

FAREHAM BOROUGH COUNCIL

2019/20
Decision No.
2161

Record of Decision by Executive

Monday, 6 January 2020

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| Portfolio | Policy & Resources |
| Subject: | Capital Programme and Capital Strategy 2020-21 |
| Report of: | Deputy Chief Executive Officer |
| Corporate Priority: | Dynamic, prudent and progressive Council |

Purpose:

This report considers the Capital Strategy for 2020/21, prior to its submission to Council for approval.

Regulations require the Council to prepare and formally approve a Capital Strategy. The document for 2020/21 is attached as Appendix A to the report for consideration by the Executive before being submitted to Council for approval.

The Capital Strategy gives a high-level overview of how capital expenditure, capital financing, asset management 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.

The main highlights in the Capital Strategy are:

- i) The level of capital expenditure estimated for 2020/21 is £31.8 million. The current estimate is that £11.9 million of this will be met by new borrowing.
- ii) A high-level review of future funding requirements has identified a capital funding requirement of £196 million.
- iii) The Council's commercial property portfolio has an estimated value of £69.9 million.

A separate report proposing the Treasury Management Strategy and Investment Strategy for 2020/21 will be presented at the February meeting of the Executive.

Options Considered:

As recommendation.

Decision:

RESOLVED that the Executive:

- (a) endorses the draft Capital Strategy for 2020/21, attached as Appendix A to this report;
- (b) approves the capital programme for the period 2019/20 to 2023/24, amounting to £92.5 million as set out in Annex 1 of the Capital Strategy; and
- (c) agrees to submit the Capital Strategy for 2020/21 to Council for approval.

Reason:

To allow the Council to approve the Capital Strategy in accordance with the Prudential Code.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)
Monday, 6 January 2020