

PLYMOUTH CITY COUNCIL

Subject:	Capital Financing Strategy 2019/20
Committee:	Audit Committee
Date:	10 December 2018
Cabinet Member:	Councillor Lowry
CMT Member:	Andrew Hardingham (Service Director for Finance)
Author:	Chris Flower, Finance Business Partner – Accountant for Capital and Treasury Management
Contact details	Tel: 01752 304212 email: chris.flower@plymouth.gov.uk
Ref:	Fin/CF
Key Decision:	No
Part:	I

Purpose of the report:

This report sets out the Capital Financing Strategy for 2019/20 and is a new requirement of The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management in Public Services.

Corporate Plan

Effective financial management is fundamental to the delivery of corporate improvement priorities. Treasury Management activity has a significant impact on the Council's activity both in revenue budget terms and capital investment and is a key factor in facilitating the delivery against a number of corporate priorities.

Implications for Medium Term Financial Plan and Resource Implications:

The cost of capital affects the Treasury Management Strategy and the Council's budget in terms of borrowing costs and investment returns. The Capital Strategy provides an overarching policy framework for the Council's capital programme and planning, and will form part of a suite strategies which provide a holistic view of the Councils financial planning framework. With this in mind this document should be considered in conjunction with the Medium-Term Financial Strategy, Treasury Management Strategy and Investment Strategy.

The Capital Financing Strategy covers the capital programme; capital budget; governance; capital financing; affordability and risk management.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

A robust Treasury Management Strategy is key to ensuring a successful delivery of our Medium Term Financial Strategy and ensuring the Council can achieve its objectives to be a Pioneering,

Growing Caring and Confident City.

Equality and Diversity

Has an Equality Impact Assessment been undertaken? No

Recommendations and Reasons for recommended action:

- I. The Audit Committee recommends the Capital Financing Strategy 2018/19 to the Cabinet for approval.

This is to comply with the CIPFA Code of Practice and discharge our statutory requirement.

Alternative options considered and rejected:

It is a statutory requirement under the Local Government Act 2003 and supporting regulations to set an annual capital strategy. The Council has adopted the CIPFA Code of Practice for Treasury Management.

Published work / information:

Not Applicable

Background papers:

Not Applicable

Title	Part I	Part II	Exemption Paragraph Number						
			1	2	3	4	5	6	7

Sign off:

Fin	PL.18. 19.14 9	Leg	ALT/ 3050 8/2	Mon Off	ALT/ 3050 8/2	HR		Assets		IT		Strat Proc	
Originating SMT Member Andrew Hardingham, Assistant Director													
Has the Cabinet Member(s) agreed the contents of the report? Yes													