

Prudential and treasury indicators as at 30th September 2016**General Fund**

Prudential Indicators Capital	2016/17 Budget	Quarter 1 16/17 Year end forecast	Quarter 2 16/17 Year end forecast
	£'000	£'000	£'000
Capital expenditure	130,850	105,077	84,630
Capital Financing Requirement (CFR)	182,886	171,952	166,287
Annual change in CFR	69,578	53,372	47,707
In year borrowing requirement	73,103	56,611	50,945

Prudential Indicators Borrowing	2016/17 Budget	Quarter 1 16/17 Year end forecast	Quarter 2 16/17 Year end forecast
	£'000	£'000	£'000
Ratio of financing costs to net revenue stream	3.8%	3.6%	3.4%

The percentage of the revenue budget set aside each year to service debt financing costs is shown above. The quarter two forecast is below budget as a result of favourable returns compared to budget.

This is calculated as follows: Financing cost Divide by Net revenue stream

As per budget 2016/17: £4,293 / £113,918 = 3.8%

HRA

Prudential Indicators Capital	2016/17 Budget	Quarter 1 16/17 Year end forecast	Quarter 2 16/17 Year end forecast
	£'000	£'000	£'000
Capital expenditure	9,827	9,991	5,909
Capital Financing Requirement (CFR)	90,400	90,400	90,400

Prudential Indicators Borrowing	2016/17 Budget	Quarter 1 16/17 Year end forecast	Quarter 2 16/17 Year end forecast
	£'000	£'000	£'000
Ratio of financing costs to net revenue stream	18.8%	18.6%	18.6%

The percentage of the revenue budget set aside each year to service debt financing costs.

This is calculated as follows: Financing cost Divide by Total income received

As per budget 2015/16: £2,851 / £15,164 = 18.8%

General Fund & HRA

Prudential Indicators - Capital Expenditure & CFR	2016/17 Budget	Quarter 1 16/17 Year end forecast	Quarter 2 16/17 Year end forecast
	£'000	£'000	£'000
Capital expenditure	140,677	115,069	90,539
Capital Financing Requirement (CFR)	273,286	262,352	256,687
Annual change in CFR	66,102	49,896	44,231
In year borrowing requirement	73,103	56,611	50,945

Upper limit -Debt Only	2016/17 Budget	Quarter 1 (Apr-Jun) Actual	Quarter 2 (Jul-Sep) Actual
	£'000	£'000	£'000
Fixed rate exposures	180,000	107,482	107,482
Variable rate exposures	40,000	24,000	24,000

Internal Borrowing	2016/17 Budget	Quarter 1 16/17 Year end forecast	Quarter 2 16/17 Year end forecast
	£'000	£'000	£'000
CFR (year-end position)	273,286	262,352	256,687
Less External Borrowing	(197,119)	(150,232)	(150,232)
Less Other long term liabilities	(10,000)	(10,000)	(10,000)
Internal Borrowing*	66,167	102,120	96,455
Movement	(5,499)	46,306	40,641
% of internal borrowing to CFR	24.21%	38.92%	37.58%

Note:* This will be reviewed on a regular basis to make sure we are getting best value for money. The Council is currently using its own cash flow (as rates of return are low), if rates start to increase a new external loan may need to be taken out.

Upper limit -Investments Only	2016/17 Budget	Quarter 1 (Apr-Jun) Actual	Quarter 2 (Jul-Sep) Actual
	£'000	£'000	£'000
Fixed rate exposures	(80,000)	(41,114)	(56,120)
Variable rate exposures	(40,000)	(12,432)	(12,432)

Upper limit for principal sums invested over 364 days	2016/17 Budget	Quarter 1 (Apr-Jun) Actual	Quarter 2 (Jul-Sep) Actual
	£'000	£'000	£'000
In house	0	0	0
Fund managers	10,000	0	0

Internal investments: interest Received	2016/17 Budget	Quarter 1 16/17 Year end forecast	Quarter 2 16/17 Year end forecast
	£'000	£'000	£'000
HRA Internal loan from The General fund	399	399	399
Wokingham Housing	0	320	503
Age Concern	0	3	3
	399	722	905

Internal investments:	Quarter 1 16/17 Year end forecast	Quarter 2 16/17 Year end forecast
	£'000	£'000
HRA Internal loan from The General fund	8,874	8,874
Wokingham Housing	8,095	13,562
Optalis	50	50
Wokingham Enterprise Ltd	75	75
Total	17,094	22,561