



**REPORT of  
DIRECTOR OF RESOURCES**

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**to  
FINANCE AND CORPORATE SERVICES COMMITTEE  
29 JANUARY 2019**

**CAPITAL AND INVESTMENT STRATEGIES FOR 2019 / 20**

**1. PURPOSE OF THE REPORT**

- 1.1 The Council is required to approve an annual Capital Strategy and Investment Strategy before the start of the financial year to which they relate.

**2. RECOMMENDATIONS**

To the Council:

That the Capital Strategy (**APPENDIX 1**) and Investment Strategy (**APPENDIX 2**) for 2019 / 20 be approved.

**3. SUMMARY OF KEY ISSUES**

- 3.1 The Prudential Code was updated in 2017 with a requirement for a new Capital Strategy. This details the intended Capital expenditure plans and funding arrangements and sets Prudential Indicators against which actual expenditure and borrowing should be monitored. The draft Capital Strategy for 2019/20 is **APPENDIX 1**.
- 3.2 The Ministry of Housing, Communities and Local Government issued guidance on investments in January 2018, the Investment Strategy has been reviewed considering this and is at **APPENDIX 2**.
- 3.3 The Treasury Management Strategy and Practices were reviewed by the Overview and Scrutiny Committee on 9 January 2019, but are no longer required to be approved by the Council.
- 3.4 The Strategies have been compiled using a template provided by the Council's treasury advisor, Arlingclose Ltd with outlooks at the time the strategies were drafted in December 2018.

#### 4. CONCLUSION

- 4.1 The Capital Strategy has been prepared considering the future plans of the Council, ensuring that they are affordable and prudent. It links with the Council's Investment Strategy.
- 4.2 The Annual Investment Strategy has been updated in line with statutory requirements and good practice, having regard to the Council's financial position, links to wider strategies, plans and aims and the advice of the Council's external treasury advisor.

#### 5. IMPACT ON CORPORATE GOALS

- 5.1 This Strategies support the Corporate Goal of "Delivering good quality, cost effective and valued services".

#### 6. IMPLICATIONS

- (i) **Impact on Customers** – None.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** –Any new investment decision will be entered with suitable due diligence to ensure that any risk is mitigated.
- (iv) **Impact on Resources (financial)** – Investment interest received is a financial resource available to support spending on service provision.
- (v) **Impact on Resources (human)** – None directly.
- (vi) **Impact on the Environment** – None.

Background papers: Treasury Management Strategy.

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