

COUNCIL MEETING – 8 MARCH 2022

CAPITAL STRATEGY 2022/23

1.0 Purpose of Report

1.1 To seek Council approval for the Capital Strategy 2022/23. This incorporates the Minimum Revenue Provision Policy and Capital Prudential Indicators, updated in accordance with latest guidance. A copy of the Capital Strategy is attached as **Appendix A** to the report.

2.0 Background Information

2.1 The Capital Strategy outlines the principles and framework that shape the Council’s capital decisions. The principal aim is to deliver a programme of capital investment that contributes to the achievement of the Council’s priorities and objectives as set out in the Corporate Plan.

2.2 The Strategy defines at the highest level how the capital programme is to be formulated; it identifies the issues and options that influence capital spending, and sets out how the resources and capital programme will be managed.

2.3 Statutory Requirements:

- The Local Government Act 2003 (the Act) and supporting regulations requires the Council to ‘have regard to’ the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice to set Capital Prudential Indicators each financial year to ensure that the Council’s capital investment plans are affordable, prudent and sustainable.

2.4 CIPFA Requirements:

- The Prudential Indicators set out the expected capital activities during the financial year (as required by the CIPFA Prudential Code for Capital Finance in Local Authorities).
- Delegation by the Council of the role of scrutiny of Capital Strategy and Policies to a specific named body. For this Council the delegated body is the Audit and Accounts Committee.

3.0 Summary of Capital Expenditure and Financing

3.1 The table below summaries the total forecasted capital expenditure and financing over the next three years, further breakdown is contained within the Strategy.

	2022/23 budget	2023/24 budget	2024/25 budget
Total Capital Expenditure	87,716	24,102	8,847
Capital Grants	23,700	10,860	860
Other Contributions	5,540	0	225

Capital Receipts	3,643	3,830	809
Revenue/ Major Repairs Reserve	19,324	5,679	6,953
Borrowing	35,509	3,733	0
Total Capital Financing	87,716	24,102	8,847

4.0 RECOMMENDATIONS that the Council approves:

- (a) the Capital Strategy 2022/23;**
- (b) the Capital Prudential Indicators and Limits for 2022/23, contained within Appendix A to the report;**
- (c) the Minimum Revenue Provision (MRP) Policy Statement as contained within Appendix C to the report, which sets out the Council’s policy on MRP; and**
- (d) the Flexible Use of Capital Receipts Strategy as contained with Appendix D to the report.**

Background Papers

CIPFA Prudential Code Local Government Act 2003
CIPFA Treasury Management Code of Practice

For further information please contact Andrew Snape on Ext 5523.

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