

Full Council

26 February 2020

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

Capital Strategy 2020/21

Final Decision-Maker	Full Council
Portfolio Holder(s)	Councillor Tom Dawlings – Portfolio Holder for Finance and Governance
Lead Director	Lee Colyer – Director of Finance, Policy & Development
Head of Service	Jane Fineman – Head of Finance and Procurement
Lead Officer/Author	Clare Hazard – Accountancy Manager
Classification	Non-exempt
Wards affected	All

This report makes the following recommendations to the final decision-maker:

That the Capital Strategy 2020/21, as set out in Appendix A to the report, be adopted.

This report relates to the following Five Year Plan Key Objectives:

- A Prosperous Borough
- A Green Borough
- A Confident Borough

The Council's capital budget involves the allocation of financial resources to deliver the Council's key objectives.

Timetable

Meeting	Date
Management Board	18 December 2019
Discussion with Portfolio Holder	7 January 2020
Cabinet Advisory Board	14 January 2020
Cabinet	7 February 2020
Council	26 February 2020

Capital Strategy 2020/21

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report presents the Capital Strategy 2020/21 and recommends that it is adopted by Full Council.
 - 1.2 The Capital Strategy forms part of the Council's policy and strategy documents, providing guidance on the Council's capital programme and the use of its capital resources. Its aim is to ensure that all elected Members fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.
 - 1.3 The guidance in this strategy complements and supplements the Medium Term Financial Strategy and the Treasury Management Policy and Strategy.
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2. INTRODUCTION AND BACKGROUND

- 2.1 The Chartered Institute for Public Finance and Accountancy (CIPFA) revised 2017 Prudential Code and Treasury Management Codes requires all local authorities to prepare a Capital Strategy report which provides the following:
 - a high-level, long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
 - an overview of how the associated risk is managed
 - the implications for future financial sustainability
 - 2.2 The Capital Strategy informs the Capital Programme and gives an indication of the likely factors that will have an impact in the budget setting process. The Capital Programme and its financing play an important role in shaping future budget considerations.
 - 2.3 The suggested Capital Strategy 2020/21 is presented in **Appendix A** to this report.
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3. AVAILABLE OPTIONS

- 3.1 The Council must prepare a Capital Strategy for approval by Full Council.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATION

4.1 To agree the content of the Capital Strategy.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

5.1 The Council takes advice from Link Asset Services on treasury management activities including investments, borrowing and capital financing.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

6.1 Once the adoption of the Capital Strategy has been approved by Full Council it will be put into place commencing 1 April 2020.

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Legal including Human Rights Act	Under Section 151 of the Local Government Act 1972 (LGA 1972) the Section 151 Officer has statutory duties in relation to the financial administration and stewardship of the authority, including securing effective arrangements for treasury management.	Patricia Narebor, Head of Legal Partnership
Finance and other resources	This report forms part of the Council's Budget and Policy Framework.	Lee Colyer, Director of Finance, Policy & Development
Staffing establishment	No implications	
Risk management	All capital expenditure carries an element of risk which will be considered as part of the decision-making process for individual schemes.	Lee Colyer, Director of Finance, Policy & Development
Environment and sustainability	No implications	
Community safety	No implications	
Health and Safety	No implications	
Health and wellbeing	No implications	
Equalities	No implications	

8. REPORT APPENDICES

The following documents are to be published with, and form part of, the report:

- Appendix A: Capital Strategy 2020/21
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9. BACKGROUND PAPERS

None