

Capital Strategy

2021/22 to 2025/26

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Section 1 - Introduction

This Capital Strategy details how the Council deploys and will subsequently manage its capital resources thereby explaining the Council's financial framework for capital investment in support of its strategic priorities.

This strategy covers all aspects of the Council's capital expenditure, resourced both directly by the Council and where resources have been attracted through external funding opportunities.

The strategy demonstrates that the Council takes capital expenditure and investment decisions in line with corporate and service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability. The strategy sets out the medium 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.

The strategy reflects the aspirations and priorities identified in Vision 2025. The Strategy considers external influences such as government policy changes and as well as internal influences.

The Council's capital programme consists of two elements:

- The General Investment Programme (GIP) with a budget for 2021-26 of £17.501m
- The Housing Investment Programme (HIP) with a budget for 2021-26 of £71.751m

Both are accounted for separately, but the schemes making up the two programmes are subject to the same scrutiny and monitoring arrangements to ensure their effective delivery. All new capital schemes, with the exception of the ongoing capital maintenance programmes, are delivered through the Lincoln Project Management Model which evaluates the financial and service implications and potential risks that may arise from each scheme.

The Council has at 1 April 2020 a diverse asset portfolio including, 7,754 council dwellings, 3,622 car parking spaces, 2 sports and leisure centres, 1,131 acres of parks and recreation grounds, and 5 community centres. There is also a sizable commercial property portfolio including industrial units and shops.

The total value of assets held in the Council's Balance Sheet is shown below:

| 31/3/2019 | | 31/3/2020 |
|------------------|-----------------------------|------------------|
| £000 | | £000 |
| 361,380 | Property, Plant & Equipment | 376,194 |

| | | |
|----------------|----------------------|----------------|
| 6,092 | Heritage Assets | 6,092 |
| 30,478 | Investment Property | 34,646 |
| 361 | Intangible Assets | 309 |
| 1,500 | Assets held for sale | 1,500 |
| 399,811 | Total assets | 418,741 |

Section 2 - Purpose and Objectives

The overall purpose of the Capital Strategy is to give a high-level overview of how capital expenditure capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.

This Capital Strategy seeks to achieve a number of specific objectives:

- Ensure that the Capital Programme is realistic, affordable and well managed to avoid project over-runs and expensive claims beyond the budgeted scheme value
- Ensure that capital expenditure supports a defined priority of the council
- Ensure that any on-going revenue cost implications including Minimum Revenue Provisions (MRP) and debt costs are understood and accounted for without impacting on the existing financial savings target of the Council
- Wherever possible ensure capital investment activity is focussed on areas that yield on-going revenue savings for the Council or produce a contribution to revenue income, whilst not investing in debt-for-yield schemes.
- Use strategic procurement and new ways of procuring to drive up “value for money” and ‘get more for the same money’.

Section 3 - Policy and Financial Planning Framework

The capital programme for the council is a long term ambition with the obligation for maintaining and improving council and operational buildings stretching far into the future, and as such should be considered accordingly in financial and asset management planning.

The Council's capital programme and its subsequent revenue implications form part of the Medium Term Financial Strategy (MTFS) 2021-26 and as such is one of a suite of plans and strategies that sit within the Council's Policy and Financial Planning Framework.

Longer term forecasts are not easily predicted and accuracy within them deteriorates the longer the period over which a plan is developed. Within longer term plans uncertainty and complexity in terms of for example economic, social and technological factors mean that long term planning becomes an iterative process which is adjusted for these changes in these and other factors. For major projects and investment, Western Growth Corridor for example, the funding and financial implications will need to be planned well in advance.

There is clearly a link between long term capital planning and treasury management with the council's debt portfolio containing loans which mature up to 2075/76. The profile of debt repayment needs to be managed alongside other long term capital expenditure and funding forecasts.

Linkages with other key strategies and plans are identified below:

Vision 2025

Our current Vision 2025 was approved in early 2020, although due to the onset of the pandemic was not formally launched. This new vision sets out the Council's vision for the future of the City, strategic priorities and core values. The vision itself is supported by five strategic priorities:

- Let's drive inclusive economic growth
- Let's reduce all kinds of inequality
- Let's deliver quality housing
- Let's enhance our remarkable place
- Let's address the challenge of climate change

These five strategic priorities will be supported in Vision 2025 by a programme called One Council, which replaces the Professional High Performing Service Delivery section in Vision 2020.

Vision 2025 is supported by a 5-year programme of activity each year having its own annual delivery plan. These annual delivery plans are now currently in the process of being refreshed in order to reflect the impact the Covid19 pandemic has had on the Council, the City, its residents and business, to ensure that the correct priority areas are focussed upon. A key element of this will be to ensure that resource is available to maximise external funding opportunities to bring forward new investment and development to support the City and its economy. This is ever more critical following the impact of Covid19 and the Council's role in supporting the recovery of the City.

Within Vision 2025 and supporting each of the priorities there are a number of significant capital investments set to take shape over the period of the MTFs. Some of the schemes will require further capital resource from the Council, others will require partner contributions and others will only be possible if the Council is able to

attract sufficient external grant contributions. Each of these schemes will be included in the GIP and HIP at their appropriate stages of development and when funding is secured. Across the five strategic priorities the following areas of investment are highlighted:

- Let's drive inclusive economic growth
 - Delivery of Western Growth Corridor – completion of phase 1, delivering 300 homes by 2025
 - City Centre Vibrancy: Cornhill Square - creating a high quality, multi-use space that supports the twilight economy
 - City Centre Vibrancy: Tentercroft Street - transforming this area of the city into a new “city living” concept
 - Becoming a Digital City - working with partners to implement a digital network to ensure access for all across the city
 - Small Business Growth - continuing to develop the workspaces and business premises offer so that businesses of all sizes and types can make Lincoln their home.
 - Growth Strategy and City Investment Plan – subject to approval and funding allocation, the Council will coordinate Lincoln's Town Investment Plan, with the partnership Town Board to deliver a range of projects and initiatives that will support the delivery of those strategy outcomes.
 - Heritage Asset Programme: Deliver plans for the Heritage Action Zone - maintaining, protecting and restoring city centre shop fronts, historical buildings and heritage sites at risk.
- Let's reduce all kinds of inequality
 - Championing co-location with health through One Public Estate - through the Greater Lincolnshire One Public Estate partnership, seek opportunities to share facilities and assets with the health sector to improve access for communities.
 - Supporting people who are rough sleeping - working with partners to support support the delivery of a countywide project, to deliver a Housing First solution to assist people with a history of rough sleeping to move into safe sheltered accommodation.
- Let's deliver quality housing
 - Continue to increase net council house numbers – retain and develop a new pipeline, including Rookery Lane and Queen Elizabeth Road.
 - Housing Standards in new builds - in addition to standards that meet climate change objectives, new builds will also meet “Lifetime” homes, minimum space standards and health equality objectives and will include the quality of the environment in which new homes are built.

- Improve Temporary Accommodation options across all sectors - considering the use of additional furnished accommodation to raise the standard of homes offered
- Estate Improvements – taking a new approach to communal gardens, green spaces, communal entrances, landscaping and the links between the natural and built environments, and reviewing car parking and traffic management issues within estates.
- Respond to regeneration need in Sincil Bank area, including remodelling of existing stock and developing garage sites - including looking at garage sites and communal (potentially green) areas, to address long standing issues of ASB and criminal activity. Examples of such opportunities will centre on proposals for Hermit Street garages and surrounding areas and the Palmer Street garages.
- De Wint Court Redevelopment – provision of a new purpose built 70 apartment Extra Care Scheme on the site of a former sheltered scheme.
- Let's enhance our remarkable place
 - Deliver the planned crematorium refurbishment - a project that will further renovate the existing facility to ensure it continues to deliver a high-quality service, in an attractive environment.
 - Heritage Asset Programme – including Re-imagining Greyfriars and further development of options for the Harlequin.
 - Finalise the play area strategy - using the financial contributions from developers arising from new housing schemes to invest in existing sites such as Whitton's Park on Long Leys Road and on Swift Gardens in St Giles
- Let's address the challenge of climate change
 - Make current and future business premises as energy efficient as possible - when a council building needs modernising or repairing, use more efficient materials and replacement items to improve the efficiency of those buildings.
 - Climate conscious infrastructure projects developed as part of Town Fund Board Vision - A range of infrastructure projects that will set out a vision for the city, identifying key transformational projects and programmes which will include initiatives that directly and indirectly contribute to the climate change agenda.

Local Plan

The Central Lincolnshire Local Plan has been developed in collaboration with West Lindsey District Council, North Kesteven District Council and Lincolnshire County Council – for Lincoln it is a new city-wide planning and regeneration strategy running up to 2036.

The local plan sets out where and how the City is going to develop over the next 20 years. It provides guidance to all developments ensuring it achieves the aspirations of the city, including things like protecting the heritage of the city, the vibrancy of the city centre, where homes are built and how transport will be offered.

Specifically, the Local Plan:

- is underpinned by an aspiration for sustainable growth in homes, jobs, services and facilities;
- is aiming to deliver many new homes between now and 2036;
- is seeking to attract new businesses and jobs;
- sets out policies to ensure development is of high quality, sustainable and meets the needs of everyone;
- sets out policies to ensure all the infrastructure, such as play areas, roads, new schools and upgraded sewage disposal, are provided at the same time as the new homes;
- is complemented by a separate Policies Map, which sets out where development should take place.

The current Local Plan was adopted in April 2017 and continues to perform well in making decisions on development, however, in response to significant changes to national policy and to ensure the guidance is updated so that ambitions of the city can be delivered a review is now being undertaken. This work has been impacted upon by the Covid19 pandemic, but a revised plan is expected to be published for public consultation in early 2021.

Asset Management Plan

The Capital Strategy and the Asset Management Plan run alongside each other and have a number of key linkages. These include capital receipts and asset disposal programmes, maintaining, improving and deploying the Council's buildings to support delivery of services and potential loss of income from asset sales.

The MTFS includes capital receipts targets (capital monies received from the sale of council land and property) for both the General Investment Programme and the Housing Investment Programme. Currently the level of capital resources required to fund the capital programme is reliant upon property disposals from Phase 1a of the Western Growth Corridor development. Any further asset disposals would be treated as surplus capital receipts in the programme, including the sale of one asset that is surplus to requirements and is being progressed for disposal.

There is no associated loss of any rental income from the current asset sales built into the General Fund budget and therefore no general budget provision for loss of rental income associated with any future disposals is included in the General Fund budget.

There is no budget provision set aside for the loss of revenue rental income in the Housing Revenue Account, however the rental income budget has been set allowing for an average level of right to buy sales spread throughout the financial year.

The Property Services Team keeps under review the need for asset disposal and acquisition, which meet strategic priorities. Previously the Council had undertaken a number of commercial property investments, carefully considering each on an individual basis and in line the Council's Investment Property Strategy. This assessment included, the impact on the MTFS, sustainability of the council and affordability of individual schemes, including MRP and borrowing costs, with each proposal subject to approval by the Council's Executive. However, as a result of changes in the PWLB lending terms, which is the Council's primary source of borrowing facility, and a new CIPFA: Prudential Property Investment guide, the Council will no longer pursue opportunities for investment primarily for yield.

HRA Business Plan

The HRA Business Plan sets out how the Council will deliver its vision for the HRA including, investment in the housing stock, maintaining all homes to the Lincoln Homes Standard and the process of tenant consultation to agree priorities for investment in existing stock over and above the Decent Homes Standard. It also demonstrates that the proposed investment programme is financially viable by indicating that the underlying HRA debt is repayable within the 30-year period of the Business Plan, should the Council chose to do so. There is, however, no obligation to repay debt and the MTFS does not assume this is the case. Further borrowing to fund HRA investment is now limited by prudence rather than the old system of an imposed borrowing cap. Currently the HRA borrowing requirement stands at £62m and is expected to increase to £66.9m by the end of 20/21 and £72m by the end of the MTFS period. This additional borrowing is being used to fund new build expenditure.

The capital schemes contained within the Housing Investment Programme and the capital financing that underpins them feed from the HRA Business Plan and any updates to the plan. The key areas of capital spend identified within the HRA Business Plan and the Housing Investment Programme are based on the results of stock condition surveys of existing housing stock plus any proposed new build schemes. The main areas of expenditure cover:

- Decent Homes and Lincoln Standards Programme
- De Wint Court Redevelopment
- Council House New Build Programme
- Western Growth Corridor

The current Business Plan is due to be refreshed during 2021, in light of updated development and investment profiles, Vision 2025 priorities, updated assumptions and implications arising from the Social Housing White Paper.

Treasury Management Strategy

The Treasury Management Strategy is reviewed annually and forms part of the suite of documents which make up the Medium Term Financial Strategy approved by Council each year. The Treasury Management Strategy deals with the borrowing and investments arising from all financial transactions of the council and is not limited to those arising from capital spending.

Section 4 - Financing the Capital Programmes

The resources necessary to fund the Council's Investment Programmes come from a variety of sources:

- Capital Receipts – from the sale of Council assets
- Use of Council's own resources – through depreciation charges, other contributions from revenue and use of reserves
- Capital Grants and Contributions – including contributions from developers and grants towards specific schemes
- Prudential Borrowing – the Prudential Code allows borrowing if the Council can demonstrate it is affordable, sustainable and prudent in its Prudential Indicators (detailed in the Treasury Management Strategy)

Although historically the GIP has been reliant on the generation of capital receipts to fund the investment required to deliver the programme in the long term the use of capital receipts is not sustainable. In addition, due to revenue pressures the use of direct revenue financing of the capital programme is also not a sustainable, and other sources of funding are regularly sought to fund capital expenditure.

However, many of the external grants and contributions, which are available, are designated for specific schemes, and whilst additional resources are clearly beneficial to local people, there is the danger that schemes funded may not be the Council's highest priorities.

The Capital Strategy must continue to identify both the priorities for these external funding regimes and pursue other innovative funding sources to improve its ability to deliver capital investment and deliver the priorities as set out in Vision 2025. Each project appraisal will consider all the internal and external resources available such as Government grants, Section 106 contributions, partner contributions and prudential borrowing.

Whilst the Council will no longer pursue invest to save opportunities financed through

prudential borrowing which are deemed to be debt-for-yield schemes, there may still opportunities where the revenue costs of borrowing are financed through additional income/reductions in expenditure such as spending to improve or maintain existing assets. The cost effectiveness of borrowing as opposed to selling capital assets is reviewed regularly together with the affordability tests and impact on prudential indicators to check whether borrowing would provide more cost effective funding. It has been concluded that the use of prudential borrowing is a useful funding mechanism these such projects. The use of long-term prudential borrowing to fund other key projects, in the GIP, given the additional revenue costs this creates and the current financial challenges the General Fund is facing, will only be considered in exceptional circumstances.

Under the self-financing regime, the government retained the current arrangement for pooling of HRA capital receipts. All HRA capital receipts are pooled if they are not offset by the capital allowance (a capital allowance is permitted where the receipt is used to fund affordable housing, decent homes or regeneration schemes). It is the Council's strategy that 100% of non-Right to Buy (RTB) receipts will be offset by the capital allowance. However, 75% of all RTB capital receipts have to be pooled.

The Council's capital programme is projected for a five-year period and is approved by full Council as part of the MTFS each year. It is monitored throughout the year by the Capital Programme Group and the Executive. Capital Programme Group and the Executive have varying levels of authority to approve changes to the programme during the year. A distinction is made between the General Fund schemes (GIP) and Housing Revenue Account schemes (HIP). It is Council policy that capital receipts from the sale of Council Houses and other Housing Revenue Account assets are used to fund the HIP, with capital receipts from the sale of General Fund assets used to fund the GIP.

The City Council's General Investment Programme and Housing Investment Programme for the period 2021/22 – 2025/26, are set out in the MTFS 2021-26.

Section 5 - Capital Prioritisation

In an environment of financial constraints and competing pressures on the Council it is important that the Council adheres to its methodology for prioritising potential projects and schemes. The methodology is based on both corporate and service based priorities. As well as considering capital costs and funding, attention is also focussed on the revenue implications of any capital expenditure to ensure the Council will not inherit a legacy of increased revenue costs. Therefore, whole life costs are considered when evaluating potential capital projects.

Inclusion of new capital schemes within the strategic plan (currently Vision 2025) and capital programme is dependent on a prioritisation process. Project Managers will be required to prepare bids for approval and will be required to effectively

demonstrate how these will support the achievement of both their service area aims and the Council's strategic priorities.

The preparation of these project briefs must go through the five essential steps to initiate the project as defined in the Lincoln Project Management Model (LPMM):

1. The project mandate – where the ideas for the project is first discussed between the project sponsor and the project manager. It provides an initial assessment of the project and provides a clear description of why the project is required and what it is intended to achieve in terms of benefits to the Council's corporate objectives.
2. Establishing Reporting Criteria – formal approval and subsequent monitoring will take place. Approval for all new project budgets and budget changes will follow Financial Procedure Rules.
3. Appraise Options for Delivery - in order to demonstrate that the project delivery selected is the most appropriate and the most cost-effective.
4. Develop the Project Brief, Financial Assessment and Impact Assessment - these three documents clearly document the scope of the project, its objectives, the potential resources required (including a full financial breakdown) to deliver it and its impact.
5. Obtain approval to submit the project - Formal approval to submit the project is agreed and signed-off between the Project Manager and the Project Sponsor.

Once prepared, the project brief is submitted to the Vision Theme Groups for approval ahead of consideration by the Corporate Management Team and Portfolio Holders to evaluate, including how well the proposal meets strategic priorities, including cross cutting strategies and budget priorities, and how it utilises partnership working and externally generated resources as well as its operational feasibility. They will also consider the robustness of each project brief against the corporate standards in relation to clarity of definition, establishment of measurable outcomes and overall deliverability and the robustness of each Financial Assessment and Impact Assessment, including cost data in relation to project costs (including any costs associated with borrowing), post implementation ongoing revenue costs and any consequential or related income.

Once a final project is developed it is submitted to the Executive for approval and inclusion in the capital programmes. Any public consultation undertaken on the project through either the community, business or voluntary groups will be reported to the Executive as part of this approval process.

The entire process conforms to both the Council's project management methodology (The Lincoln Project Management Model) and also the Performance Management Framework adopted by the Council, which ensures schemes are not progressed for Member deliberation and support unless they are deliverable within the context of other competing pressures.

Section 6 - Capital and Project Monitoring

The delivery of schemes supporting the delivery of the Vision 2025 is monitored by the individual vision theme groups who report progress on an exceptions basis to the Executive and Performance Scrutiny on a quarterly basis. In addition, the overall capital programmes are monitored by the Capital Programme Group, with financial performance reporting to the Executive and Performance Scrutiny on a quarterly basis.

The Capital Strategy and the capital programme are updated on a rolling basis and are reported annually to Executive and Council for approval alongside the MTFS. In addition, the Council's Executive is required to approve variations to the capital programme beyond the limit delegated to the Chief Finance Officer.

When a project is completed a Post Implementation Review (PIR) is carried out. However, some projects are recurring in nature such as the capital maintenance programme or the Decent Homes programme and do not require a PIR. A PIR is a formal review of the project which aims to answer the question: "Did we achieve what we set out to do ... and if not, what should be done?"

A PIR can provide valuable lessons and experience that can be used to improve and shape service delivery in the future. The Lincoln Project Management Model includes a robust post project review system, overseen and reviewed, to ensure relevant information is collected and communicated to all relevant parties to enable improvement in both procurement and service provision and will consider if the project:

- Met its stated aims and objectives
- Was delivered on time and within budget
- Was acceptable to the client/stakeholder and met all their specific requirements

Section 7 – Commercial Activity and Investment Property

The Chartered Institute of Public Finance and Accountancy (CIPFA) defines investment property as property held solely to earn rentals or for capital appreciation or both. Returns from property ownership can be both income driven (through the receipt of rent) and by way of appreciation of the underlying asset value (capital growth).

The Council's commercial property investment strategy was approved in March 2019 and set out the criteria against which decisions were to be taken. The Council has previously invested in property to secure the economic wellbeing of the City by generating additional income for the provision of services, for the purpose of economic development or regeneration, or a combination of both. Historically the Council could fund the purchase of property through borrowing (through the PWLB or as part of cash flow borrowing). Under new guidance issued by CIPFA, borrowing solely to invest in revenue generating investments is considered to be borrowing in advance of need – whilst this is not prohibited councils are required to make disclosures to the effect that this borrowing is taking place, their dependence on commercial income to deliver statutory services and the amount of borrowing committed to generate that income. In addition, the PWLB have revised their lending terms which now prohibits Local Authorities from accessing PWLB funds to finance debt-for-yield schemes. This means that if the Council wished to pursue such a scheme, it would need to source an alternative lender in the market, whilst also ensuring compliance with CIPFA guidance. As a result of these changes the Council's GIP and Capital Strategy do not include any proposals to investment in any new commercial property. The Council will still though progress opportunities for regeneration and housing developments, in accordance with the revised guidance and lending terms.

Historically the council's property investments have provided strong returns in terms of capital growth and generation of stable income. Property investments are not without risk as property values are subject to many national and other external factors which are outside the control of the council. Where possible investments of this type will also have a 'fall back' position in addition to their expected commercial arrangement e.g. the council has purchased the freehold of a car park which it leases to a large, national company however should the company surrender the lease or not meet the lease payments the council could operate the car park themselves or seek an alternative tenant. The strategy continues to be that the council will invest prudently on a commercial basis and take advantage of opportunities as they may arise which meet our strategic objectives and secure the economic wellbeing of the City, supported by our robust governance arrangements.

At 1/4/2020 the council has £34.646m of investment properties on the balance sheet with no further investment planned in the current General Investment Programme. The income from investment properties is predominantly derived from ground rent and land leases. Further details relating to investment properties are given below:

| | |
|--|----------|
| Total value of investment properties | £34.65m |
| Value of properties held for rental income | £33.854m |
| Value of properties earning rental income | £33.032m |
| Income from properties earning rental income | £1.828m |
| Yield from properties earning rental income | 5.53% |

| | |
|---|---------|
| Value of properties held for capital appreciation or where the freehold has a market value* | £0.154m |
|---|---------|

*The council has arrangements where the freehold on land is retained, generally subject to a long lease but which produces no rental income, however the freehold land does have a market value.

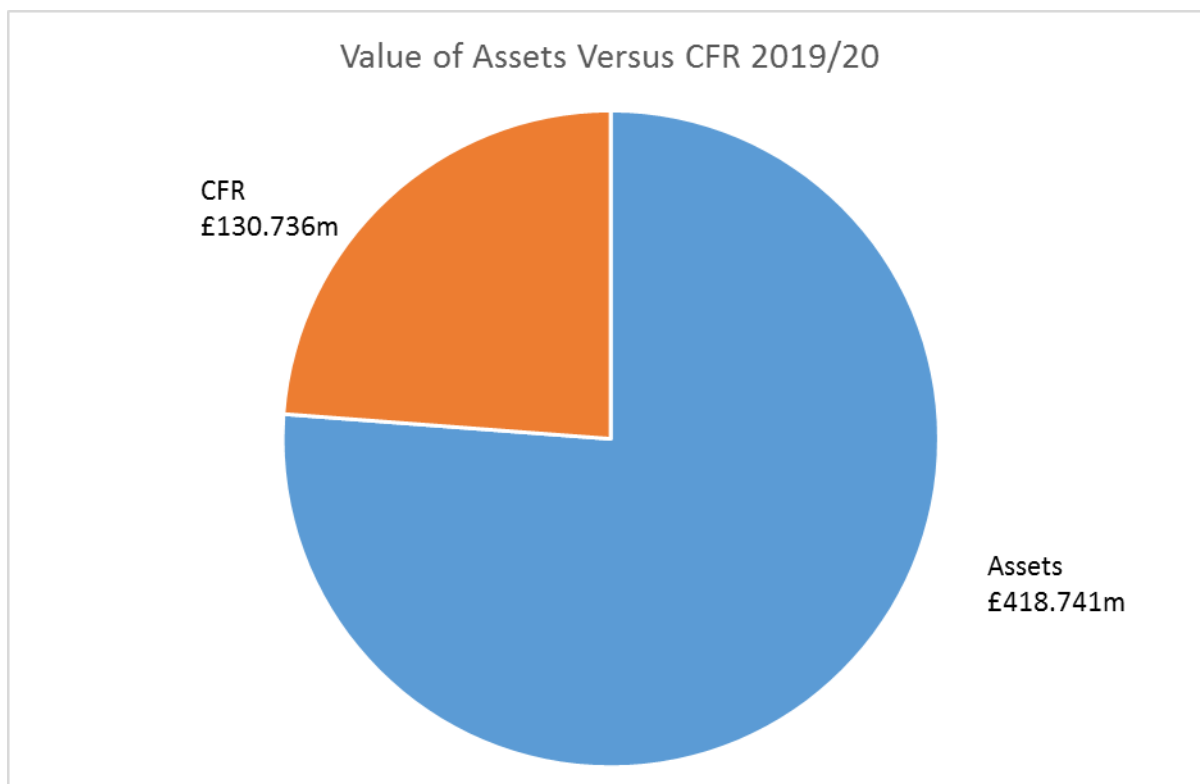
For the year 2020/21 the anticipated income from investment properties represents less than 3.2% of the council's gross expenditure.

Many of the council's investment properties have been council assets for a number of years. More recently the council has borrowed to fund the purchase of assets. The financial impact of this is shown in the table below:

| Asset type | Value | Annual income (21/22) | Yield on value of assets | Borrowing costs | Annual surplus |
|-------------------|-------------|-----------------------|--------------------------|-----------------|----------------|
| Car Parks | £6,093,000 | £344,416 | 5.65% | £192,180* | £152,236 |
| Freehold property | £11,500,000 | £573,361 | 5.00% | £497,327 | £76,034 |
| Retail units | £6,345,000 | £445,500 | 5.00% | £334,551* | £110,949 |

*assumed in business cases

A graph illustrating the value of the council's assets compared to the capital financing requirement (the underlying need to borrow to fund capital investment) at 31 March 2020 is given below:



The table below indicates the interest cost of borrowing within the general fund and the housing revenue accounts compared to overall gross expenditure. The limits indicated are set locally and are not imposed by central government or advisory levels provided by CIPFA.

| Current budgeted cost of borrowing | | | | | |
|--|---------|---------|---------|---------|---------|
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
| GENF borrowing cost as a % of gross revenue expenditure | 9.57% | 10.98% | 11.29% | 11.44% | 11.22% |
| Limit of GENF borrowing cost as a % of gross revenue expenditure | 15% | 15% | 15% | 15% | 15% |
| HRA borrowing cost as a % of gross revenue expenditure | 10.54% | 10.53% | 10.42% | 10.30% | 10.25% |
| Limit of HRA borrowing cost as a % of gross revenue expenditure | 14% | 14% | 14% | 14% | 14% |

Section 8 – Loans and investments in local businesses and organisations

The Council has the discretion to make loans and investments in local organisations for a number of reasons, primarily for economic growth; these loans are treated as capital expenditure.

In making these arrangements the council exposes itself to the risk that the borrower defaults on repayments. The council must therefore ensure that it has fully considered the risk implications with regard to both the individual loan and that the value of them individually and collectively is proportionate and prudent within the overall exposure to the council to risk of default.

To ensure that the risk is managed a full due diligence exercise is undertaken, with a business case that identifies the benefits and risks and considers whether adequate security is in place. Loans and investments will be agreed by Executive and will be subject to close regular monitoring.

Section 9 – Knowledge and Skills

The Council's Capital Strategy is reviewed annually and compiled by the Chief Finance Officer, an experienced and qualified accountant. External advice is available from the Council's Treasury Management advisors (Link Group) who offer a range of services in relation to borrowing advice, leasing and capital investment options. The council is also a subscriber to the CIPFA Finance Advisory Network which provides advice on technical accounting matters. Additional specialist tax advice in respect of tax implications for property transactions is available from an external supplier of this service (PS Tax). The council has an in-house legal team

and additional legal specialist support is available from external sources. The council has an in-house property services section headed by a RICS qualified surveyor and additional specialist support in respect of property matters is available through the district valuer and other external sources.

Section 10 - Conclusion

The Council's Capital Strategy is a 'live' document, which provides a framework for the deployment and management of capital resources across the organisation in accordance with corporate priorities. It is therefore the framework for capital investment across the Council. The Strategy will be reviewed annually, to ensure it is kept up to date and is relevant and effective and reflects best practice.