

Prudential and Treasury Indicators – Actual 2009/10

Prudential and Treasury Indicators are relevant for the purposes of setting an integrated treasury management strategy. The table below shows the actual performance in relation to the indicators in 2008/09 and compares the actual in 2009/10 with the original estimates approved in February 2009 and the revised estimates (“probable”) reported when the indicators for 2010/11 were approved in February 2010. Further details on capital expenditure outturn were reported to the Executive on 16th June 2010.

The Council is required to indicate if it has adopted the CIPFA Code of Practice on Treasury Management. This original 2001 Code was adopted by the full Council in February 2002 and the revised Code was adopted by full Council in February 2010.

| PRUDENTIAL INDICATORS | 2008/09 | 2009/10 | 2009/10 | 2009/10 |
|--|---------|----------|----------|---------|
| | actual | estimate | probable | actual |
| | £m | £m | £m | £m |
| Total Capital Expenditure | £32.2m | £61.1m | £52.6m | £42.5m |
| Ratio of financing costs to net revenue stream | -5.1% | -2.8% | -2.5% | -2.6% |
| Net borrowing requirement (net investments for Bromley) | | | | |
| brought forward 1 April | £134.4m | £135.0m | £122.1m | £122.1m |
| carried forward 31 March | £122.1m | £120.5m | £119.0m | £144.1m |
| in year borrowing requirement (reduction in net investments for Bromley) | -£12.3m | -£14.5m | -3.1m | +£22.0m |
| Capital Financing Requirement as at 31 March (unfinanced exp re SEN provision) | £3.7m | £5.7m | £5.0m | £3.5m |
| Annual change in Cap. Financing Requirement | +£0.6m | +£2.0m | +£1.3m | -£0.2m |
| Incremental impact of capital investment decisions | £ p | £ p | £ p | £ p |
| Increase in council tax (band D) per annum | - | £0.78 | - | - |

| TREASURY MANAGEMENT INDICATORS | 2008/09 | 2009/10 | 2009/10 | 2009/10 |
|---|---------|----------|----------|---------|
| | actual | estimate | probable | actual |
| | £m | £m | £m | £m |
| Authorised Limit for external debt - | | | | |
| borrowing | £30.0m | £30.0m | £30.0m | £30.0m |
| other long term liabilities | £30.0m | £30.0m | £30.0m | £30.0m |
| TOTAL | £60.0m | £60.0m | £60.0m | £60.0m |
| Operational Boundary for external debt - | | | | |
| borrowing | £10.0m | £10.0m | £10.0m | £10.0m |
| other long term liabilities | £20.0m | £20.0m | £20.0m | £20.0m |
| TOTAL | £30.0m | £30.0m | £30.0m | £30.0m |
| Actual external debt | £14.6m | £30.0m | £13.7m | £7.3m |
| Upper limit for fixed interest rate exposure | 100% | 100% | 100% | 100% |
| Upper limit for variable rate exposure | 20% | 20% | 20% | 20% |
| Upper limit for total principal sums invested beyond year-end dates | £135.0m | £120.5m | £134.6m | £144.1m |