Scenario A 100% External Borrowing from the Public Works Loan Board (PWLB)

	2017/18	2018/19	2019/20	2020/21	2021/22 and later years	Total
	£000	£000	£000	£000	£000	£000
Capital Expenditure	9,850					9,850
Funded by Ext Borrowing	-9,850					-9,850
Interest	110	217	211	206	2,986	3,731
Minimum Revenue Provision			328	328	9,193	9,850
Credit Interest Impact	2	4	7	10	996	1,019
Business Rates		51	52	53	1,911	2,067
Income from additional spaces		-200	-205	-210	-8,585	-9,200
Net Impact on revenue	112	72	394	387	6,502	7,467
					Average Annual Yield	-2.5%
	Average annual cost to revenue over the first ten years of operation					358

Scenario B £4.6m from housing scheme capital receipts and £5.25m from the PWLB

	2017/18	2018/19	2019/20	2020/21	2021/22 and later years	Total
	£000	£000	£000	£000	£000	£000
Capital Expenditure	9,850					9,850
Funded by Ext Borrowing	-5,250					-5,250
Funded by Capital Receipts	-4,600					-4,600
Interest	59	116	113	110	1,592	1,988
Minimum Revenue Provision			175	175	4,900	5,250
Credit Interest Impact	1	2	3	4	192	201
Business Rates		51	52	53	1,911	2,067
Income from additional spaces		-200	-205	-210	-8,585	-9,200
Net Impact on revenue	60	-32	137	131	10	306
					Average Annual Yield	-0.2%
	Average annual cost to revenue over the first ten years of operation					107

Scenario C £4.6m from housing scheme capital receipts and £5.25m from the PWLB. Increase all off-street

	2017/18	2018/19	2019/20	2020/21	and later years	Total
	£000	£000	£000	£000	£000	£000
Capital Expenditure	9,850					9,850
Funded by Ext Borrowing	-5,250					-5,250
Funded by Capital Receipts	-4,600					-4,600
Interest	59	116	113	110	1,592	1,988
Minimum Revenue Provision			175	175	4,900	5,250
Credit Interest Impact	1	2	3	4	192	201
Business Rates		51	52	53	1,911	2,067
Income from additional spaces		-200	-205	-210	-8,585	-9,200
Income from additional charges		-22	-45	-70	-4,736	-4,874
Net Impact on revenue	60	-54	92	61	-4,727	-4,567
					Average Annual Yield	2.9%
	Average annual cost to revenue over the first ten years of operation					-7

Assumptions

Capital expenditure of £9.85m for the car park will be incurred in 2017/18.
Income from the additional car parking spaces is based on 236 additional spaces.
Income from the additional car parking spaces will grow at 2.5% per year through inflation (as per the assumption included in the 10-year budget). Note: except where stated differently as part of a scenario.
The Minimum Revenue Provision (MRP) option selected is straight line asset life.
MRP is incurred from the year after the assets become active (2019/20).
The PWLB loan rate is 2.24% for 30 year loans (car park) based on PWLB rates at 15/09/16.
Additional Business Rate costs for the car park of £50,000 per year are incurred.
Interest on cash balances held is assumed to be 0.66% (May 2016 average return).

Definitions

Minimum Revenue Provision:	The minimum amount which must be charged to the revenue account each year and set aside as provision for repaying loans and meeting other credit liabilities.
Credit Interest Impact:	The change in potential interest earned by making loan repayments and other scheme cashflows.