

The revenue impact of borrowing costs associated with the annual capital expenditure profiles detailed in each of the phases above does not necessarily impact on the affordability position of the EF in the same year as which the capital expenditure is profiled. Where the assets being created are in the ownership of the City Council the interest costs associated with the capital expenditure incurred are capitalised and rolled up until such time that the asset becomes operational. This minimises the revenue cost impact on business rate growth and on the affordability of the E2 Programme in the early years.