

**AGENDA MANAGEMENT SHEET**

**Name of Committee** Council

**Date of Committee** 14 March 2006

**Report Title** Amended Prudential Indicators 2006/07 to 2008/09

**Summary** Council on 7th February 2006 provided the Strategic Director of Resources with delegated authority to revise the indicators to reflect the capital programme approved at its meeting. This report seeks members approval of the indicators.

**For further information please contact:** Charles Holden  
Corporate Capital  
Accountant  
Tel: 01926 412092  
charlesholden@warwickshire.gov.uk

**Would the recommended decision be contrary to the Budget and Policy Framework?** No.

**Background papers** None

**CONSULTATION ALREADY UNDERTAKEN:-** Details to be specified

- Other Committees  .....
- Local Member(s)
- Other Elected Members  Copied to Cllr Tandy, Cllr Roodhouse, Cllr McCarney, Cllr Booth.for information.
- Cabinet Member  Copied to Cllr Farnell, Cllr Cockburn.for information...
- Chief Executive  .....
- Legal  Barry Jukes.....
- Finance  David Clarke – reporting officer.....
- Other Chief Officers  .....
- District Councils  .....

- Health Authority  .....
- Police  .....
- Other Bodies/Individuals  .....

**FINAL DECISION YES**

**SUGGESTED NEXT STEPS:**

Details to be specified

- Further consideration by this Committee  .....
- To Council  .....
- To Cabinet  .....
- To an O & S Committee  .....
- To an Area Committee  .....
- Further Consultation  .....

**Council - 14 March 2006.**

**Amended Prudential Indicators 2006/07 to 2008/09**

**Report of the Strategic Director of Resources**

**Recommendation**

That the amended Prudential Indicators at Annex A be approved.

1. On 7<sup>th</sup> February 2006 Council approved capital programmes for schemes due to start in 2006/07 to 2008/09. Draft prudential indicators were considered by the meeting but not updated to reflect changes made to the draft programmes at the meeting. The Strategic Director of Resources was given delegated authority to revise the prudential indicators and limits to reflect the capital programme approved in the Council resolution and report them back to Council.
2. It is a statutory requirement for the County Council to approve the indicators by 31<sup>st</sup> March.
3. Members are asked to approve the revised indicators attached at Annex A.

DAVID CLARKE  
Strategic Director of  
Resources

Shire Hall  
Warwick

01 March 2006

## Annex A

## Warwickshire County Council Prudential Indicators 2006/2007

PRUDENTIAL INDICATOR (1). AFFORDABILITY PRUDENTIAL INDICATORS	2004/05 actual	2005/06 estimate	2006/07 estimate	2007/08 estimate	2008/09 estimate
<b>Capital Expenditure</b>	<b>£'000</b> 75,887	<b>£'000</b> 78,370	<b>£'000</b> 138,185	<b>£'000</b> 61,767	<b>£'000</b> 23,557
<b>Ratio of financing costs to net revenue stream</b>	% 3.44	% 3.59	% 7.47	% 8.20	% 8.31
<b>Net borrowing requirement</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
brought forward 1 April	178,210	207,881	239,428	270,793	293,733
carried forward 31 March	207,881	239,428	270,793	293,733	301,092
in year borrowing requirement	29,671	31,547	31,365	22,940	7,359
<b>In year Capital Financing Requirement</b>	<b>£'000</b> 23,838	<b>£'000</b> 21,516	<b>£'000</b> 48,075	<b>£'000</b> 22,940	<b>£'000</b> 7,359
<b>Capital Financing Requirement as at 31 March</b>	<b>£'000</b> 193,514	<b>£'000</b> 215,031	<b>£'000</b> 263,106	<b>£'000</b> 286,046	<b>£'000</b> 293,405
<b>Affordable Borrowing Limit</b>					
<b>Position as agreed at February 2004 Council</b>	£	£	£	£	£
Increase per council tax payer	11.07	14.56	10.91		
<b>Position as agreed at February 2005 Council</b>	10.15	11.81	12.26	8.03	
Increase per council tax payer					
<b>Updated position of Current Capital Programme</b>					
Increase per council tax payer	10.08	12.20	11.31	15.74	7.64
PRUDENTIAL INDICATOR (2). TREASURY MANAGEMENT PRUDENTIAL INDICATORS	2004/05 probable outturn	2005/06 estimate	2006/07 estimate	2007/08 estimate	2008/09 estimate
<b>Authorised limit for external debt -</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	253,551	267,446	328,495	357,029	364,362
other long term liabilities	18,000	600	600	600	600
<b>TOTAL</b>	<b>271,551</b>	<b>268,046</b>	<b>329,095</b>	<b>357,629</b>	<b>364,962</b>
<b>Operational boundary for external debt -</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	211,293	222,871	273,745	297,524	303,635
other long term liabilities	15,000	500	500	500	500
<b>TOTAL</b>	<b>226,293</b>	<b>223,371</b>	<b>274,245</b>	<b>298,024</b>	<b>304,135</b>
<b>Upper limit for fixed interest rate exposure</b>					
Net principal re fixed rate borrowing / investments OR:-	100%	100%	100%	100%	100%
Actual					
<b>Upper limit for variable rate exposure</b>					
Net principal re variable rate borrowing / investments OR:-	25%	25%	25%	25%	25%
Actual					
<b>Upper limit for total principal sums invested for over 364 days</b> (per maturity date)	£	£	£	£	£
	0	£0	£0	£0	£0
<b>Maturity structure of new fixed rate borrowing during 2005/06</b>	upper limit	lower limit			
under 12 months	20%	0%			
12 months and within 24 months	20%	0%			
24 months and within 5 years	60%	0%			
5 years and within 10 years	100%	0%			
10 years and above	100%	0%			