Provision (England and Wales)	920	1,107	1,358	1,533	1,584
Voluntary contribution to financing costs in respect of short-life assets	0	0	0	0	0
<b>Total General Fund Financing Costs</b>	<b>995</b>	<b>1,182</b>	<b>1,498</b>	<b>1,683</b>	<b>1,784</b>

**General Fund Estimates of the ratio of financing costs to net revenue stream**

The net revenue stream is the estimate of the amounts to be met from government grants and local taxpayers. An important theme of the Code is transparency. For this reason the authority's calculation of the net revenue stream should be consistent with the figure that can be identified in the Income and Expenditure Account for 'Net Operating Expenditure'.

When the Council is 'debt-free' the ratio of financing costs to net revenue stream will be negative. This reflects the fact that for 'debt-free' authorities, the negative financing costs are making a contribution to the Income and Expenditure Account.

Description	2011/12 Actual £'000	2012/13 Estimate £'000	2013/14 Estimate £'000	2014/15 Estimate £'000	2015/16 Estimate £'000
Financing costs	995	1,182	1,498	1,683	1,784
Net revenue stream (General Fund Expenditure - Budget Book/Financial Strategy)	14,135	15,080	15,727	15,480	15,833
<b>Ratio of financing costs to net revenue stream %</b>	<b>7.0</b>	<b>7.8</b>	<b>9.5</b>	<b>10.9</b>	<b>11.3</b>
Negative for a debt free authority	%	%	%	%	%

**Estimates of the incremental impact of capital investment decisions on the Council Tax**

A fundamental constraint on capital investment by a local authority is its scope to afford its financial implications. For local authorities it is ultimately determined by a judgement about acceptable council tax levels.

This prudential indicator shows the potential impact of the capital investment decisions on the Council Tax.

Description	2013/14 Estimate £'000	2014/15 Estimate £'000	2015/16 Estimate £'000
Total budgetary requirements for the authority with existing capital programme	15,411	15,295	15,732
Total budgetary requirements for the authority with proposed capital programme	15,727	15,480	15,833
Difference	316	185	101
<b>Incremental Impact on Band D Council Tax</b>	<b>£9.34</b>	<b>£5.44</b>	<b>£2.96</b>

**General Fund Capital Financing Requirement**

The Capital Financing Requirement will reflect the Council's underlying need to finance capital expenditure.

*Actual General Fund Capital Financing Requirement at 31 March 2012*

Estimate of General Fund Capital Financing Requirement 31 March 2011	<b>£'000</b>
Property, Plant and Equipment	100,401
Investment Properties	42,093
Heritage Assets	22,436
Intangible Assets / Other Long term Assets	1,561
Revaluation Reserve	(58,023)
Capital Adjustment Account	(79,847)
<b>Estimate of General Fund Capital Financing Requirement 31 March 2012</b>	<b>28,621</b>

*Estimated General Fund Capital Financing Requirement at 31 March 2013*

Estimate of General Fund Capital Financing Requirement 31 March 2012	28,621
Estimate of change in Property, Plant and Equipment	0
Estimate of change in Investment Properties	0
Estimate of change in Intangible Assets / Other Long term Assets	0
Estimate of change in Revaluation Reserve	0
Estimate of change in Capital Adjustment Account	3,939
<b>Estimate of General Fund Capital Financing Requirement 31 March 2013</b>	<b>32,560</b>

*Estimated General Fund Capital Financing Requirement at 31 March 2014*

Estimate of General Fund Capital Financing Requirement 31 March 2013	32,560
Estimate of change in Property, Plant and Equipment	0
Estimate of change in Investment Properties	0
Estimate of change in Intangible Assets / Other Long term Assets	0
Estimate of change in Revaluation Reserve	0
Estimate of change in Capital Adjustment Account	4,380
<b>Estimate of General Fund Capital Financing Requirement 31 March 2014</b>	<b>36,940</b>

Estimated General Fund Capital Financing Requirement at 31 March 2015

Estimate of General Fund Capital Financing Requirement 31 March 2014	36,940
Estimate of change in Property, Plant and Equipment	0
Estimate of change in Investment Properties	0
Estimate of change in Intangible Assets / Other Long term Assets	0
Estimate of change in Revaluation Reserve	0
Estimate of change in Capital Adjustment Account	2,902
<b>Estimate of General Fund Capital Financing Requirement 31 March 2015</b>	<b>39,842</b>

Estimated General Fund Capital Financing Requirement at 31 March 2016

Estimate of General Fund Capital Financing Requirement 31 March 2015	39,842
Estimate of change in Property, Plant and Equipment	0
Estimate of change in Investment Properties	0
Estimate of change in Intangible Assets / Other Long term Assets	0
Estimate of change in Revaluation Reserve	0
Estimate of change in Capital Adjustment Account	508
<b>Estimate of General Fund Capital Financing Requirement 31 March 2016</b>	<b>40,350</b>