

Divisions Affected - All

PERFORMANCE SCRUTINY COMMITTEE

14 JANUARY 2021

Budget & Business Planning 2021/22

Capital & Investment Strategies

Report by Director of Finance

RECOMMENDATION

1. The Committee is RECOMMENDED to consider and comment on:
 - a) The Capital & Investment Strategy (Section 5.1), incorporating
 - i. The Treasury Management Strategy 2021/22 (Section 5.2)
 - ii. The Investment Strategy 2021/22 (Section 5.3)
 - iii. The Property Strategy (Section 5.4)
 - b) The Draft Capital Programme 2021/22 to 2030/31 (Section 5.5)
 - c) Changes to the Capital Programme (Section 5.6)

Executive Summary

2. On 19 January 2021, as part of the Budget and Business Planning Report 2021/22, Cabinet will consider the proposed revenue budget for 2021/22, the Medium Term Financial Strategy to 2025/26 and the Corporate Plan alongside the Capital & Investment Strategy, capital programme and supporting strategies.
3. On 18 December 2020, as part of the Budget Proposals 2021/22 to 2025/26 report, Performance Scrutiny Committee considered the Investments, Pressures and proposed Savings for the revenue budget included in the Public Consultation and the proposed themes for inclusion in the refreshed Corporate Plan. The Committee is now invited to comment on the Capital & Investment Strategy, capital programme and supporting strategies.
4. These comments will be taken into consideration by Cabinet in finalising its budget proposals which will be set out in the report to Cabinet on 19 January 2021.

Introduction

5. Performance Scrutiny Committee is invited to comment on the Capital & Investment Strategy and supporting strategies included in this report. The Capital & Investment Strategy forms Section 5 of the suite of budget papers that comprise the Business and Budget Planning 2021/22 report considered by Cabinet on 19 January 2021 and Council on 9 February 2021.
6. The full suite of Business and Budget Planning papers to Council on 9 February will be comprised of the following sections:
 1. Leader of the Council's Overview
 2. Corporate Plan
 3. Chief Finance Officer's Statutory Report
 4. Revenue Budget Strategy
 5. Capital & Investment Strategy
7. The Budget and Business Planning Report 2021/22 to Cabinet on 19 January 2020 will comprise Sections 2, 4 and 5 and include the proposed revenue budget for 2021/22, the Medium Term Financial Strategy to 2025/26 and the Corporate Plan alongside the Capital & Investment Strategy, capital programme and supporting strategies.

Capital & Investment Strategy

8. The Capital & Investment Strategy is an overarching strategy that brings together the strategies that drive the Capital Programme, the Investment Strategy and the Treasury Management Strategy. The strategy satisfies the requirements as set out in the Prudential Code for Capital Finance in Local Authorities 2017 for authorities to prepare at least one Investment Strategy containing the disclosures and reporting requirements specified in the guidance each financial year. The Strategy must be approved by full Council.
9. The overarching strategy is supported by the following strategies:

Strategies that determine the need for and prioritisation of investment through the capital programme:

- (a) Pupil Place Plan
- (b) SEND Sufficiency Plan
- (c) Oxfordshire Infrastructure Strategy (OxIS)
- (d) Highways Asset Management Plan
- (e) ICT Strategy
- (f) Property Strategy (Section 5.4)

Strategies that support the financing of the programme:

- (g) Treasury Management Strategy (Section 5.2)
- (h) Property Investment Strategy (Section 5.3)

10. The Treasury Management Strategy and Property Investment Strategy are annual strategies and require approval by Cabinet (19 January 2021) and Council (9 February 2021). The Property Strategy has been reviewed and updated and also requires approval. The strategy sets out the Council's approach to property assets and will guide our priorities for managing and developing our estate over the next 5 years.
11. The Pupil Place Plan and Highways Assets Management Plan will both be updated during 2021/22 for approval as part of the Budget and Business Planning process for 2022/23.
12. The Council's 10 year Capital Programme is derived from the priorities identified in the supporting strategies and sets out the agreed capital investment to deliver those priorities. The programme is refreshed annually and agreed by Council each February. The draft programme for 2021/22 to 2030/31 is attached at Section 5.5. Section 5.6 sets out the proposed changes to the existing Capital Programme.
13. The following annexes are attached to this report:
 - 5.1 Capital & Investment Strategy
 - 5.2 Treasury Management Strategy 2021/22
 - 5.3 Investment Strategy 2021/22
 - 5.4 Property Strategy
 - 5.5 Draft Capital Programme 2021/22 to 2030/31
 - 5.6 Changes to the Capital Programme

Financial Implications

14. The financial implications arising from the Capital & Investment Strategy are set out in the supporting annexes.

Legal Implications

15. There are no legal implications arising directly from this report. The Council is required under the Localism Act 2011 to set a council tax requirement for the authority. This report provides information which, when taken together with the future reports up to January 2021, will lead to the council tax requirement being agreed in February 2021, together with a budget for 2021/22, five-year medium term financial strategy and ten year capital programme.

Comments checked by:

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LORNA BAXTER
Director of Finance

Annex: 5.1 Capital & Investment Strategy
 5.2 Treasury Management Strategy 2021/22
 5.3 Investment Strategy 2021/22
 5.4 Property Strategy
 5.5 Draft Capital Programme 2021/22 to 2030/31
 5.6 Changes to the Capital Programme

Background papers: Nil

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