

## Revised Prudential Indicators 2017-18 Revised Capital Programme

	Original Estimate 2017-18	Revised Estimate 2017-18
<b>Capital Expenditure (as per programme)</b>	<b>£11,159,900</b>	<b>£9,334,000</b>

<b>Capital Financing Requirement (Prudential Borrowing) (excludes PFI)</b>	<b>£39,355,287</b>	<b>£39,353,761</b>
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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	£15,466,854	£15,466,854
Collection Fund Surplus	£529,626	£529,626
Council Tax Requirement	£37,489,488	£37,489,488
Total Net Revenue Stream	<u>£53,485,968</u>	<u>£53,485,968</u>
Calculation of Financing Costs		
Interest payable with respect to borrowing/Leasing	£1,056,474	£1,189,428
Less Interest & Investment Income	-£27,000	-£46,431
Replacement for MRP	£2,216,732	£2,232,347
Total Financing Costs	<u>£3,246,206</u>	<u>£3,375,344</u>

<b>Estimated Ratio of Financing Costs to Net Revenue Stream</b>	<b>6.07%</b>	<b>6.31%</b>
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### Estimation of the Incremental impact of new capital investment on the Council Tax

Cost of Borrowing		
Capital Expenditure	£11,159,900	£9,334,000
Less funded from capital grant/receipts	-£4,553,200	-£774,200
Less funded from direct revenue financing/reserves	£0	-£8,559,800
	<u>£6,606,700</u>	<u>£0</u>
Cost of Borrowing at 7.5% - Interest(3.5%) & Depreciation(4%)	£495,503	£0
IT Capital Programme	£1,068,500	£1,584,100
Assumed Annual Maintenance @ 15%	£160,275	£237,615
Total Impact of New Capital Investment	£655,778	£237,615
Council Taxbase	531,088	531,088

Annual impact of new capital investment on the Council Tax	£1.23	£0.45
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<b>Impact of New Capital Investment on the Council Tax</b>	<b>£1.23</b>	<b>£0.45</b>
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