

Extraordinary Meeting of Council – 30 April 2013

Item 2: Local Authority Mortgage Scheme – Updated Prudential Indicators

Prudential Indicators

The proposed expenditure on the LAMS scheme will impact on the following indicators:-

	2013/14		2014/15		2015/16	
	Original	Updated	Original	Updated	Original	Updated
Capital Expenditure (£m)	38.7	39.7	27.0	27.0	11.3	11.3
The overall capital budget will increase by £1m in 2013/14 as a result of the proposed new investment						
Capital Financing Requirement (£m)	144.1	145.1	137.3	138.3	132.7	133.7
This reflects the Council's underlying borrowing requirement to support its current and historical capital expenditure. In respect of the LAMS scheme the CFR will reduce when funds are repaid by the Lloyds Bank.						
Financing Cost to Net Revenue Stream (%)	7.0	7.0	7.6	7.6	7.2	7.2
This indicator shows the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the Council's net revenue stream. The indicator remains unaltered because the additional borrowing costs are offset by the interest payments from the Lloyds Bank.						