

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.

Strategic Theme	2014/15 Actual £'000	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000	2018/19 Estimate £'000
KEEP PLACE LOOKING GOOD	3,357	731	501	0	0
KEEP ME/MY ENVIRONMENT SAFE & HEALTHY	339	690	955	400	400
HELP ME FIND SOMEWHERE TO LIVE	511	1,216	379	379	379
WELL RUN COUNCIL	1,115	3,035	1,889	218	184
PROVIDE GREAT THINGS FOR ME TO SEE & DO	696	2,082	56	56	56
MAINTAIN THE ASSETS OF OUR CITY	0	0	69	0	0
DELIVER GOOD DEVELOPMENT	310	2,089	1,423	8,000	5,000
HELP ME RUN A SUCCESSFUL BUSINESS	1,000	0	0	0	0
Total General Fund Capital Expenditure	7,328	9,843	5,272	9,053	6,019

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.

Description	2014/15 Actual £'000	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000	2018/19 Estimate £'000
Interest payable with respect to short term borrowing	186	155	360	510	570
Interest payable under 'irredeemable' long term liabilities	0	0	0	0	0
Interest and investment income	(55)	(50)	(60)	(60)	(70)
Replacement for Minimum Revenue Provision (England and Wales)	1,332	818	875	871	1,136
Voluntary contribution to financing costs in respect of short-life assets	2,150	2,523	2,000	2,000	2,000
Total General Fund Financing Costs	3,613	3,446	3,175	3,321	3,636

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	2014/15 Actual £'000	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000	2018/19 Estimate £'000
Financing costs	3,613	3,446	3,175	3,321	3,636
Net revenue stream (General Fund Expenditure - Budget Book/Financial Strategy)	13,884	12,759	12,226	11,791	11,502
Ratio of financing costs to net revenue stream %	26.0	27.0	26.0	28.2	31.6
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	2016/17 Estimate £'000	2017/18 Estimate £'000	2018/19 Estimate £'000
Total budgetary requirements for the authority with existing capital programme	11,532	11,772	11,502
Total budgetary requirements for the authority with proposed capital programme	12,226	11,791	11,502
Difference	694	19	0
Incremental Impact on Band D Council Tax	£19.97	£0.56	£0.00

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 2015

General Fund Capital Financing Requirement 31 March 2015	£'000
Property, Plant and Equipment	120,235
Investment Properties	35,702
Heritage Assets	22,643
Intangible Assets / Other Long term Assets	3,324
Revaluation Reserve	(64,636)
Capital Adjustment Account	(83,923)
General Fund Capital Financing Requirement 31 March 2015	33,345

Estimated General Fund Capital Financing Requirement at 31 March 2016

Estimate of General Fund Capital Financing Requirement 31 March 2015	33,345
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	6,261
Estimate of General Fund Capital Financing Requirement 31 March 2016	39,606

Estimated General Fund Capital Financing Requirement at 31 March 2017

Estimate of General Fund Capital Financing Requirement 31 March 2016	39,606
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	3,944
Estimate of General Fund Capital Financing Requirement 31 March 2017	43,550

Estimated General Fund Capital Financing Requirement at 31 March 2018

Estimate of General Fund Capital Financing Requirement 31 March 2017	43,550
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	13,259
Estimate of General Fund Capital Financing Requirement 31 March 2018	56,809

Estimated General Fund Capital Financing Requirement at 31 March 2019

Estimate of General Fund Capital Financing Requirement 31 March 2018	56,809
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	(4,244)
Estimate of General Fund Capital Financing Requirement 31 March 2019	52,565