

Capital Strategy 2021/22

For Cabinet on 4 February 2021

Summary

Lead Member: Councillor Tom Dawlings, Portfolio Holder for Finance & Governance

Lead Director: Lee Colyer, Director of Finance, Policy & Development

Head of Service: Jane Fineman, Head of Finance, Procurement & Parking

Report Author: Clare Hazard, Accountancy Manager

Classification: Public document (non-exempt)

Wards Affected: All

| Approval Timetable | Date |
|---------------------------------------------|------------------|
| Management Board | 16 December 2020 |
| Portfolio Holder | |
| Finance & Governance Cabinet Advisory Board | 12 January 2021 |
| Cabinet | 4 February 2021 |

Recommendations

Officer / Committee recommendations as supported by the Portfolio Holder:

1. That the Capital Strategy 2021/22, as set out in Appendix A to the report, be adopted.

1. Introduction and Background

- 1.1 This report presents the Capital Strategy 2021/22 and recommends that Cabinet proposes 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.

2. Capital Strategy 2021/22

- 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 2021/22 is presented in **Appendix A** to this report.

3. Options Considered

- 3.1 The Council must prepare a Capital Strategy for approval by Cabinet and Full Council.

4. Preferred Option and Reason

4.1 To agree and approve the content of the Capital Strategy 2021/22.

5. Consultation on Options

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

Recommendation from Cabinet Advisory Board

5.2 The Finance & Governance Cabinet Advisory Board were consulted on 12 January 2021 and agreed the following:

Insert text from Cabinet Advisory Board minute, or request text from Democratic Services Officer.

6. Implementation

6.1 Once the adoption of the Capital Strategy has been approved by Full Council it will be put into place commencing 1 April 2021.

7. Appendices and Background Documents

Appendices:

- Appendix A: Capital Strategy 2021/22

Background Papers:

- None

8. Cross Cutting Issues

A. Legal (including the 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

B. Finance and Other Resources

This report forms part of the Council's Budget and Policy Framework.

Jane Fineman, Head of Finance, Procurement & Parking

C. Staffing

No implications to staffing.

Jane Fineman, Head of Finance, Procurement & Parking

D. Risk Management

All capital expenditure carries an element of risk which will be considered as part of the decision-making process for individual schemes.

Jane Fineman, Head of Finance, Procurement & Parking

E. Environment and Sustainability

There are no specific implications that arise from the process of Capital Management over the fact that the budget supports the Council's priorities.

Jane Fineman, Head of Finance, Procurement & Parking

F. Community Safety

There are no specific implications that arise from the process of Capital Management over the fact that the budget supports the Council's priorities.

Jane Fineman, Head of Finance, Procurement & Parking

G. Equalities

There are no specific implications that arise from the process of Capital Management over the fact that the budget supports the Council's priorities.

Jane Fineman, Head of Finance, Procurement & Parking

H. Data Protection

There are no specific implications that arise from the process of Capital Management over the fact that the budget supports the Council's priorities.

Jane Fineman, Head of Finance, Procurement & Parking

I. Health and Safety

There are no specific implications that arise from the process of Capital Management over the fact that the budget supports the Council's priorities.

Jane Fineman, Head of Finance, Procurement & Parking

J. Health and Wellbeing

There are no specific implications that arise from the process of Capital Management over the fact that the budget supports the Council's priorities.

Jane Fineman, Head of Finance, Procurement & Parking