

Cherwell District Council

Budget Planning Committee

Date of Meeting 25 January 2022

Capital and Investment Strategy 2022-23

Report of the Director of Finance

This report is public

Purpose of report

To submit the draft Capital and Investment Strategy for 2022-23.

1.0 Recommendations

The meeting is recommended:

- 1.1 To recommend the draft strategy for 2022-23 to Council.

2.0 Introduction

- 2.1 The Capital and Investment Strategy was introduced for 2019/20, to sit alongside the Treasury Management Strategy. These strategies meet, respectively, the requirements of the 2017 Prudential Code, the 2018 MHCLG Investment Guidance and the 2017 CIPFA Treasury Management Code of Practice.

3.0 Report Details

- 3.1 The **Capital Strategy** demonstrates how the council takes capital expenditure decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability. It sets out the long-term context in which capital expenditure and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement of priority outcomes.
- 3.2 The **Investment Strategy** relates only to non-treasury management investments. The purpose of the strategy is to demonstrate how the council:
 - Makes investment decisions (governance, advice taken etc)
 - Demonstrates investments are tied to corporate objectives
 - Assesses and monitors risk
 - Assesses and monitors return
 - Ensures there is appropriate capacity, skills and culture to support its strategy

Investments which are covered by this strategy include such things as:

- Loans to third parties (e.g. subsidiaries, charities, businesses) [Service loans]
- Purchase of shares (in subsidiaries, businesses etc)
- Property

4.0 Conclusion and Reasons for Recommendations

4.1 There is a requirement for full Council to approve this strategy prior to the start of each financial year.

5.0 Consultation

5.1 None

6.0 Alternative Options and Reasons for Rejection

6.1 There are no alternative options – this is a requirement placed upon all local authorities.

7.0 Implications

Financial and Resource Implications

7.1 There are no financial implications arising directly from any outcome of this report. The financial implications are incorporated into the draft budget 2022-23 and MTFS 2022-23 to 2026-27. Presentation of this report is in line with the CIPFA Code of Practice and Prudential Code

Comments checked by:

Michael Furness, Assistant Director – Finance

michael.furness@cherwell-dc.gov.uk

01295 221845

Legal Implications

7.2 There are no legal implications arising directly from any outcome of this report.

Comments checked by:

Chris Mace, Solicitor, christopher.mace@cherwell-dc.gov.uk, 07702917916

Risk Management Implications

7.3 There are no risk management implications arising directly from any outcome of this report. The Capital and Investment strategy demonstrates how the council manages capital and investment risk. Risks are escalated as and when necessary to the leadership risk register.

Comments checked by:
Louise Tustian, Head of Insight and Corporate Programmes
louise.tustian@cherwell-dc.gov.uk 01295 221786

8.0 Decision Information

Key Decision: N/A

Financial Threshold Met: N/A

Community Impact Threshold Met: N/A

Wards Affected

All wards are affected

Links to Corporate Plan and Policy Framework

Links to all areas of Corporate Plan

Lead Councillor

None

Document Information

Appendix number and title

- Appendix 1 – Capital and Investment Strategy 2022-23

Background papers

None

Report Author and contact details

Ian Robinson – Finance Business Partner
ian.robinson@cherwell-dc.gov.uk 01295 221762