

COUNCIL 9th February 2022

Cabinet 17th January 2022

87 CAPITAL AND INVESTMENT STRATEGY

Councillor Dacre, Cabinet Member for Resources presented a written report of the Head of Finance which sought the approval of a Capital Strategy, an Investment Strategy (including the Treasury Management Strategy), the Treasury Management Policy, the Council's Minimum Revenue Provision (MRP) Policy and Prudential Indicators for 2022/23, 2023/24 and 2024/25. It was required by part 1 of the Local Government Act 2003, related statutory guidance, Prudential code for Capital Finance in Local Authorities and the CIPFA Code of Practice for Treasury Management in the Public Sector that the Council approves a number of policies and strategies in advance of the next financial year.

The Authority was also required under the Local Authorities (Capital Finance and Accounting) (England) (Amendment) regulations 2008 to prepare an annual statement of their policy on making MRP for submission to full Council. The Council had previously been required to set both a Treasury Management Policy and Minimum Revenue Provision (MRP) Policy along with a suite of prudential indicators prior to the start of the new financial year. Following recent updates of both the Prudential Code for Capital Finance in Local Authorities and the CIPFA Code of Practice for Treasury Management in the Public Sector, councils now needed to produce both a capital strategy and investment strategy reflecting the requirements of these documents as well as the related Statutory Guidance on Local Government Investments. There was no prescribed way in which the disclosures needed to be made in order to satisfy the various publications, but it was felt that reporting them all together would aid understanding of how they complement each other as a whole.

The report sets revised prudential indicators and specifically recommended that an Operational Boundary for external debt of £163m, £157m and £149m and an Authorised Limit for external debt of £171m, £164m and £157m for the financial years 2022/23, 2023/24 and 2024/25 be approved. The report also recommended the approval of the Council's Capital Strategy, Investment Strategy, Treasury Management Policy and Minimum Revenue Provision policy.

The report outlined background information, options considered, consultation, financial, legal, human resources and organisational development, environmental, health and economic implications.

***RESOLVED that it be recommended to Council that:**

(a) the following strategies and policies be approved:-

- 1. The Capital Strategy (Appendix 1)**
- 2. The Investment Strategy (Appendix 2)**
- 3. The Treasury Management Policy (Appendix 3)**
- 4. The Council's Minimum Revenue Provision Policy (Appendix 4)**
- 5. The Prudential Indicators (Appendix 5)**

and

(b) an Operational Boundary for external debt of £163m, £157m and £149m and an Authorised Limit for external debt of £171m, £164m and £157m for the financial years 2022/23, 2023/24 and 2024/25 respectively be approved.