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## EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 20 JULY 2020

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**EX.70/20     DRAFT CAPITAL INVESTMENT STRATEGY 2021/22 TO 2025/26**  
(Key Decision – KD.15/20)

**Portfolio**     Finance, Governance and Resources

**Relevant Scrutiny Panel**     Business and Transformation

### **Subject Matter**

The Deputy Leader reported (RD.08/20) on the Council's draft Capital Investment Strategy 2021/22 to 2025/26, which was a key policy document providing guidance on the Council's Capital Programme and the use of capital resources. The Capital Investment Strategy was reviewed annually alongside the Medium Term Financial Plan, commencing with the assumptions made in the Budget Resolution approved by Council on 4 February 2020. The position had been updated to reflect any known changes since that date.

The Strategy also incorporated the requirements under the Prudential Code 2017 to link capital investment with treasury management activity and service objectives.

In terms of the key messages, the report recorded that the Capital Investment Strategy showed the starting position for the budget considerations for the next five years and gave an indication of the likely factors that would have an impact in the budget setting process. The Capital Programme and the financing thereof would play an important role in shaping future budget considerations.

Although there was a forecast borrowing requirement to fund the capital programme, the factors identified at paragraph 2.2 would also need consideration.

The Deputy Leader commented upon the ambitious nature of the capital programme. Importantly, the Council held a significant asset portfolio that supported its operational activities and non-operational activities from which it received significant rental income. He added that the rental income received was used to support Council services and provided a significant proportion of the income it received. The income from rentals on the non-operational asset portfolio was approximately 60% of what the Council received in funding from Council Tax.

The Deputy Leader concluded by moving the recommendation, which was duly seconded by the Leader.

**Summary of options rejected**     None

## **DECISION**

That the Executive had considered the draft Capital Investment Strategy 2021/22 to 2025/26 as appended to Report RD.08/20; and made it available for consideration by the Business and Transformation Scrutiny Panel on 23 July 2020.

## **Reasons for Decision**

To consult with the Business and Transformation Scrutiny Panel on the draft Capital Investment Strategy 2021/22 to 2025/26