

2012/13 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 2012/13 in February 2012. 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 set in February 2012.

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.

	2012/13 Original	2012/13 Actual
General Fund	0.00% to -5.00%	-1.88%
Housing Revenue Account	29.00% to 34.00%	30.63%
Overall	16.50% to 22.50%	17.72%

It can therefore be seen that all three ratios for 2012/13 Actual are within range.

1.4 **Actual capital expenditure for 2012/13**

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.

	2012/13 Original	2012/13 Actual
General Fund	£5,045,700	£1,945,152
Housing Revenue Account	£6,674,600	£7,338,540
Overall	£11,720,300	£9,283,692

The 2012/13 original indicator for GF capital expenditure included £2.566m in respect of grants to Registered Providers and Environmental Health Improvement Schemes. In the event, only £616,000 was spent in 2012/13 on these grants. In addition, slippage of £765,000 was incurred in the General Fund Capital programme itself

APPENDIX 'D' (Continued)

and £263,000 expenditure was charged to revenue as it did not satisfy the criteria required for inclusion as capital expenditure. Additional expenditure was incurred within the HRA capital programme on improvement and renewal works.

1.5 Actual capital financing requirement at 31/3/2013

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

	2012/13 Original	2012/13 Actual
General Fund	-£1,326,896	-£1,326,896
Housing Revenue Account	£136,893,160	£135,786,796
Overall	£135,566,264	£134,459,900

The Council was able to finance its capital expenditure in 2012/13 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 2013 was £136,157,000. In addition, during 2012/13 the Council entered into a further Finance lease for the supply of photocopiers at the AIEC and in Planning. The principal outstanding at 31st March 2013 on all Finance leases was £91,915 which when added to the external borrowing of £136,157,000 gives £136,248,915 total debt outstanding at 31st March 2013.