

CABINET

26 JULY 2005

CAPITAL STRATEGY AND PROGRAMME 2005

REPORT OF DIRECTOR OF FINANCE

Contact Officer: Fred Lyon 01962 848224

RECENT REFERENCES:

CAB884 Capital Strategy and Programme 27 July 2004

CAB973 Budget and Council Tax 2005/06 8 February 2005

CAB1083 Capital Outturn 2004/05 29 June 2005

EXECUTIVE SUMMARY:

The report presents the draft Capital Strategy for 2005. The background to the current Capital Programme is outlined together with an updated Capital Strategy and Programme for consideration and approval.

RECOMMENDATIONS:

That Cabinet recommends to Council the approval of the draft Capital Strategy and Capital Programme, subject to minor editing being undertaken by the Director of Finance in consultation with the Portfolio Holder for Finance and Resources.

CABINET26 JULY 2005CAPITAL STRATEGY AND PROGRAMME 2005REPORT OF DIRECTOR OF FINANCE1 Introduction

- 1.1 The Council produces an annual capital strategy based on the Government's good practice guidelines issued in 2000 to assist local authorities in asset management and control of capital programmes.
- 1.2 The Capital Strategy submitted to the Government Office for the South East (GOSE) in 2002 was rated 'good' and accordingly the City Council did not have to submit further strategies for formal approval. However, it is important that the principles of effective capital planning and asset management are maintained so the strategy is reviewed and updated each year.
- 1.3 The adoption by the Council of an updated capital strategy is also in accordance with the principles embodied in the Prudential Code.

2 Current Capital Programme

- 2.1 The capital programme was approved as part of the budget process in February 2005. It has been subsequently updated to take into account any changes approved by Cabinet and is referred to in the Financial Strategy report CAB1090.
- 2.2 Outturn on the capital programme for 2004/05 was considered by Cabinet on 29 June (CAB1083) as part of the budget outturn reporting process.

3 Capital Strategy

- 3.1 The Capital Strategy attached as an Appendix to this report sets out the context of the capital programme and is based on policy initiatives developed by service departments and approved by Cabinet.
- 3.2 The Council's Asset Management Plan will also be considered by Cabinet in due course.
- 3.3 Although a significant part of the Capital Strategy, the Housing Investment Programme (HIP) still has to be submitted as a discrete programme, supported by the Housing Strategy and a Housing Business Plan

OTHER CONSIDERATIONS

CORPORATE STRATEGY (RELEVANCE TO): A clear capital strategy is an integral part of the Council's Corporate Policy Framework.

RESOURCE IMPLICATIONS: None directly

BACKGROUND DOCUMENTS: Best Value Performance Plan 2005. Various documents held in Finance and other Directorates.

APPENDICES:

Appendix      Draft Capital Strategy 2005

CAB1089