

**CABINET
28 JANUARY 2020**

PART 1 – PUBLIC DOCUMENT

6g ITEM REFERRED FROM FINANCE, AUDIT AND RISK COMMITTEE: 20 JANUARY 2020 – INVESTMENT STRATEGY (INTEGRATED CAPITAL AND TREASURY)

The Service Director - Resources presented the report entitled Investment Strategy (Integrated Capital and Treasury together with the following appendices:

- Appendix A - Investment Strategy;
- Appendix A1 - A full list of planned capital expenditure (2020/21 onwards);
- Appendix A2 - A list of new capital schemes and schemes planned to commence from 2020/21.

The Service Director – Resources drew attention to the following:

- Paragraph 8.4 of the report set out details regarding an allocation of £20m that had been made that was aligned to the Property Acquisition and Development Strategy;
- Table 8 of the Strategy provided an assessment of expenditure that did not relate to service delivery;
- Paragraph 8.5 of the report set out that there would be a need to borrow to fund the Capital Programme and whether funds should be borrowed internally or externally;
- There was some uncertainty regarding capital receipts;
- Paragraph 8.6 of the report set out details of the Minimum Revenue Provision (MRP);
- Paragraph 8.8 of the report gave details of proposed changes to the Treasury Strategy;
- Paragraph 8.9 of the report detailed that, where returns are similar to or the same as non green alternatives, for the same level of risk, they will be prioritised;
- There were rigorous processes in place regarding treasury management.

The following Members asked questions and took part in the debate:

- Councillor Steve Jarvis;
- Councillor Sam North;
- Councillor Kate Aspinwall.

In response to question the Service Director - Resources advised:

- That, if the Council invested in property it would then have an asset;
- It would be imprudent to budget from income from acquisitions that had not yet made

RECOMMENDED TO CABINET:

That Cabinet recommend to Council:

- (1) The adoption of the Investment Strategy (as attached at Appendix A), including the capital programme and prudential indicators; and
- (2) The adoption of the four clauses in relation to the Code of Practice on Treasure Management (as detailed in paragraphs 8.11 to 8.16).

REASONS FOR DECISIONS:

- (1) To ensure that the capital programme meets the Council's objectives and officers can plan the implementation of the approved schemes; and
- (2) To ensure the Council's compliance with CIPFA's code of practice on Treasury Management, the Local Government Act 2003, statutory guidance from the Ministry of Housing, Communities and Local Government and the CIPFA Prudential Code. As well as determining and managing the Councils risk appetite in respect of investments.