

Prudential Indicators re: 2014/15 Capital Programme

	Actual 2012/13	Revised Estimate 2013/14	Original Estimate 2014/15	Indicative Estimate 2015/16	Indicative Estimate 2016/17
Capital Expenditure (as per programme)	£3,125,691	£3,628,600	£2,476,000	£2,493,000	£2,210,000
Capital Financing Requirement (Prudential Borrowing)	£11,279,000	£12,130,549	£12,940,789	£13,380,132	£14,964,909
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	£10,097,000	£10,507,600	£9,744,000	£8,945,400	£8,453,000
Collection Fund Surplus	£193,000	£192,500	£247,000	£0	£0
Council Tax Requirement	£15,854,000	£14,347,200	£14,860,000	£15,308,600	£15,769,000
Total Net Revenue Stream	£26,144,000	£25,047,300	£24,851,000	£24,254,000	£24,222,000
Calculation of Financing Costs					
Interest payable with respect to borrowing/Leasing	£292,977	£268,858	£291,426	£297,323	£364,147
Less Interest & Investment Income	-£12,500	-£10,000	-£12,500	-£12,500	-£12,500
Replacement for MRP	£584,480	£657,360	£716,656	£777,223	£950,582
Total Financing Costs	£864,957	£916,218	£995,582	£1,062,046	£1,302,229
Estimated Ratio of Financing Costs to Net Revenue Stream	3.31%	3.66%	4.01%	4.38%	5.38%
Estimation of the Incremental impact of new capital investment on the Council Tax					
Cost of Borrowing					
Capital Expenditure	£3,125,691	£3,628,600	£2,476,000	£2,493,000	£2,210,000
Less funded from capital grant	-£1,100,705	-£868,600	-£868,000	£0	£0
Less funded from direct revenue financing	-£588,958	-£1,292,400	£0	-£131,000	-£130,000
	£1,436,029	£1,467,600	£1,608,000	£2,362,000	£2,080,000
Cost of Borrowing at 7.5% - Interest(3.5%) & Depreciation(4%)	£107,702	£110,070	£86,700	£177,150	£156,000
IT Capital Programme	£374,868	£315,800	£710,500	£212,000	£156,000
Assumed Annual Maintenance @ 15%	£56,230	£47,370	£106,575	£31,800	£23,400
Total Impact of New Capital Investment	£163,932	£157,440	£193,275	£208,950	£179,400
Council Taxbase	254,156	229,997	233,580	235,916	238,275
Annual impact of new capital investment on the Council Tax	£0.65	£0.68	£0.83	£0.89	£0.75
Impact of New Capital Investment on the Council Tax	£0.65	£1.33	£2.29	£3.18	£3.93