

Lancaster City Council | Report Cover Sheet

Meeting	Cabinet	Date	27 October 2020
Title	Capital Investment Strategy		
Report of	Chief Executive		
Purpose of Report			
<p>This report proposes a Capital Investment Strategy for 2020-21 to 2024/25, to cover all capital investments made by the Council.</p> <p>The Strategy reflects the aspirations of Council's Funding the Future, and the Medium-Term Financial Strategies.</p>			
Key Decision (Y/N)		Date of Notice	
		Exempt (Y/N)	

Report Summary

The proposed Capital Investment Strategy is designed to cover all the Council's capital investments from 2020-21 to 2024-25, including projects and schemes that support:

- Economic Regeneration
- Delivery of a Social Return, for example Housing
- Income Generation including Property Investment
- Carbon Zero + Initiatives that address the Climate Emergency
- Operational Service Delivery

Whilst the Council delivers significant value in our district through its ongoing operations, capital investment provides opportunity to deliver further long-term, sustainable outcomes in each of these areas.

Economic Regeneration

These are investments for the benefit, improvement, or development of the area delivering key outcomes such as, development and regeneration in our town centres, successful creation of new jobs or retention of jobs with fair and decent working conditions and business rate growth.

Delivery of a Social Return

This classification is broad to enable support for a wider range of investments, but it may include areas such as housing, and the acquisitions of existing residential properties, to provide good quality housing in the private sector rental sector. Other examples may also include maintaining the Council's objective of being an effective and responsible landlord ensuring that good quality housing options remain for the District's residents, or retrofitting properties acquired to an agreed defined standard both in terms of quality and thermal efficiency.

Income Generation including Property Investment

Research suggests that property investment forms an increasingly important part of District Councils' resources and these returns form a substantial proportion of overall resourcing for districts.

Carbon Zero + Initiatives that address the Climate Emergency

Capital investment to support a range of schemes which examine areas such as, how we use and create energy, such as installation of solar panels, or investment in larger scale solar

energy facilities. How we work, by supporting agile working to reduce our carbon footprint, or the increased electrification of our vehicle fleet, and how we reduce waste both within the Council and across the wider District.

Operational Investments

These are capital investments that sustain the day to day operational delivery of the Council's services, which underpin a broad range of Council priorities, such as, upgrades or replacement of key information and communication systems. Also, Invest to Save proposals which provide short-term funding to services to help services become more efficient and effective.

The Strategy proposes outcome targets against each of the workstreams listed above, underpinned by the processes, skills and capacity, and monitoring through which desired outcomes can be delivered.

Recommendations of Councillor Anne Whitehead

That Cabinet

- Endorses the Capital Investment Strategy and the associated appendices included at Appendix A and recommends the strategy for adoption by Full Council into the Budget & Policy Framework

Relationship to Policy Framework

The proposed Capital Investment Strategy supports the Medium-Term Financial Strategy (MTFS).

Conclusion of Impact Assessment(s) where applicable

Climate

Wellbeing & Social Value

Digital

Health & Safety

Equality

Community Safety

Details of Consultation

The Council's Constitution (Part 3 Section 5 – Budget & Policy Framework) requires that when a new or existing strategy is being considered, the Overview and Scrutiny Committee or Budget and Performance Panel have an opportunity to comment. If it considers it appropriate, Cabinet may then amend its proposals before submitting them to Council for consideration.

Legal Implications

The Council has the legal power to acquire, use and dispose of land principally under the Local Government Act 1972 and other Acts which give the Council powers to acquire land for a particular purpose. In accordance with section 120(1), Local Government Act 1972, the Council has the power to acquire any land where it is for the purposes of (a) any of its statutory functions or (b) for the benefit, improvement or development of its area.

If the Council decides to dispose of land, there is a legal requirement to obtain best value (with very limited exceptions)

Depending on the nature of the particular type of property concerned, there may be other statutory requirements or procedures to be undertaken before any acquisition, appropriation or disposal of land.

Financial Implications

There are no financial implications arising directly from this report. However, the proposed levels and areas of capital investments will require borrowing and other associated costs. Financial due diligence and assessment will ensure that all the appropriate costs are considered for each proposal.

Other Resource or Risk Implications

None directly from this report

Section 151 Officer's Comments

The s151 Officer has contributed to the writing of this report

Monitoring Officer's Comments

Capital and Investment Strategies form part of the Budget Framework and their adoption is a function of Full Council

Contact Officer	Kieran Keane, Chief Executive
Tel	01524 582501
Email	chiefexecutive@lancaster.gov.uk

Links to Background Papers