

# FAREHAM

## BOROUGH COUNCIL

2023/24  
Decision No.  
2504

### Record of Decision by Executive

Monday, 8 January 2024

<b>Portfolio</b>	Policy & Resources
<b>Subject:</b>	<b>Capital Programme and Capital Strategy 2024/25</b>
<b>Report of:</b>	Assistant Chief Executive Officer
<b>Corporate Priority:</b>	Responsive, Inclusive and Innovative Council

#### **Purpose:**

The report considers the Capital Strategy for 2024/25, prior to its submission to the Council for approval.

Regulations require the Council to prepare and formally approve a Capital Strategy. The document for 2024/25 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 for 2024/25 is £16.4 million. The current estimate is that £1.3 million of this will be met by new borrowing.
- ii) A new policy of capitalising officer salary costs that are directly attributable to capital schemes will be considered as part of the total project costs.
- iii) A high-level review of future funding requirements has identified a capital funding requirement of £229 million.
- iv) The Council's investment property portfolio has an estimate value of £70 million.

A separate report proposing the treasury Management Strategy and Investment Strategy for 2023/24 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 2024/25, attached as Appendix A to the report;
- (b) approves the capital programme for the period 2023/24 to 2027/28, amounting to £82.3 million as set out in Annex 1 of the Capital Strategy; and
- (c) agrees to submit the Capital Strategy for 2024/25 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, 8 January 2024