

Prudential and treasury indicators as at 31st March 2018

General fund

Table 1: Prudential indicators capital	2017/18 Budget	Quarter 1 17/18 Year end forecast	Quarter 2 17/18 Year end forecast	Quarter 3 17/18 Year end forecast	Quarter 4 17/18 Year end Actual
	£'000	£'000	£'000	£'000	£'000
Capital expenditure	152,389	118,944	94,136	88,414	88,578
Capital financing requirement (CFR)	197,975	224,122	205,130	198,804	182,889
Annual change in CFR	78,962	61,140	45,108	44,988	22,867
In year borrowing requirement	82,527	64,444	48,347	48,211	26,229

Table 2: Prudential indicators borrowing	2017/18 Budget	Quarter 1 17/18 Year end forecast	Quarter 2 17/18 Year end forecast	Quarter 3 17/18 Year end forecast	Quarter 4 17/18 Year end Actual
	£'000	£'000	£'000	£'000	£'000
Ratio of financing costs to net revenue stream	3.17%	3.1%	2.6%	2.48%	2.57%

The percentage of the revenue budget set aside each year to service debt financing costs is shown above. The outturn figure 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 2017/18: £3,402 / £132,594 = 2.57%

HRA

Table 3: Prudential Indicators HRA	2017/18 Budget	Quarter 1 17/18 Year end forecast	Quarter 2 17/18 Year end forecast	Quarter 3 17/18 Year end forecast	Quarter 4 17/18 Year end Actual
	£'000	£'000	£'000	£'000	£'000
Capital expenditure	5,100	5,100	5,909	6,923	4,862
Capital financing requirement (CFR)	90,400	90,400	90,400	90,400	90,400
Annual change in CFR	(1,750)	(2,548)	(2,548)	(2,548)	(78)
In year borrowing requirement	0	0	0	0	0

Table 4: Prudential indicators borrowing	2017/18	Quarter 1	Quarter 2	Quarter 3	Quarter 4
	Budget	17/18	17/18	17/18	17/18
	£'000	Year end forecast	Year end forecast	Year end forecast	Year end Actual
Ratio of financing costs to net revenue stream	18.94%	18.48%	18.48%	18.99%	18.48%

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 2017/18: £2,781 / £15,049 = 18.48%

General Fund & HRA

Table 5: Prudential indicators – capital expenditure & CFR	2017/18	Quarter 1	Quarter 2	Quarter 3	Quarter 4
	Budget	17/18	17/18	17/18	17/18
	£'000	Year end forecast	Year end forecast	Year end forecast	Year end Actual
Capital expenditure	157,949	124,044	99,236	95,337	88,579
Capital financing requirement (CFR)	288,375	318,343	302,181	301,540	273,211
Annual change in CFR	77,212	58,592	42,560	42,440	22,789
In year borrowing requirement	82,527	64,444	48,347	48,211	26,229

Table 6: Internal borrowing	2017/18	Quarter 1	Quarter 2	Quarter 3	Quarter 4
	Budget	17/18	17/18	17/18	17/18
	£'000	Year end forecast	Year end forecast	Year end forecast	Year end Actual
CFR (year end position)	286,625	309,014	292,982	293,863	273,211
Less external borrowing	(203,200)	(145,709)	(145,709)	(145,709)	(145,709)
Less other long term liabilities	(8,600)	(10,000)	(10,000)	(10,000)	(7,060)
Internal borrowing *	74,825	153,305	137,273	138,154	120,442
Movement	0	78,480	62,448	63,329	45,617
% of internal borrowing to CFR	0%	49.61%	46.85%	37.56%	37.78%

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 7: Upper limit - investments only	2017/18	Quarter 1	Quarter 2	Quarter 3	Quarter 4
	Budget	17/18	17/18	17/18	17/18
	£'000	Year end forecast	Year end forecast	Year end forecast	Year end Actual
On fixed rate exposures	(80,000)	(68,874)	(79,874)	(76,874)	(56,874)
On variable rate exposures	(40,000)	(18,086)	(25,794)	(15,086)	(1,050)

Table 8: Upper limit - debt only	2017/18 Budget	Quarter 1 17/18 Year end forecast £'000	Quarter 2 17/18 Year end forecast £'000	Quarter 3 17/18 Year end forecast £'000	Quarter 4 17/18 Year end Actual £'000
On fixed rate exposures	180,000	147,006	147,006	147,006	145,594
On variable rate exposures	40,000	0	0	0	0

Table 9: Internal investments: interest received	2017/18 Budget	Quarter 1 17/18 Year end forecast £'000	Quarter 2 17/18 Year end forecast £'000	Quarter 3 17/18 Year end forecast £'000	Quarter 4 17/18 Year end Actual £'000
HRA Internal loan from the general fund		(449)	(449)	(449)	(449)
Wokingham Holdings	0	(584)	(884)	(884)	(1,061)
	0	(1,033)	(1,333)	(1,333)	(1,510)

Table 10: Internal investments:	Quarter 1 17/18 Year end forecast £'000	Quarter 2 17/18 Year end forecast £'000	Quarter 3 17/18 Year end forecast £'000	Quarter 4 17/18 Year end Actual £'000
HRA Internal loan from the general fund	8,874	8,874	8,874	8,874
Wokingham Holdings	17,845	25,193	22,473	12,590
Total	26,359	34,067	31,347	21,464

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