

Prudential and treasury indicators forecast 2017-2020

General Fund

Table 1: Capital Expenditure and funding

	Year 1 2017/18 £'000	Year 2 2018/19 £'000	Year 3 2019/20 £'000
WBC Capital budget	152,849	92,293	128,971
Funded by			
Section 106/ Community infrastructure levy	44,448	32,146	37,468
Grants & Contributions	19,784	13,786	15,705
Reserves & Capital Receipts	6,090	5,750	8,150
Borrowing	82,527	40,611	67,648
Total	152,849	92,293	128,971

Table 2: Capital financing requirement: General Fund	2016/17 Estimated Outturn £'000	2017/18 Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000
Opening balance (estimated)	118,580	119,013	197,975	235,021
Capital expenditure funded by Borrowing	3,672	82,527	40,611	67,648
Sub Total	122,252	201,540	238,586	302,669
Less Minimum Revenue Provision				
MRP Charge	(3,024)	(3,350)	(3,350)	(3,350)
PFI Principal Charge	(215)	(215)	(215)	(215)
Sub Total	(3,239)	(3,565)	(3,565)	(3,565)
Closing Balance	119,013	197,975	235,021	299,104
Movement	433	78,962	37,046	64,083

Table 3: % Ratio of financing costs to net revenue stream	2017/18 Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000
Financing Costs (including MRP & interest costs)	4,365	4,387	4,431
Divide By			
Net Revenue Stream	129,176	127,833	125,490
Ratio of Financing Costs to Net Revenue Stream	3.38%	3.43%	3.53%

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

Table 4: Incremental impact of capital investment decisions on council tax	2016/17 Estimated Outturn £'000	2017/18 Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000
Council tax - band D	N/A	(3.44)	(3.95)	(4.80)

HRA

Table 5: Capital financing requirement: HRA	2016/17 Estimated Outturn £'000	2017/18 Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000
Opening balance (estimated)	93,876	90,400	88,650	85,552
Capital expenditure funded by Borrowing	0	0	0	0
Sub Total	93,876	90,400	88,650	85,552
Less Minimum Revenue Provision				
MRP Charge/ Principle repayment	(3,476)	(1,750)	(3,098)	(1,988)
PFI Principal Charge	-	-	-	-
Sub Total	(3,476)	(1,750)	(3,098)	(1,988)
Closing Balance	90,400	88,650	85,552	83,564
Movement	(3,476)	(1,750)	(3,098)	(1,988)

Table 6: % Ratio of financing costs to net revenue stream	2017/18 Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000
Financing Costs (including MRP & interest costs)	2,851	2,840	2,840
Divide By			
Net Revenue Stream	15,658	14,908	15,399
Ratio of Financing Costs to Net Revenue Stream	18.21%	19.05%	18.44%

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

Table 7: HRA debt per dwelling	2016/17 Estimated Outturn £'000	2017/18 Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000
HRA Debt	90,400	88,650	85,552	83,564
Number of dwellings	2,565	2,553	2,541	2,529
Debt per dwellings	35	35	34	33

General Fund & HRA

Table 8: Capital financing requirement: General fund & HRA	2016/17 Estimated Outturn £'000	2017/18 Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000
Opening balance (estimated)	212,456	209,413	286,625	320,573
Capital expenditure funded by Borrowing	3,672	82,527	40,611	67,648
Sub Total	216,128	291,940	327,236	388,221
Less Minimum Revenue Provision				
MRP Charge/ Principle repayment	(6,500)	(5,100)	(6,448)	(5,338)
PFI Principal Charge	(215)	(215)	(215)	(215)
Sub Total	(6,715)	(5,315)	(6,663)	(5,553)
Closing Balance	209,413	286,625	320,573	382,668
Movement	(3,043)	77,212	33,948	62,095

Table 9: Internal Borrowing	2016/17 Estimated Outturn £'000	2017/18 Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000
CFR (Year end position)	209,413	286,625	320,573	382,668
Less External borrowing	150,112	203,200	226,200	271,200
Less other long term liabilities	8,600	8,600	8,600	8,600
Internal borrowing	50,701	74,825	85,773	102,868
Movement	(19,901)	24,124	10,948	17,095
% of internal borrowing to CFR	24.21%	26.11%	25.83%	26.88%

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.

Table: 10 Limits on interest rate exposure	2016/17 Estimated Outturn £'000	2017/18 Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000
Fixed Rates				
Principal sums outstanding in respect of borrowing at fixed rates	125,842	251,500	293,800	373,900
Principal sums outstanding in respect of investments that are fixed rate investments	(58,150)	(80,000)	(80,000)	(80,000)
Upper Limit	67,692	171,500	213,800	293,900
Variable Rate				
Principal sums outstanding in respect of borrowing at variable rates	24,000	40,000	40,000	40,000
Principal sums outstanding in respect of investments that are variable rate investments	(12,000)	(40,000)	(40,000)	(40,000)
Upper Limit	12,000	0	0	0

Table 11 : Investment Type	2016/17 Estimated Year end Balances £'000	2017/18 Estimated Year end Balances £'000	2018/19 Estimated Year end Balances £'000	2019/20 Estimated Year end Balances £'000
Local Authorities	37,000	22,341	31,192	18,796
Fund Mangers	18,000	10,880	15,200	9,160
Internal Companies investments	15,150	13,150	14,300	16,550
Total	70,150	46,371	60,692	44,506

Table: 12 Interest Received from investments	2016/17 Estimated Outturn £'000	2017/18 Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000
HRA Internal loan from The General fund	(399)	(399)	(399)	(399)
Wokingham Housing	(933)	(1,050)	(1,050)	(1,050)
External investments	(295)	(425)	(425)	(425)
	(1,627)	(1,874)	(1,874)	(1,874)

Table 13: Maturity structure of fixed interest rate borrowing 2016/17 as at 31-03-2017

Under 12 months	4%
1 to 2 years	3%
3 to 5 years	17%
6 to 10 years	10%
10 years and above	66%

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