

## Prudential Indicators re: 2015/16 Revised Capital Programme

	Actual 2014/15	Original Estimate 2015/16	Revised Estimate 2015/16
<b>Capital Expenditure (as per programme)</b>	£1,389,894	£9,098,500	£3,728,400

<b>Capital Financing Requirement (Prudential Borrowing)</b>	£12,130,549	£12,206,798	£12,125,936
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### Net Borrowing for capital purposes does not exceed the capital financing requirement

The capital financing requirement measures the Authority's underlying need to borrow for a capital purpose. In accordance with best practice, The Fire Authority does not associate borrowing with particular items of capital expenditure.

### Ratio of Financing Costs to Net Revenue Stream

Net Revenue Stream			
Government Support	£9,744,665	£8,863,200	£8,863,200
Collection Fund Surplus	£195,093	£269,700	£269,700
Council Tax Requirement	£14,860,360	£15,474,000	£15,474,000
<b>Total Net Revenue Stream</b>	<b>£24,800,118</b>	<b>£24,606,900</b>	<b>£24,606,900</b>

### Calculation of Financing Costs

Interest payable with respect to borrowing/Leasing	£231,222	£223,631	£170,676
Less Interest & Investment Income	-£14,430	-£12,500	-£25,000
Replacement for MRP	£691,607	£687,243	£685,895
<b>Total Financing Costs</b>	<b>£908,399</b>	<b>£898,374</b>	<b>£831,571</b>

<b>Estimated Ratio of Financing Costs to Net Revenue Stream</b>	<b>3.66%</b>	<b>3.65%</b>	<b>3.38%</b>
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### Estimation of the Incremental impact of new capital investment on the Council Tax

Cost of Borrowing			
Capital Expenditure	£1,389,894	£9,098,500	£3,728,400
Less funded from capital grant	-£868,558	-£5,061,500	£0
Less funded from direct revenue financing	-£272,099	-£1,056,000	-£2,446,900
	<b>£249,237</b>	<b>£2,981,000</b>	<b>£1,281,500</b>

Cost of Borrowing at 7.5% - Interest(3.5%) & Depreciation(4%)	£18,693	£223,575	£24,758
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IT Capital Programme	£427,138	£1,796,200	£1,324,300
Assumed Annual Maintenance @ 15%	£64,071	£269,430	£198,645

Total Impact of New Capital Investment	£82,763	£493,005	£223,403
Council Taxbase	233,580	238,502	233,580

Annual impact of new capital investment on the Council Tax	£0.35	£2.07	£0.96
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<b>Impact of New Capital Investment on the Council Tax</b>	<b>£0.35</b>	<b>£2.42</b>	<b>£1.31</b>
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