



**REPORT of
DIRECTOR OF RESOURCES**

to
STRATEGY AND RESOURCES COMMITTEE
26 JANUARY 2023

**CAPITAL AND INVESTMENT STRATEGIES FOR 2023 / 24 AND MINIMUM REVENUE
STATEMENT 2023 / 24**

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) That the Committee considers and reviews this report and the attached appendices and approves for recommendation to Council for 2023 / 24 on 22 February:

To the Council:

- (i) That the Capital Strategy (**APPENDIX 1**) be approved;
- (ii) That the Capital Project Bids (**APPENDIX 2**) be approved;
- (iii) That the Investment Strategy (**APPENDIX 3**) be approved;
- (iv) 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 2023 / 24 is at **APPENDIX 1**.
- 3.2 The Capital Project Bids is at **APPENDIX 2** as discussed at the Strategy and Resources Committee on 10 November 2022.
- 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 2022.

- 3.6 Please note: Our Treasury Management Advice service is currently going through a procurement process via tender. This process is transparent and gives all bidders an equal opportunity, to ensure the Council will gain value for money from its next Treasury Management Advice service provider. The winning tenderer will be announced by 28 February 2023.

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 2023.

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.
- (vii) **Impact on Strengthening Communities** - Any new project decision will be entered with suitable consideration for the community.

Background Papers:

Interest Rate Forecasts provided by Arlingclose Ltd, the Council's treasury management advisors.

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