

FINANCE, AUDIT AND RISK COMMITTEE

8 January 2025

***PART 1 – PUBLIC DOCUMENT**

**TITLE OF REPORT: SECOND QUARTER INVESTMENT STRATEGY (CAPITAL AND TREASURY)
REVIEW 2024/25**

REPORT OF: SERVICE DIRECTOR - RESOURCES

EXECUTIVE MEMBER: FINANCE AND I.T.

COUNCIL PRIORITY: SUSTAINABILITY

1 EXECUTIVE SUMMARY

- 1.1 To update Cabinet on progress with delivering the capital and treasury strategy for 2024/25, as at the end of September 2024.
- 1.2 To update Cabinet on the impact upon the approved capital programme for 2024/25 – 2033/34. The current estimate is a decrease in spend in 2024/25 of £15.388M and an increase in spend in 2025/26 of £11.110M and £2.000M in the following years of the capital programme. The most significant individual changes to the forecast spend in 2024/25 relate to the reprofiling into future years of £5.000M Public Sector Decarbonisation Project, £2.500M Royston Learner Pool, £1.950M Museum Storage unit, £1.000 Royston Leisure Centre Gym Extension.
- 1.3 To inform Cabinet of the Treasury Management activities in the first six months of 2024/25. The current forecast is that the amount of investment interest expected to be generated during the year is £2.80M. This is an increase of £0.300M on the estimate reported in the 1st quarter report.
- 1.4 To obtain early approval for spend at North Herts Leisure Centre in 2025/26, so that it can be delivered alongside the decarbonisation works. This involves seeking Council approval for spend in 2025/26 on a new flume (£300k) and a refurbishment of the pool changing rooms (£250k) that includes them being converted in a change village.

2 RECOMMENDATIONS

That Finance, Audit and Risk Committee provides comments on the recommendations to Cabinet which are:

- 2.1 That Cabinet notes the forecast expenditure of £15.699M in 2024/25 on the capital programme, paragraph 8.3 refers.
- 2.2 That Cabinet notes the position of the availability of capital resources, as detailed in table 4 paragraph 8.6 and the requirement to keep the capital programme under review for affordability.
- 2.3 That Cabinet recommends to Council that it notes the position of Treasury Management activity as at the end of September 2024.
- 2.4 That Cabinet recommends to Council that it approves capital budgets in 2025/26 for a new flume (£300k) and a refurbishment of the pool changing rooms (£250k) at North Herts Leisure Centre.

3. REASONS FOR RECOMMENDATIONS

- 3.1 Cabinet is required to approve adjustments to the capital programme and ensure the capital programme is fully funded.
- 3.2 To ensure the Council's continued compliance with CIPFA's code of practice on Treasury Management and the Local Government Act 2003 and that the Council manages its exposure to interest and capital risk.
- 3.3 The proposal to approve the 2025/26 capital budgets at North Herts Leisure Centre in January (rather than in the usual budget report at the end of February) means that the works can take place at the same time as the decarbonisation works, and therefore not require two periods where the pool cannot be used. It also provides a more obvious benefit to users of the facility.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Options for capital investment are considered as part of the Corporate Business Planning process.
- 4.2 The primary principles governing the Council's investment criteria are the security of its investments (ensuring that it gets the capital invested back) and liquidity of investments (being able to get the funds back when needed). After this the return (or yield) is then considered, which provides an income source for the Council. In relation to this the Council could take a different view on its appetite for risk, which would be reflected in the Investment Strategy. In general, greater returns can be achieved by taking on greater risk. Once the Strategy has been set for the year, there is limited scope for alternative options as Officers will seek the best return that is in accordance with the Investment Strategy.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 Consultation on the capital expenditure report is not required. Members will be aware that consultation is incorporated into project plans of individual capital schemes as they are progressed.
- 5.2 There are regular updates and meetings with Treasury advisors (Link).

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a key Executive decision that was first notified to the public in the Forward Plan on the 18th October 2024.

7. BACKGROUND

- 7.1 In February 2024, Council approved the Integrated Capital and Treasury Strategy for 2024/25 to 2033/34. To be consistent with the strategy, the monitoring reports for Capital and Treasury are also integrated.
- 7.2 Link Asset Services Ltd are contracted to provide Treasury advice. The service includes:
 - Regular updates on economic and political changes which may impact on the Council's borrowing and investment strategies
 - Information on investment counterparty creditworthiness
 - Technical updates
 - Access to a Technical Advisory Group.

8. RELEVANT CONSIDERATIONS

8.1 The Council has £122.0M of capital assets that it currently owns. The Investment Strategy set out the reasons for owning assets that are not for service delivery, including an assessment of Security, Liquidity, Yield and Fair Value. There have been no significant changes in relation to these since the last quarter.

Capital Programme 2024/25

8.2 The full capital programme is detailed in Appendix A and shows the revised costs to date, together with the expected spend from 2024/25 to 2033/34 and the funding source for each capital scheme.

8.3 Capital expenditure for 2024/25 is estimated to be **£15.699M**. This is a decrease of **£15.388M** on the forecast in the 1st quarter report (reported to Cabinet on 10th September 2024). Table 1 below details changes to capital programme.

Table 1- Current Capital Estimates

	2024/25 £M	2025/26 £M	2026/27 to 2033/34 £M
Original Estimates approved by Full Council February 2024	22.623	15.110	12.039
Changes approved by Cabinet in 3rd Qrt 2024/25	0.960		
Changes approved by Cabinet in 2023/24 Capital Outturn report	2.654	0.193	
Revised Capital estimates at start of 2022/23	26.237	15.303	12.039
Changes approved by Cabinet in March 2024:			
Redistribution of Shared Prosperity Fund	-0.083		
Solar Together	0.563		
Changes approved by Full Council July 2024:			
Public Sector Decarbonisation Fund	2.400		
Royston Leisure Centre Gym Extension	0.250		
Changes at Q1	1.048	0.948	
Changes approved by Full Council Sept 2024	0.672	-0.672	
Executive Member – Finance and I.T. approved additional Expenditure Hitchin Fitness Gym Lift	0.020		
Reprofile Leisure Budgets		0.550	-0.400
Changes at Q2	-15.408	11.110	2.000
Current Capital Estimates	15.699	27.239	13.639

8.4 Table 2 lists the schemes in the 2024/25 Capital Programme that will now start or continue in 2025/26 and onwards:

Table 2: Scheme Timetable Revision:

(Key: - = reduction in capital expenditure, + = increase in capital expenditure)

Scheme	2024/25 Working Budget £'000	2024/25 Forecast £'000	Difference £'000	Reason for Difference	Estimated impact on 2025/26 onwards £'000
Public Sector Decarbonisation Fund	13,190	8,190	-5,000	The works will take place during 25/26, with spend in this year to purchase the plant and equipment. This is to enable the drawdown of the PSDS funding in line with the grant conditions.	5,000
Royston Learner Pool	2,500	0	-2,500	There will not be any capital works during this financial year, as still trying to identify external funding to provide a viable scheme. The funding will be slipped until 2025/26 with a decision to be made as part of the 2025/26 budget setting process.	2,500
Museum and Commercial Storage	2,000	50	-1,950	An options appraisal report to inform next steps was presented to Cabinet on 19th November. The bulk of this budget will be spent in future years rather than in the current financial year. It is therefore also recommended that the earmarked project allocation of £2m in 2025/26 is reprofiled to 2026/27.	1,950
Royston Leisure Centre Gym Extension	1,250	250	-1,000	Project plan is that the works will take place during 25/26 with just preliminary expenditure in this year.	1,000
Solar Together	563	0	-563	Still looking to come to an agreement with two businesses, but the time taken to agree financial and legal arrangements means that any installations will not commence until 25/26.	563

Scheme	2024/25 Working Budget £'000	2024/25 Forecast £'000	Difference £'000	Reason for Difference	Estimated impact on 2025/26 onwards £'000
Charnwood House	391	25	-366	Still working to agree a letting that would deliver community use of the building. It is therefore unlikely that any substantial capital works could be completed this financial year.	366
Oughtonhead Common Weir	364	0	-364	Due to additional river flow modelling requested by the Environment Agency it has not been possible to proceed with the development of a detailed specification. However in the meantime we are progressing the securing of the various permissions to allow the project to continue.	364
Resurfacing Lairage Car Park	346	0	-346	A survey is being undertaken at both Multistorey car parks to carry out a structural appraisal to identify and document any signs of structural distress, deterioration, or damage. This project is therefore on hold until the results of this survey are known in March 2025	346
Cycle Strategy Implementation	278	0	-278	The development of cycle strategy and transport plan initiatives is dependent on Officer capacity and hope to make progress during 2025/26 (linked to proposed investment in additional capacity).	278
Transport Plans Implementation	250	0	-250		250

Scheme	2024/25 Working Budget £'000	2024/25 Forecast £'000	Difference £'000	Reason for Difference	Estimated impact on 2025/26 onwards £'000
Renovate King George V Skate	249	0	-249	Due to procurement concerns raised by Procurement and Legal a new service level agreement was negotiated with Groundwork East to deliver this project. This process caused a delay in re tendering these works which are now at a stage to be awarded. It is expected that the works will be completed early in the 25/26 financial year.	249
Green Infrastructure Implementation	185	0	-185	Work has commenced on developing green infrastructure plans, but not expecting any capital spend this year.	185
Playground Renovation 24/25	180	0	-180	Due to procurement concerns raised by Procurement and Legal a new service level agreement was negotiated with Groundwork East to deliver this project. This process caused a delay in re tendering these works which are now at a stage to be awarded. It is expected that the works will be completed early in the 25/26 financial year.	180

Scheme	2024/25 Working Budget £'000	2024/25 Forecast £'000	Difference £'000	Reason for Difference	Estimated impact on 2025/26 onwards £'000
Home Repair Assistance	205	100	-105	The combination of limited demand for Housing Repairs Assistance Grants (HRAG) during the previous year, alongside limited resources to actively promote these grants, has meant that demand to date has not met the provision made for this assistance. Due to the forthcoming significant changes associated with the enactment of the Renters' Reform Bill, which is due early in 2025/26, and hopefully the permission to grow the service, it is expected that demand for HRAG grants will rise.	105
Off Street Car Parks Resurfacing	100	20	-80	The car parks are generally in good condition and have not deteriorated to the extent predicted when the original budget was set by the Engineer.	80
Replacement Chiller for the Museum	80	0	-80	A grant bid has been made to provide a contribution to the decarbonisation of Hitchin Town Hall and Museum (as well as the District Council Offices and the learner pool at North Herts Leisure Centre). The works have been delayed until we know the outcome of the bid and whether there are opportunities to align the works. This adds risk as the current chiller could fail (which would require repairs and/ or a temporary replacement) but gives the opportunity to assess the whole building and make sure all elements work together.	80

Scheme	2024/25 Working Budget £'000	2024/25 Forecast £'000	Difference £'000	Reason for Difference	Estimated impact on 2025/26 onwards £'000
Avenue Park Splash Park	70	0	-70	The proposed development around Baldock may include a new splash park facility as part of the community provision of that development. Therefore, it is proposed to delay the upgrade of the current system pending the outcome of the planning process for Baldock.	70
Newark Close Road Replacement	65	20	-45	The road is generally in good condition and does not require complete re-surfacing as was anticipated by the Engineer when the budget was set. However, some patching work identified by the engineer in his recent survey will be undertaken in this financial year. The £45k slippage can be carried into financial year 2026/27.	45
King George V Muga Hitchin	55	0	-55	This project is dependent upon the availability of S106 contributions from the Highover Farm Development. Once construction begins the resources will be available to cover the cost of the project. Therefore proposed to delay the project until the S106 funds are received.	55
Norton Common Bowls Pavilion	55	0	-55	We are working with Estates and Property Services to agree suitable lease terms with the users of the pavilion and the scope of the works to be undertaken to ensure the building is fit for purpose. Unfortunately this process has taken longer than envisaged.	55

Scheme	2024/25 Working Budget £'000	2024/25 Forecast £'000	Difference £'000	Reason for Difference	Estimated impact on 2025/26 onwards £'000
Instal On Street Charging	50	0	-50	On-street charging will be part of a wider review of charging for parking, including off-street parking.	50
Museum Services Development	48	0	-48	This budget is a legacy from the main grant funded contribution to the North Herts Museum project and is earmarked for some improvements to the Terrace Gallery external area. Whilst officers still intend to complete this work, other priorities and capacity within the team mean that this will need to be pushed back to the 25/26 financial year.	48
Community Facilities Refurbishment	48	0	-48	Pirton PC have informed that they will have the necessary funding and permissions in place to fulfil the conditions on the release of the grant and intend to commence the build of the project in February 2025. The funding will be drawn down before the end of March 2026.	48
Bancroft Lighting	45	0	-45	Has not progressed due to a lack of technical support and capacity. Therefore proposed to delay the project into the next financial year when it is envisaged the appropriate internal support will be available.	45
Baldock Road Recreation Ground Letchworth	30	0	-30		30
Swinburne Recreation Ground Hitchin, Car Park	30	0	-30	Has not progressed due to capacity issues within the Greenspace Team and Countryside Management Services. Therefore propose delay until the next financial year.	30

Scheme	2024/25 Working Budget £'000	2024/25 Forecast £'000	Difference £'000	Reason for Difference	Estimated impact on 2025/26 onwards £'000
Norton Common Tennis Courts	25	0	-25	Due to difficulty in obtaining a sufficient number of quotations to undertake the work we have currently been unable to progress this work within procurement guidelines. The initial scope of the works was not fully identified until the quotation process was undertaken, therefore the level of structural works to the Tennis Courts has increased the required budget.	49
Other minor changes			-49		49
Total Revision to Budget Profile			-14.046		14.070

8.5 There are also changes to the overall costs of schemes in 2024/25. These changes total a net decrease of £1.362million and are detailed in Table 3

Table 3: Changes to Capital Schemes Commencing in 2024/25:

(Key: - = reduction in capital expenditure, + = increase in capital expenditure)

Scheme	2024/25 Working Budget £'000	2024/25 Forecast Spend £'000	Difference £'000	Comments
Refuse and Recycling Bins	90	130	+40	Bin purchases are semi-cyclical, with bins having an estimated life of between 10 and 15 years. Wheeled bins for the residual waste service were introduced in 2012 and consequently we are replacing more bins. In addition, new developments require new bins and this is an increasing burden on the budget. Also, the service has been unable to implement a previously agreed charge for replacement bins due to limitations in IT and therefore costs have not reduced or been offset as had previously been anticipated.
Local Authority Housing Fund Pt2	107	0	-107	Settle have delivered all the planned properties for part 2 of the LAHF. The Council has provided funding to settle based on the eligible costs that they incurred. There are no further payments due.

Scheme	2024/25 Working Budget £'000	2024/25 Forecast Spend £'000	Difference £'000	Comments
Local Authority Housing Fund Pt3	960	0	-960	There has been no interest from Registered Providers so the funding will have to be returned to Government.
Letchworth Multistorey Parapet /Soffit / Decoration	129	0	-129	Funding was based on an expected future requirement, which has not materialised. To be removed until a specific need is identified.
Lairage Multistorey Structural Repairs	111	0	-111	Funding was based on an expected future requirement, which has not materialised. To be removed until a specific need is identified.
Burials Database System	55	0	-55	Capital budget no longer required as the decision has been taken to use the in-house Low Code option to develop a replacement database system for burials.
Former Public Convenience Portmill Lane	25	0	-25	Remove until we have a plan for the wider Churchgate area.
Other minor changes			-15	
Total revision to scheme spend			-1,362	

8.6 Table 4 below shows how the Council will fund the 2024/25 capital programme.

Table 4: Funding the Capital Programme:

	2024/25 Balance at start of year £M	2024/25 Forecast Additions £M	2024/25 Forecast Funding Used £M	2024/25 Balance at end of year £M
Useable Capital Receipts and Set-aside Receipts	4.914	0.0	(4.678)	0.236
S106 receipts			(0.539)	
Other third party grants and contributions			(8.062)	
Revenue Contribution			(0.030)	
Borrowing			(2.390)	
Total			(15.699)	

8.7 The availability of third-party contributions and grants to fund capital investment is continuously sought in order to reduce pressure on the Council's available capital receipts and allow for further investment. Additional capital receipts are dependent on selling surplus land and buildings. Ensuring that the Council gets best value from the disposal of land and buildings can take a long time and therefore the amounts that might be received could be subject to change.

- 8.8 The Council's Capital Financing Requirement (CFR) at 31st March 2024 was negative £2.58M. Based on current forecasts it will become positive during 2024/25 as the Council does not have sufficient funding (eg Capital Receipts) to finance the Capital programme. This means the Council will have to borrow to fund the programme in this year, with MRP (Minimum Revenue Provision) charged to the General Fund in 2025/26.
- 8.9 The usual process is that budgets for the following year will be agreed at the Council meeting at the end of February. This gives the opportunity for all proposals to be considered together, and the relative priorities can be assessed. However, especially for capital proposals where greater planning is required, there can be a benefit to approving the proposals earlier. Especially where the schemes are already on the capital programme, and the decision relates to a change to the planned timing. Cabinet are asked to recommend to Council that two schemes are approved now, rather than waiting until the budget meeting at the end of February. Both schemes relate to North Herts Leisure Centre and would allow the works to be carried out whilst the pool is closed for the wider decarbonisation works are carried out during 2025/26. This would minimise overall disruption to users of the facility. The other reason for bringing forward the flume replacement is that it is starting to need more repairs. The works are the refurbishment of the pool changing rooms, and conversion in to a change village (previously agreed to take place in 2026/27, £250k) and a flume replacement (previously agreed to take place in 2028/29, £150k). The amount for the changing rooms is unchanged, but latest costs for the flume show a need to increase the budget up to £300k.

Treasury Management 2024/25

- 8.10 The Council invests its surplus cash in accordance with the Investment Strategy (see paragraph 4.2). This surplus cash is made up of capital funding balances, general fund balance, other revenue reserves and provision balances and variations in cash due to the timing of receipts and payments. During the first six months of 2024/25, the Council had an average investment balance of £59.0M and invested this in accordance with the treasury and prudential indicators as set out in the Integrated Capital and Treasury Management Strategy and in compliance with the Treasury Management Practices.
- 8.11 The Council will generate £2.4M of interest in 2024/25 from investments made during the first half of the year. This includes the interest that will be earned during the second half of the year on investments that have already been made. The average interest rate on all outstanding investments at the 30th September was 5.17%. (30th June was 5.42.%). Based on current investments and forecasts of interest rates and cash balances for the remainder of the year, it is forecast that the Council will generate £2.8M of interest over the whole of 2024/25.
- 8.12 As at 30th September 2024, the split of investments was as shown in the table below.

Banks	11%
Building Societies	0%
Government	7%
Local Authorities	82%

- 8.13 The level of risk of any investment will be affected by the riskiness of the institution where it is invested and the period that it is invested for.

Where an institution has a credit rating this can be used to measure its riskiness. This can be combined with the period remaining on the investment to give a historic risk of default percentage measure. The table below shows the Historic Risk of Default for outstanding investments at 30th September 2024. The most risky investment has a historic risk of default of 0.018%. It should also be noted that in general the interest rate received is correlated to the risk, so the interest income received would be less if the Council took on less risk.

Borrower	Principal Invested £M	Interest Rate %	Credit Rating	Days to Maturity at 30 Sept	Historic Risk of Default %
Australia & New Zealand Bank	2.0	5.34	AA-	16	0.001
Lloyds Bank	1.0	5.19	A+	16	0.002
DMO	2.0	4.94	AA-	17	0.001
Cheshire East Council	2.0	5.3	AA-	21	0.001
Uttlesford District Council	2.0	5.25	AA-	21	0.001
Surrey County Council	2.0	5.05	AA-	27	0.002
City of Bradford MDC	2.0	5.38	AA-	34	0.002
Lancashire County Council	1.0	5.37	AA-	37	0.002
Great Yarmouth Borough Council	1.0	5.6	AA-	43	0.003
DMO	1.0	4.905	AA-	45	0.003
London Borough of Haringey	2.0	5.2	AA-	59	0.004
Luton Borough Council	2.0	4.95	AA-	59	0.004
Folkestone & Hythe District Council	2.0	4.95	AA-	69	0.004
West Dunbartonshire Council	2.0	5.7	AA-	76	0.005
DMO	1.0	4.835	AA-	79	0.005
Great Yarmouth Borough Council	2.0	5.2	AA-	84	0.005
Dudley Metropolitan District Council	1.0	5.25	AA-	91	0.006
Nat West	1.0	5.17	A+	97	0.012
Australia & New Zealand Bank	1.0	5.26	AA-	91	0.006
City of Bradford Metropolitan District Council	2.0	4.8	AA-	108	0.007
Nat West	1.0	5.13	A+	118	0.015
Stoke on Trent City Council	1.0	5.75	AA-	119	0.007
London Borough of Barking & Dagenham	3.0	5.05	AA-	121	0.007
Liverpool City Council	2.0	5.25	AA-	170	0.010
Reading Borough Council	2.0	4.75	AA-	188	0.011
Blackpool Council	3.0	4.75	AA-	205	0.011
Gravesham Borough Council	1.0	5.2	AA-	206	0.013
Lancashire County Council	3.0	5.2	AA-	211	0.013
Bournemouth Christchurch & Poole Council	2.0	4.8	AA-	223	0.013
Cheshire East Council	2.0	5.2	AA-	233	0.014
Liverpool City Council	2.0	4.85	AA-	301	0.018
	54.0	5.17			0.007

DMO credit rating is the UK credit rating.

9. LEGAL IMPLICATIONS

- 9.1 Cabinet's terms of reference under 5.6.7 specifically includes "to monitor expenditure on the capital programme and agree adjustments within the overall budgetary framework". The Cabinet also has a responsibility to keep under review the budget of the Council and any other matter having substantial implications for the financial resources of the Council. By considering monitoring reports throughout the financial year Cabinet is able to make informed recommendations on the budget to Council. The Council is under a duty to maintain a balanced budget.
- 9.2 Section 151 of the Local Government Act 1972 states that:
"every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs."
- 9.3 Asset disposals must be handled in accordance with the Council's Contract Procurement Rules.
- 9.4 The Prudential Indicators comply with the Local Government Act 2003.

10. FINANCIAL IMPLICATIONS

- 10.1 The main financial implications are covered in section 8 of the report.
- 10.2 The Council operates a tolerance limit on capital projects that depends on the value of the scheme and on this basis over the next ten-year programme it should be anticipated that the total spend over the period could be around £4.9M higher than the budgeted £58.580M.
- 10.3 The capital programme will need to remain under close review due to the limited availability of capital resources and the affordability in the general fund of the cost of using the Council's capital receipts. When capital receipts are used and not replaced the availability of cash for investment reduces. Consequently interest income from investments reduces. £1.0M currently earns the Authority approximately £50k per year in interest. The general fund estimates are routinely updated to reflect changes in income from investments. When the Capital Financing Requirement (CFR) reaches zero the Council will need to start charging a minimum revenue provision to the general fund for the cost of capital and will need to consider external borrowing for further capital spend. The CFR at the 31 March 2024 was negative £2.58M.
- 10.4 The Council also aims to ensure that the level of planned capital spending in any one year matches the capacity of the organisation to deliver the schemes to ensure that the impact on the revenue budget of loss of cash-flow investment income is minimised.

11. RISK IMPLICATIONS

- 11.1 Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.

- 11.2 The inherent risks in undertaking a capital project are managed by the project manager of each individual scheme. These are recorded on a project risk log which will be considered by the Project Oversight Group (if applicable). The key risks arising from the project may be recorded on IdeaGen (the Council's Performance & Risk management software).
- 11.3 Risks associated with treasury management and procedures to minimise risk are outlined in the Treasury Management Practices document, TMP1, which was adopted by Cabinet in July 2003 and is revisited annually as part of the Treasury Strategy review. The risk on the General Fund of a fall of investment interest below the budgeted level is dependent on banks and building societies need for borrowing.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 There are no direct equalities implications directly arising from the adoption of the Capital Programme for 2024/25 onwards. For any individual new capital investment proposal of £50k or more, or affecting more than two wards, an equality analysis is required to be carried out. This will take place following agreement of the investment proposal.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and "go local" requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. There are no known Environmental impacts or requirements that apply to recommendations of this report. The projects at section 8.4 may have impacts that contribute to an adverse impact. As these projects go forward, an assessment will be made where necessary.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 There are no direct human resource implications.

16. APPENDICES

- 16.1 Appendix A, Capital Programme Detail including Funding 2024/25 onwards.
- 16.2 Appendix B, Treasury Management Update.

17. CONTACT OFFICERS

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18. BACKGROUND PAPERS

18.1 Investment Strategy (Integrated Capital and Treasury Strategy)

<https://srvmodgov01.north-herts.gov.uk/documents/s24164/INVESTMENT%20STRATEGY%20INTEGRATED%20CAPITAL%20AND%20TREASURY.pdf>
<https://srvmodgov01.north-herts.gov.uk/documents/s24165/FAR%20Appendix%20A-%20Integrated%20Capital%20and%20Treasury%20Strategy.docx.pdf>