

REPORT TO:	COUNCIL	AGENDA ITEM: 7
DATE OF MEETING:	2nd MARCH 2015	CATEGORY:
REPORT FROM:	DIRECTOR OF FINANCE & CORPORATE SERVICES	OPEN
MEMBERS CONTACT POINT:	KEVIN STACKHOUSE (01283 595811) kevin.stackhouse@south-derbys.gov.uk	DOC: u/ks/council tax and precepts/council tax setting/report 15-16
SUBJECT:	COUNCIL TAX SETTING 2015/16	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE:

1.0 Recommendations

- 1.1 That the formal Council Tax resolutions for 2015/16 at **Appendix 1** are approved.
- 1.2 That the report of the Section 151 (Chief Finance) Officer at **Appendix 3** is noted.
- 1.3 That the Prudential Indicators governing Treasury Management as detailed in **Appendix 4** are approved.

2.0 Purpose of the Report

- 2.1 To set out the statutory resolutions to enable the Council to calculate and set the Council Tax for 2015/16. This is in accordance with regulations under the Local Government Finance Act 1992, as amended by the Localism Act 2011.
- 2.2 In addition, the report also sets out a statement under Section 25 of the Local Government Act 2003 by the Section 151 (Chief Finance) Officer. This gives an overall opinion on the robustness of the estimates included in approved budgets and the adequacy of Council Reserves.
- 2.2 The Section 25 report was considered and noted by the Finance and Management Committee on 19th February 2015.
- 2.3 The report also sets out the Prudential Indicators required under the Code for Capital Finance including the Council's Statutory Borrowing Limit under Section 3 (1) of the Local Government Act 2003.

- 2.4 These indicators are those recommended by the Finance and Management Committee from its meeting on 19th February 2015. They form part of the Treasury Management (Borrowing and Investment) Strategy also approved by that Committee for 2015/16.
- 2.5 The Council Tax for District (South Derbyshire) Services is based on budgeted spending levels for 2015/16, as recommended by the Finance & Management Committee on 19th February 2015. That Committee have recommended a Council Tax freeze for 2015/16, which has been reflected in the resolutions for approval.
- 2.6 The report is set out in the following sections / appendices:
- **Section 3: Executive Summary** – summarising the proposed Council Tax level for South Derbyshire residents including charges set by other precepting authorities, together with an explanation of the technical resolutions.
 - **Appendix 1:** The formal Council Tax resolution to meet statutory requirements.
 - **Appendix 2:** The detailed Tax Base, Precept and Band D rates for Parish Councils, together with the level of Council Tax Reduction Scheme Grant allocated to Parish Councils.
 - **Schedules A to C:** These detail the level of Council Tax by preceptor and by band, aggregated for each part of the District.
 - **Appendix 3:** The report of the Section 151 (Chief Finance) Officer under Section 25 of the Local Government Act 2003.
 - **Appendix 4:** The Prudential Indicators as recommended by Finance and Management Committee which will govern the Council's Treasury Management activities for 2015/16.

3.0 Executive Summary

- 3.1 The Council is required to calculate a Council Tax Requirement (CTR) for the forthcoming financial year, 2015/16. Not only is this the basis for the local Council Tax rate, the CTR is used to test whether an increase in Council Tax from year to year is excessive in accordance with criteria laid down by the Secretary of State.

Precepts

- 3.2 The precept levels of other precepting bodies have been received and these are detailed below.

Parish Councils

- 3.3 Parish Council precepts for 2015/16 as notified to the Council under Section 41 of the Local Government Finance Act 1992 are detailed in **Appendix 2** and total £667,940

Derbyshire County Council

- 3.6 Derbyshire County Council met on 3rd February 2015 and set their precept at £34,295,159. This results in a Band D Council Tax of £1,120.46 for 2015/16 (£1,098.71 in 2014/15).

Police and Crime Commissioner for Derbyshire

- 3.7 The Derbyshire Police and Crime Commissioner confirmed the precept on 23rd February 2015 at £5,313,855. This results in a Band D Council Tax of £173.61 (£170.22 in 2014/15).

Derbyshire Fire and Rescue Service

- 3.8 Derbyshire Fire and Rescue Authority met on 19th February 2015 and set their precept at £2,136,438. This results in a Band D Council Tax of £69.80 (£68.45 in 2014/15).

Overall Council Tax Level 2015/16

- 3.9 The recommendations of the Finance and Management Committee for District Council services are set out in the formal Council Tax Resolution in **Appendix 1**. If this resolution is approved, the total Band D Council Tax for 2015/16 will be as follows:

Overall Band D Council Tax	2014 /15 £:p	2015 /16 £:p	Increase £:p	Increase %
South Derbyshire District Council	150.25	150.25	0.00	0.00%
Derbyshire County Council	1,098.71	1,120.46	21.75	1.98%
Police and Crime Commissioner for Derbyshire	170.22	173.61	3.39	1.99%
Derbyshire Fire and Rescue Service	68.45	69.80	1.35	1.97%
Sub-total	1,487.63	1,514.12	26.49	1.78%
All Parish Councils (Average)	28.45	29.29	0.84	2.97%
TOTAL	1,516.08	1,543.41	27.33	1.80%

The Resolutions

3.10 An explanation of the resolutions in **Appendix 1** is provided below.

Resolution 1 - Council Tax Base

3.11 This is the District Council's Tax Base, which was approved by the Finance and Management Committee at its meeting held on the 15th January 2015. The Tax Base was set at **30,608** and is known as **Item T**.

Resolution 2 – The Council Tax Requirement (CTR)

3.12 This is the amount of revenue expenditure to be met from Council Tax. It is the Council's Band D rate (excluding Parishes) multiplied by its Council Tax Base, as follows:

$$£150.25 * 30,608 = \underline{\underline{£4,598,852}}$$

Resolution 3 (a)

3.13 This is the Council's estimated gross expenditure for 2015/16 including the Housing Revenue Account and Parish Precepts and totals £48,720,464.

Resolution 3 (b)

3.14 This is the Council's estimated income for 2015/16. It includes all fees and charges, together with housing rents, specific government grants, contributions from reserves and any estimated surplus on the Collection Fund. The total is £43,453,672.

Resolution 3 ©

3.15 This is the difference between 3 (a) and 3 (b), i.e. £5,266,792 and is known as **Item R**. It represents the CTR for the year of £4,598,852 (Resolution 2) together with Parish Precepts of £667,940.

Resolution 3 (d)

- 3.16 This is the basic amount of Council Tax for 2015/16, including Parish Precepts and is item R divided by item T. i.e.

$$£5,266,792 / 30,608 = \underline{\underline{£172.07}}$$

Resolution 3 (e)

- 3.17 This is the total amount of Parish Precepts as detailed in Appendix 2, i.e. £667,940.

Resolution 3 (f)

- 3.18 This is the basic amount of Council Tax for areas where no Parish Precept applies, i.e.

$$£172.07 - (£667,940 / 30,608) = \underline{\underline{£150.25}}$$

Resolutions 4 and 5

- 3.19 These confirm the precepts levied by Parish Councils together with those notified to the Council by the County, Police/Crime Commissioner and Fire authorities. The equivalent tax rates by property band are shown in **Schedules A and B**.

Resolution 6

- 3.20 This is the aggregate amount of Council Tax for South Derbyshire as detailed in **Schedule C**.

Resolution 7

- 3.21 Schedule 5 of the Localism Act 2011, makes provision for a referendum to be held if an authority increases its Council Tax by an amount exceeding principles determined by the Secretary of State.

- 3.22 The Secretary has determined that for 2015/16, a Council Tax will be deemed excessive if, compared with 2014/15 the increase is at, or exceeds **2%**, for South Derbyshire District Council (excluding other preceptors).

- 3.23 As shown in the table in **paragraph 3.9**, the District's Council Tax rate will not increase following the recommendation of the Finance and Management Committee on 19th February 2015, to freeze the current rate.

- 3.24 Therefore, under the principles set out by the Secretary of State, the Council's increase **is not** deemed excessive.

- 3.25 It should be noted that Parish Councils are not subject to these restrictions for 2015/16.

The Council is recommended to resolve as follows:

1. It be noted that on 15th January 2015, the Finance and Management Committee calculated the Council Tax Base 2015/16:

- (a) For the whole area as 30,608 (Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended by the Localism Act 2011).

- (b) For dwellings in those parts of its area to which a Parish Precept relates as 20,763.

2. Calculate that the Council Tax Requirement for the Council's own purpose for 2015/16 (excluding Parish Precepts) is £4,598,852.

3. That the following amounts be calculated for the year 2015/16 in accordance with Sections 31 and 36 of the Localism Act 2011:

- (a) £48,720,464

- Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act taking into account all precepts issued to it by Parish Councils.

- (b) £43,453,672

- Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act.

- (c) £5,266,792

- Being the amount by which the aggregate of 3(a) above exceeds the aggregate of 3(b) above, calculated by the Council in accordance with Section 31A (4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).

- (d) £172.07

- Being the amount at 3(c) above (Item R) all divided by Item T (1a above) calculated by the Council in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish Precepts).

- (e) £667,940

- Being the aggregate amount of all Parish Precepts referred to in Section 34 (1) of the Act.

(f) £150.25

Being the amount at 3 (d) above less the result given by dividing the amount at 3 (e) above by Item T (1a above) calculated by the Council in accordance with Section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish Precept relates.

4. To note that Parish Councils have issued precepts to the Council in accordance with Section 41 of Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in **Schedule A** of this Appendix.
5. To note that the County Council, the Police and Crime Commissioner and the Fire and Rescue Service for Derbyshire, have issued Precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in **Schedule B** of this Appendix.
6. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in **Schedule C** of this Appendix, as the amounts of Council Tax for 2015/16 for each part of its area and for each of the categories of dwellings, this being the aggregate of Schedules A and B.
7. That in accordance with Section 52 (ZB) of the Local Government Finance Act 1992, the Council determines that the amount of council tax shown at 3 (f) above of £150.25 being unchanged from 2014/15 **is not** excessive and therefore there is no requirement for a local referendum.

ANALYSIS OF PARISH PRECEPTS, TAX BASE AND BAND D RATES

Parish	Precept 2014/15 £	Precept 2015/16 £	Tax Base 2014/15	Tax Base 2015/16	Band D 2014/15 £	Band D 2015/16 £	LCTR Grant 2014/15 £	LCTR Grant 2015/16 £
Aston-on-Trent	28,060	30,000	673	676	41.69	44.38	1,317	1,317
Barrow-on-Trent	8,800	9,360	234	234	37.61	40.00	452	452
Bretby	3,673	3,000	406	408	9.05	7.35	73	73
Burnaston	12,613	10,000	680	687	18.55	14.56	148	148
Castle Gresley	18,389	18,389	471	485	39.04	37.92	2,876	2,876
Church Broughton	7,000	7,000	235	233	29.79	30.04	151	151
Coton-in-the-Elms	6,482	6,482	256	269	25.32	24.10	989	989
Dalbury Lees	1,500	1,500	120	122	12.50	12.30	102	102
Egginton	9,715	9,909	257	259	37.80	38.26	199	199
Elvaston	10,820	10,820	698	699	15.50	15.48	210	210
Etwall	37,094	36,891	987	985	37.58	37.45	2,751	2,751
Findern	18,000	18,000	622	624	28.94	28.85	1,135	1,135
Foston & Scropton	8,567	8,567	241	247	35.55	34.68	433	433
Hartshorne	7,800	7,800	1,027	1,057	7.59	7.38	1,783	1,783
Hatton	30,600	31,200	806	838	37.97	37.23	2,100	2,100
Hilton	132,000	165,000	2,590	2,584	50.97	63.85	5,484	5,484
Linton	30,545	30,545	626	641	48.79	47.65	3,325	3,325
Melbourne	40,960	63,026	1,818	1,875	22.53	33.61	2,568	2,568
Netherseal	9,300	9,540	319	319	29.15	29.91	1,141	1,141
Newton Solney	4,400	4,400	281	278	15.66	15.83	171	171
Overseal	26,000	27,000	771	787	33.72	34.31	2,801	2,801
Repton	14,472	14,746	1,011	1,007	14.31	14.64	693	693
Rosliston	5,950	5,950	255	256	23.33	23.24	378	378
Shardlow & Great Wilne	15,269	16,668	413	418	36.97	39.88	1,399	1,399
Smisby	3,858	4,190	122	122	31.62	34.34	164	164
Stenson Fields	3,350	3,350	1,085	1,094	3.09	3.06	736	736
Ticknall	11,500	11,850	290	294	39.66	40.31	822	822
Walton-on-Trent	5,649	5,649	297	298	19.02	18.96	607	607
Weston-on-Trent	12,500	13,000	473	474	26.43	27.43	535	535
Willington	36,608	36,608	858	878	42.67	41.69	4,392	4,392
Woodville	45,000	47,500	1,522	1,615	29.57	29.41	3,692	3,692
TOTAL PRECEPTS / AVERAGE BAND D	606,474	667,940	20,444	20,763	28.45	29.29	43,627	43,627

Section 25 Report (under the Local Government Act 2003)

1. In their role as the Council's Section 151 (Chief Finance) Officer, the Director of Finance and Corporate Services, is required to provide an overall opinion on the robustness of the estimates included in budgets and the adequacy of Council reserves. Their commentary is set out in the sections that follow.

Comments of the Chief Finance Officer

2. Budget Reports have highlighted the risks and uncertainties surrounding the Council's financial plans and in particular, future Government Grant levels.
3. It is considered that estimates of expenditure are prudent in that they provide for inflation and other known variations, together with provisions that recognise both current cost pressures, together with potential costs associated with growth of the District. The Budget for 2015/16 and forward projections are based on the most up-to-date economic forecasts for inflation and interest rates, etc.
4. In addition, a realistic but prudent view has been taken regarding projected income levels from fees, charges and short-term investments. This also includes the likely effects of future funding in the form of Retained Business Rates and the New Homes Bonus.
5. The compilation of detailed budgets has been undertaken in conjunction with service managers, including wherever possible, a zero based approach to compiling budgets. It is recognised that the Council has well established performance and budget monitoring arrangements in place to help ensure that Council finances are monitored effectively. This includes quarterly reports to the Finance and Management Committee.
6. The Council's Financial Strategy directs the Council to plan its spending over a 5-year rolling period for the General Fund and 10 years for the Housing Revenue Account. This provides an indication of the sustainability of spending plans and allows sufficient time in which remedial action can be implemented to address any issues in a planned and timely manner.
7. The following table shows the projected level of revenue reserves over this planning period, 2015 to 2020.

Projected Level of Revenue Reserves

Revenue Reserves	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
General Fund	5,858	5,068	4,733	4,117	3,281	2,160
Earmarked Reserves	3,410	3,332	1,818	1,768	2,093	2,118
HRA	1,100	1,400	1,200	3,600	6,000	9,300
Estimated Balances	10,368	9,800	7,751	9,485	11,374	13,578

8. The Council, based on the recommendation of the Chief Finance Officer, has approved to set a minimum (contingency) level of General Reserves of £1m on both the General Fund and Housing Revenue Accounts. This meets the requirements of the Local Government Act 2003.

General Fund

9. The previous table shows that the level of reserves on the General Fund is currently healthy compared to the minimum target of £1m and are sustainable over the life of the MTFP.
10. Although the financial projection allows for on-going spending to be financed, the Council will need to be mindful of the projected budget deficit from 2017/18 and the potential to place an over reliance on using reserves to finance an on-going deficit.
11. Based on this latest projection, General Fund expenditure is still greater than income into the medium to longer term.
12. The Council does have a history of under spending on its General Fund. This is reviewed each year and budgets adjusted accordingly. However, future under spends are not guaranteed and therefore, should not be relied upon
13. As a growth area, income from planning fees, etc. are expected to increase. However, this cannot be guaranteed and this income can fluctuate significantly from year to year. Therefore, the base budget should be reviewed when the impact of growth that arises from the development of the Local Plan in particular, is known.
14. Future projections for core funding in the Business Rates Retention System, have taken into account the latest forecasts for national control totals. This will now be influenced by the performance of the Derbyshire Pool, which clearly could be positive.
15. Even with anticipated increases in New Homes Bonus and Business Rates income, overall funding is expected to reduce until 2018/19 in accordance with forecasts from the *Office of Budget Responsibility*.
16. Overall therefore, a cautious approach has been recommended pending the outcome of the next spending review, expected later in 2015/16.

Housing Revenue Account (HRA)

17. The overall financial position on the HRA continues to remain positive. If the financial plan regarding debt management and repayment, together with the approved rent policy in particular is followed, then the HRA should remain sustainable and deliver an initial New Build programme.

18. The increasing level of the General Reserve from 2017/18 reflects the surpluses being generated in order to set-aside amounts as a provision for debt repayment in accordance with the maturity profile.
19. Under self-financing, the HRA is less influenced by external factors unless there was to be a significant change to this framework. Financial risks are lower if fixed budgets for repairs and capital investment are met.
20. It is noted that funding provided to the HRA for Supported Housing may come under pressure and this will need to be kept under review. As with the General Fund, the 10-year plan allows for issues and remedial action to be addressed if there is any significant change.

Earmarked Reserves

21. The Council also maintains several reserves that are used to meet one-off/known commitments or to defray expenditure over a number of years, for example, ICT upgrades, vehicle replacements, community development projects and grounds maintenance.
22. It is considered that current reserves will remain sufficient overall to meet commitments over the life of the current MTFP. Reserves held to finance on-going community and sports development spending, will need to be kept under careful review if external and partnership contributions significantly reduce.
23. A list of all other reserves and funds has been reported during the recent Budget Round showing current balances.

Risk Analysis

24. The following table summarises the key risks and issues highlighted during the recent Budget Round; it assesses the potential impact upon the Council's reserves as projected in the updated MTFP.

Factor	Issue	Mitigation	Likely effect on Financial position
Core Funding	<ul style="list-style-type: none"> • Further reductions in RSG and possible changes to redistribution systems. 	<ul style="list-style-type: none"> • Current national trends anticipated in the MTFP. 	<p>High</p> <p>Cumulatively, a 1% variance in core funding equates to around £300,000 over the MTFP.</p>
Council Tax and the Collection Fund Balance	<ul style="list-style-type: none"> • Collection rates reduce due to the economic climate. • Demand for Council Tax Support increases when resources 	<ul style="list-style-type: none"> • "In built" surplus in the Collection Fund. • Local growth is continuing and even at a moderate pace is 	<p>Medium</p> <p>Only 11% of the Balance is transferred to the Council's General Fund. In addition, effect is not</p>

	<p>are fixed.</p> <ul style="list-style-type: none"> • Empty properties increase reducing New Homes Bonus. 	<p>beneficial.</p> <ul style="list-style-type: none"> • Council will become a member of a Derbyshire Pool from 2015/16 for retention of growth receipts. 	<p>immediate and costs can be spread.</p>
Growth	<ul style="list-style-type: none"> • A key factor influencing future levels of grant funding under the business rates redistribution system and NHB. • The number of local businesses declines which reduces base income. • Affects Council Tax income and other income streams such as Development Control (Planning). 	<ul style="list-style-type: none"> • The MTFP projects growth at 2% per year for Business Rates and 1% for the Council Tax Base; these rates are considered realistic and prudent based on recent years. • Future budgets for planning, land charges income, etc. are currently within actual levels for 2014/15. 	<p>High</p> <p>This could affect the MTFP either way. Growth is a determining factor for the Council's income and expenditure – and is subject to external factors. This will directly impact on the General Fund.</p>
Budget Overspend	<ul style="list-style-type: none"> • Underlying cost pressures due to growth yet to surface. • Unexpected costs. There are on-going cost pressures as identified in the Base Budget review for 2015/16. 	<ul style="list-style-type: none"> • Current level of general and specific reserves is healthy and MTFP allows contingencies for inflation and growth, etc. • The base budget has been scrutinised and monitoring arrangements in place allow early identification of issues. 	<p>Medium</p>
General Economic Conditions	<ul style="list-style-type: none"> • Higher price increases on key costs such as fuel and utilities. • Interest rates affect investment returns and debt payments. 	<ul style="list-style-type: none"> • Central inflation contingency for price increases. • The General Fund is currently “debt free” and not subject to movement in interest rates. • Sufficient balances 	<p>Low</p>

		<p>allow “internal borrowing” if required.</p> <ul style="list-style-type: none"> • Budgeted income from short-term investments is relatively low. 	
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Consultation and Provision of Information

25. The information and broad budget proposals, together with details on where the Council spends its money, have been presented across the District. Specifically, this has been undertaken via:
- Local Area Forums
 - Consultation with local businesses, together with the Community and Voluntary Sector, including a presentation at the South Derbyshire Partnership on 27th January 2015.
26. In addition, the proposals have been subject to the Council’s scrutiny process and the Overview and Scrutiny Committee reported back during the Budget Round.
27. Although there were questions and queries, no substantive issues were raised. A record of all discussions has been minuted at each Area Forum, at the Overview and Scrutiny Committees on 21st January and 11th February 2015, together with the South Derbyshire Partnership on 27th January.

LIST OF PRUDENTIAL INDICATORS 2014/15 TO 2019/20

Estimated Capital Expenditure	2014/15 £	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
General Fund	2,558,673	5,742,600	548,404	592,285	478,731	504,580
HRA	5,812,000	11,031,000	10,295,000	5,943,000	6,092,000	4,595,000
TOTAL	8,370,673	16,773,600	10,843,404	6,535,285	6,570,731	5,099,580

Financed By						
Grants	1,448,143	1,548,637	456,000	446,000	446,000	446,000
Major Repairs Reserve	943,000	6,670,000	1,800,000	2,686,000	2,679,000	402,000
External / Partnership	134,394	771,076	0	0	0	0
Revenue Contributions	4,270,320	3,745,000	2,705,000	2,842,000	3,063,000	3,105,000
Earmarked Reserves	913,920	2,556,174	445,404	499,285	382,731	409,580
Capital Reserves	476,897	980,713	0	0	0	0
Loan	0	0	5,375,000	0	0	737,000
General Reserve	183,999	477,000	62,000	62,000	0	0
Sinking fund	0	25,000	0	0	0	0
TOTAL	8,370,673	16,773,600	10,843,404	6,535,285	6,570,731	5,099,580

Expected Capital Financing (CFR)	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
CFR b/fwd	69,475	68,123	67,958	67,603	67,256	66,918
Add Net Financing	0	200	0	0	0	0
Less MRP	-242	-233	-223	-215	-206	-198
Less VRP	-110	-132	-132	-132	-132	-132
Less Loan Repayments	-1,000	0	0	0	0	0
CFR c/fwd	68,123	67,958	67,603	67,256	66,918	66,588
General Fund Proportion	6,540	6,375	6,020	5,673	5,335	5,005
HRA Proportion	61,583	61,583	61,583	61,583	61,583	61,583

External Debt	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Debt 1st April	58,457	57,450	57,450	57,450	57,450	57,450
New Debt	0	0	0	0	0	0
Maturing Debt	-1,007	0	0	0	0	0
Debt 31st March	57,450	57,450	57,450	57,450	57,450	57,450
Annual Change in Debt	-1,007	0	0	0	0	0
Long-term Investments	0	0	0	0	0	0
Short-term Investments	7,456	6,456	5,456	4,456	3,456	2,456
Estimated Usable Reserves	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
General Fund	5,858	5,068	4,733	4,117	3,281	2,160
Earmarked Reserves	3,410	3,332	1,818	1,768	2,093	2,118
HRA	1,100	1,400	1,200	3,600	6,000	9,300
Capital Receipts	5,429	6,345	4,810	4,263	4,040	3,088
TOTAL	15,797	16,145	12,561	13,748	15,414	16,666

Limits compared to Actual Debt	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Authorised Limit - General Fund	6,540	6,375	6,020	5,673	5,335	5,005
Authorised Limit - HRA	66,853	66,853	66,853	66,853	66,853	66,853
Financing Requirement	68,123	67,958	67,603	67,256	66,918	66,588
Operational Boundary	62,423	62,423	62,423	62,423	62,423	62,423
Gross Debt	57,450	57,450	57,450	57,450	57,450	57,450
Debt Less Investments	49,994	50,994	51,994	52,994	53,994	54,994

General Fund - Net Indebtedness	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
CFR	6,540	6,375	6,020	5,673	5,335	5,005
Estimated Reserves	9,268	8,400	6,551	5,885	5,374	4,278
Net Indebtedness	-2,728	-2,025	-531	-212	-39	727

HRA Limit on Indebtedness	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
HRA Debt Cap	66,853	66,853	66,853	66,853	66,853	66,853
HRA CFR	61,583	61,583	61,583	61,583	61,583	61,583
Difference	5,270	5,270	5,270	5,270	5,270	5,270
HRA Debt	57,423	57,423	57,423	57,423	57,423	57,423
Borrowing Headroom	9,430	9,430	9,430	9,430	9,430	9,430

Financing Ratios	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
General Fund						
Council Tax Income	£4,465,881	£4,598,852	£4,736,806	£4,878,438	£5,023,840	£5,173,108
Net Interest	-£38,517	-£28,833	-£45,175	-£66,425	-£61,000	-£61,000
Proportion	-0.86%	-0.63%	-0.95%	-1.36%	-1.21%	-1.18%
HRA						
Rent Income	12,390,000	12,591,000	13,131,000	13,658,000	14,038,000	14,420,000
Net Interest	£1,861,000	£1,669,000	£2,006,000	£2,094,000	£2,186,000	£2,204,000
Proportion	15.02%	13.26%	15.28%	15.33%	15.57%	15.28%

Cost of Servicing Debt	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Net Interest Received - Gen Fund	-£38,517	-£28,833	-£45,175	-£66,425	-£61,000	-£61,000
Estimated Band D Properties (per MTFP)	29,723	30,608	30,908	31,208	31,508	31,808
Cost per Band D Property	-£1.30	-£0.94	-£1.46	-£2.13	-£1.94	-£1.92
Estimated Interest - HRA	£1,861,000	£1,669,000	£2,006,000	£2,094,000	£2,186,000	£2,204,000
Estimated Dwellings	2,989	3,024	3,059	3,054	3,041	3,028
Annual Cost per Dwelling	£623	£552	£656	£686	£719	£728