

**Meeting:** Overview & Scrutiny Board **Date:** 30 January 2019

Council **Date:** 7 February 2019

**Wards Affected:** All

**Report Title:** Capital Strategy 2019/20

**Is the decision a key decision?** Yes

**When does the decision need to be implemented?** Immediately

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## 1. Proposal and Introduction

1. The Council has a statutory responsibility to comply with the CIPFA Prudential Code (revised December 2017) which is the “proper practice” document linked to the Local Government Act 2003. Part of this compliance is to approve a Capital Strategy.
2. The Capital Strategy is the policy framework document that sets out the principles to be used to guide the allocation of capital investment across all the Council’s services and informs decisions on capital spending priorities within the Council’s 4-year Capital Plan.
3. The revised Prudential Code places more emphasis on the risks associated with Council capital activities in particular the higher risks associated with more commercial activities and requires the Chief Finance Officer to “report explicitly on the affordability and risks associated with the capital strategy”.
- 1.4 In accordance with the Council’s Constitution, the Capital Strategy is required to be approved on an annual basis.

## 2. Reason for Proposal

- 2.1 The Council has a responsibility to approve a Capital Strategy each year.

### **3. Proposal**

#### **Overview and Scrutiny Board**

- 3.1 That the Capital Strategy attached at Appendix 1 be reviewed.

#### **Council**

- 3.1 That the Capital Strategy be approved.

### **4. Supporting Information**

- 4.1 The Capital Strategy is an overarching document. There are clear links to other documents such as

- Treasury Management Strategy – the operational plan for management of treasury activities including borrowing.
- Asset Management Plan – the operational plan for management of assets
- Capital Plan and quarterly Budget Monitoring – the key documents for the financial reporting on the capital plan, both its expenditure and funding.

Appendix 1 – Capital Strategy