



**COTSWOLD**  
District Council

Council name	<b>COTSWOLD DISTRICT COUNCIL</b>
Name and date of Committee	<b>AUDIT AND GOVERNANCE COMMITTEE – 28 JANUARY 2025</b>
Subject	<b>ANNUAL CAPITAL STRATEGY 2025/2026 (DRAFT)</b>
Wards affected	N/A
Accountable member	Cllr Mike Every, Deputy Leader and Cabinet Member for Finance and Transformation Email: <a href="mailto:mike.every@cotswold.gov.uk">mike.every@cotswold.gov.uk</a>
Accountable officer	David Stanley, Deputy Chief Executive and S151 Officer Email: <a href="mailto:david.stanley@Cotswold.gov.uk">david.stanley@Cotswold.gov.uk</a>
Report author	Michelle Burge, Chief Accountant Email: <a href="mailto:michelle.burge@Cotswold.gov.uk">michelle.burge@Cotswold.gov.uk</a>
Summary/Purpose	<p>The Council is required to approve a Capital Strategy for 2025/26 before 01 April 2025.</p> <p>The Capital Strategy 2025/26 (Appendix 1) is prepared in accordance with CIPFA's "Prudential Code" and the "Treasury Management Code of Practice" (2021 editions), and the Ministry of Housing, Community and Local Government (MHCLG) revised guidance on Local Government Investments.</p>
Annexes	N/A
Recommendation(s)	That the Committee resolves to: <ol style="list-style-type: none"><li>1. Consider the draft Capital Strategy (Appendix 1) for 2025/26 and provides feedback to the Cabinet and Council for consideration as part of the Council's budget setting process.</li></ol>
Corporate priorities	The Council's Capital Strategy underpins all the Council's priorities and is relevant to the Council principle of "Value for money – we will use the council's resources wisely but will invest in the fabric



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	and future of the district".
Key Decision	NO
Exempt	NO
Consultees/ Consultation	N/A



## **1. BACKGROUND**

- 1.1** The draft Capital Strategy gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. It has been written in an accessible style to enhance members' understanding of these sometimes-technical areas.
- 1.2** The Capital Strategy sets the Prudential Indicators for affordable, prudent and sustainable capital investment.
- 1.3** The Council's Capital Strategy forms a key element of the overall planning framework. It allows the Council to align capital investment and financing with the Corporate Plan priorities. These include:
- Priority 1 – Delivering Good Services
  - Priority 2 – Responding to the Climate Emergency
  - Priority 3 – Delivering Housing
  - Priority 4 – Supporting Communities
  - Priority 5 – Supporting the Economy
- 1.4** This will be achieved by integrating capital budget decisions into the Council's planning process, so that capital investment decisions are prioritised alongside plans for revenue income and expenditure, as well as plans for assets including the Council's land and buildings and liabilities including the prudent use of borrowing; and reporting regularly through to Council, Cabinet and the Audit and Governance Committee
- 1.5** The Strategy has direct links with the Annual Treasury Management Strategy and Annual Non-Treasury Investment Strategy. These are included within the Council's Medium Term Financial Strategy (MTFS)

## **2. ALTERNATIVE OPTIONS**

- 2.1** None

## **3. FINANCIAL IMPLICATIONS**

- 3.1** Financial implications are set out within the body of the report.



**4. LEGAL IMPLICATIONS**

**4.1** There are no legal implications arising from this report.

**5. RISK ASSESSMENT**

**5.1** The process for identification and management of risks associated with the Capital Strategy are set out within the document.

**6. EQUALITIES IMPACT**

**6.1** None directly arising from this report.

**7. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS**

**7.1** None directly arising from this report.

**8. BACKGROUND PAPERS**

**8.1** None.