

Appendix 2 - 2014/15 Prudential Indicators

		Feb 14	
		Indicator	Actual
		14/15	14/15
<u>Affordability Indicators</u>			
Operational Boundary			
	Borrowing	299,833	253,759
	Other Long term liabilities	46,294	55,541
	Total	346,127	309,300
Authorised Limit			
	Borrowing	405,905	253,759
	Other Long term liabilities	51,294	55,541
	Total	457,199	309,300

The operational boundary is an estimate of the most likely level of external debt, whereas the authorised limit is the absolute approved limit. These are measured against actual external debt which includes all long and short term debt and PFI liabilities, but excludes investments. The PFI figure, shown in Other Long Term Liabilities, was recalculated at 13/14 year end following audit and there is therefore a significant difference between that which was detailed in the February 2014 Treasury Strategy Report and actual.

Ratio of financing costs to net revenue stream

HRA	39.27%	38.12%
Non HRA	6.95%	6.12%

The key reason for the reduction in the ratio for Non HRA was due to a deferment of new external long-term borrowing. For the HRA, the reduction is primarily as a result of higher income due to lower voids and lower employee costs than estimated.

Capital Financing Requirement:

HRA	135,532	135,532
Non-HRA	270,373	263,996
PFI	46,294	55,541
Total	452,199	455,069

Capital Expenditure 14/15

HRA	31,750	12,658
Non-HRA	66,776	51,451
Total	98,526	64,109

Note: 14/15 PI's were set in February 2014 before 14/15 out-turn known, therefore differences between estimates and actuals will partly reflect 13/14 and 14/15 capital programme slippage

Prudence Indicators

Net Borrowing and the CFR

Net Borrowing	279,833	233,573
CFR (incl PFI)	452,199	455,069

The Capital Financing Requirement (CFR) represents the underlying need to borrow. Net Borrowing should not exceed, except in the short-term, the CFR.