

REPORT TO THE EXECUTIVE MEETING OF 4th MARCH 2019

Meeting: Executive
Date: 4th March 2019
Subject: Capital Strategy
Report of: Head of Finance and Corporate Services (s151 Officer)
Portfolio Holder: Councillor James Hallam
Status: For Recommendation to Council
Relevant Ward(s): All

1 Purpose of the Report

- 1.1 The revised Prudential Code for Capital Finance in Local Authorities includes a requirement to produce a Capital Strategy alongside and to support the Treasury Management Strategy approved annually by Council.
- 1.2 To allow the Executive to consider the Draft Capital Strategy and recommend to Council for approval.

2 Recommendations:

- 2.1 **That Executive recommends to Council that the Capital Strategy be approved.**

3 Summary of Reasons for the Recommendations

- 3.1 The Council is required to approve a Capital Strategy by 1st April 2019 as required by the Prudential Code for Capital Finance in Local Authorities
- 3.2 The Capital Strategy creates the strategic context for Capital Investment in the short, medium and long term alongside Council governance arrangements for managing capital investment.

4 Key Facts

- 4.1 This Capital Strategy is an overarching document which sets the policy framework for the development, management and monitoring of capital investment. The strategy focuses on core principles that underpin the Council's capital programme; its short, medium and long-term objectives; the key issues and risks that will impact on the delivery of the programme; and the governance framework required to ensure the capital programme is delivered and provides value for money for residents.
- 4.2 The Strategy sets out the capital investment ambition whilst ensuring capital expenditure and governance are aligned to support sustainable, long term delivery of services and capital financing.
- 4.3 The Strategy also sets out the framework for Assets and Commercial Investment. A further, more detailed report on the criteria to be applied for commercial investments will be brought to the Executive in the near future.

5 Legal Issues

- 5.1 The Council is required to operate its Capital Investment and Treasury Management in accordance with the revised prudential code for local authorities.

6 Resource Issues

- 6.1 Council on 25th February 2019 approved the Capital Programme 2019/20 to 2021/22 and associated financing.
- 6.2 Capital Spend and Financing will be regularly monitored during the course of the Capital Strategy and will be reported to Executive on a quarterly basis.

7 Equality Impact Assessment Implications/Outcomes

- 7.1 There are no equality issues arising directly from this report. Should an individual capital project have equality implications these will be considered at point of project inception.

8. Risk Management Implications

- 8.1 The Capital Strategy will be delivered in accordance with the Council's Risk Management and Opportunity framework. Management of risk is detailed in the Strategy

9 Consultation

- 9.1 Consultation will be undertaken on individual schemes

10 Background Papers

10.1 Agreed Capital Investment Programme 2019/20 to 2021/22, Executive 11th
February 2019

Previous report(s):

Information Issued Under Sensitive Issue Procedure: N

Ward Members Notified: N

Appendices:

A: Draft Capital Strategy