

Report to the Council

Committee: Cabinet

Date: 14 February 2012

Portfolio Holder: Councillor G Mohindra
(Finance and Economic Development)

1. CAPITAL STRATEGY – 2012-2016

Recommending:

... **That the attached Capital Strategy 2012-2016 be approved.**

Background

1. Although local authorities are not required to revise the Capital Strategy annually, it is felt important to do so in order to ensure that it is up-to-date. Also, a good Capital Strategy enables the Council to make sound strategic decisions in relation to its use of capital resources and forms an important part of the Council's Performance Management and Financial Planning frameworks.
2. The Capital Strategy is a key "high level" strategic document and is linked to all other key corporate and strategic documents produced by the Council and its partners; including the Corporate Plan, the Sustainable Community Strategy, and the Asset Management Plan.
3. Each year, the Council's strategic aims and priorities are used to re-assess the Key Capital Priorities and we have reconsidered the ranking of each Key Priority as part of our consideration of the Capital Strategy. The order of importance will subsequently influence future decisions regarding individual capital projects.
4. This year the Capital Strategy has focused on current capital schemes and investment plans to 2015/16. It also identifies partnership arrangements with other councils and organisations, which aim to enhance the Capital Programme, and sets out the funding approved to date, having regard to forecast income generation.
5. The attached Capital Strategy has been updated with the latest examples of historical achievements, cross cutting partnership initiatives and cross border working relationships. The generation and application of capital receipts has also been revised in line with latest trends and forecasts.

Key Capital Priorities

6. We have reassessed the Key Capital Priorities and reviewed the ranking of each priority in order of strategic importance to the District, having regard to the contribution that each one makes to the achievement of relevant corporate aims. The Key Capital Priorities for 2012 - 2016 are listed in paragraph 4.1 of the Strategy. The only change from last year's Strategy is the insertion of a new Key Capital Priority – Developing Council Assets which is ranked 7 and results in the remaining Priorities being ranked 8 and 9.

Appendices

7. The Appendices to the Strategy show:
 - (a) Key Strategic Council documents that complement and link with the Capital strategy;
 - (b) Capital Programme 2011/12 to 2015/16 Forecast – Latest Position;
 - (c) Capital programme 2011/12 to 2015/16 forecast analysed in Capital Strategy format – Expenditure and Funding Summary and Detailed Capital Programme;
 - (d) Capital Reserves 2011/12 to 2015/16 Forecast – Capital Receipts and Major Repairs Reserve;
 - (e) Key partners in Delivering the Capital Strategy.

8. We recommend as set out at the commencement of this report.