

2014/15 ACTUAL PRUDENTIAL INDICATORS

- 1.1 The Prudential Capital Finance system which came into force on 1st April 2004 allows authorities to borrow as much as they can prudently afford to pay back from their revenue resources (subject to national safeguards).
- 1.2 The Council set its original Prudential Indicators for 2014/15 in February 2014 and then revised them in February 2015. It is a requirement of the Prudential Code for Capital Finance in Local Authorities that the Council calculates actuals for certain of the indicators and reports upon them after the end of the year to which the indicators relate. The actuals for the relevant indicators are shown below together with a comparison, where appropriate, with the indicator revised in February 2015.

1.3 **Actual ratio of financing costs to net revenue stream**

This ratio sets an upper limit on the proportion of the Council's net revenue streams both for GF and HRA which goes to service debt.

	2014/15 Revised	2014/15 Actual
General Fund	+2.00% to -3.00%	-1.20%
Housing Revenue Account	37.00% to 42.00%	39.41%
Overall	20.00% to 25.00%	22.91%

It can therefore be seen that all three ratios for 2014/15 Actual are within range.

1.4 **Actual capital expenditure for 2014/15**

It should be noted that the General Fund Capital Programme and the General Fund Housing (Registered Providers and Improvement Grants) part of the Housing Investment Programme are to be considered as one.

	2014/15 Revised	2014/15 Actual
General Fund	£3,997,815	£3,043,991
Housing Revenue Account	£11,543,600	£7,171,889
Overall	£15,541,415	£10,215,880

The 2014/15 revised indicator for GF capital expenditure included £1.060m in respect of grants to Registered Providers and Environmental Health Improvement Schemes. In the event, only £0.887m was spent in 2014/15 on these grants. In addition, slippage of £0.683m was incurred in the General Fund Capital programme itself and £0.158m expenditure was charged to revenue as it did not satisfy the criteria required for inclusion as capital expenditure. The most significant items accounting for the underspend on the Housing Revenue Account relate to slippage on the Fetherston Court project of £2.976m and slippage in respect of the acquisition of houses on the South West Warwick

APPENDIX 'D' (Continued)

development which amounted to £0.890m. In addition there were savings within the HRA which accounted for a further £0.489m

1.5 Actual capital financing requirement at 31/3/2015

This is a key measure in that it measures the underlying need for an authority to borrow for capital purposes.

	2014/15 Revised	2014/15 Actual
General Fund	-£1,326,896	-£1,326,896
Housing Revenue Account	£135,786,796	£135,786,796
Overall	£134,459,900	£134,459,900

The Council was able to finance its capital expenditure in 2014/15 from within its own means and did not generate any requirement to borrow.

- 1.6 The final indicator that requires reporting at the year end is the amount of external debt outstanding at the year end. The HRA Self Financing debt outstanding at 31st March 2015 was £136,157,000. The principal outstanding at 31st March 2015 on all Finance leases was £44,479 which when added to the external borrowing of £136,157,000 gives £136,201,479 total debt outstanding at 31st March 2015.