



## **REPORT of DIRECTOR RESOURCES**

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to  
**STRATEGY AND RESOURCES COMMITTEE  
28 JANUARY 2021**

### **CAPITAL AND INVESTMENT STRATEGIES FOR 2021 / 22 AND MINIMUM REVENUE STATEMENT 2021 / 22**

#### **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**

- (i) The Committee considers and reviews this report and the attached appendices and recommends them for approval by the Council;

To the Council:

- (ii) That the Capital Strategy (**APPENDIX 1**) be approved;
- (i) That the Capital Project Bids (**APPENDIX 2**) be approved;
- (ii) That the Investment Strategy (**APPENDIX 3**) be approved;
- (iii) That the Minimum Revenue Provision Statement (**APPENDIX 4**) be approved.

#### **3. SUMMARY OF KEY ISSUES**

- 3.1 This report details the intended capital expenditure plans and funding arrangements and sets Prudential Indicators against which actual expenditure and borrowing should be monitored. The Capital Strategy for 2021 / 22 is at **APPENDIX 1**.
- 3.2 The Capital Project Bids is at **APPENDIX 2** as recommended by the Finance Working Group.
- 3.3 The Investment Strategy is at **APPENDIX 3**.
- 3.4 The Minimum Revenue Provision is at **APPENDIX 4**.

- 3.5 The Strategies have been compiled with the advice and support of the Council's treasury advisor, Arlingclose Ltd, with the latest available 'outlooks' and interest rate forecasts at the time the strategies were drafted in December 2020.

#### 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. It takes into account the Council's financial position and wider strategies, plans and aims. It also draws on the advice of the Council's external treasury advisor.

#### 5. IMPACT ON STRATEGIC THEMES

- 5.1 The Strategies and the Minimum Revenue Provision Statement support all three of the Council's strategic themes of Place, Community and Prosperity. There is a regulatory requirement for the Strategies and therefore the Council will be compliant in approving them before the start of the financial year on 1 April 2021.

#### 6. IMPLICATIONS

- (i) **Impact on Customers** – None directly.
- (ii) **Impact on Equalities** – None directly.
- (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)** – Approved Capital Project Bids impact on the Council's reserves. 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 directly.

#### Background papers:

Economic Background and Outlook and Interest Rate Forecasts provided by Arlingclose Ltd, the Council's Treasury Management Advisors.

#### Enquiries to:

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