

Lancaster City Council | Report Cover Sheet

Meeting	Cabinet	Date	8 February 2022
Report	Capital Programme 2022/23 to 2025/26 & Capital Strategy (Investing in the Future)		
Report of	Chief Finance Officer		
Purpose of Report			
To present Cabinet's final budget proposals in order that the Council can approve a General Fund Capital Programme for 2022/23 to 2024/25 and a Capital Strategy 2022/23 as required by regulation			
Key Decision (Y/N)	N	Date of Notice	Exempt (Y/N)
			N

Report Summary

Capital investment, via the Council's reserves or borrowing, plays a key role in strategic projects and initiatives for the success of the Lancaster district, as well as transforming and optimising the Council's services to its residents.

The proposed Capital Programme and supporting Strategy, entitled '*Investing in the Future*' and contained at Appendix B, sets out the relevant context and a proposed framework to support the Council's approach to capital investment over the medium term.

The programme and strategy aligns capital investment to the Council's four overall priorities, and proposes a consistent 'lifecycle' for the development and delivery of capital investment activities, including the transparent, accountable democratic decision process. The strategy also sets out the proposed approach to risk management as well as the monitoring and evaluation of capital projects.

Cabinet originally considered the strategy at its meeting of 7 December 2021. It was suggested that further reference be made regarding the potential for investment to create social value through culture and heritage assets. The updated draft included at Appendix B contains additional content in section 1.1 and Investment Streams 2 and 3 to reflect this.

The strategy was considered by Budget & Performance Panel at its meeting of 14 December 2021. The Panel noted the report and draft strategy without suggesting further amendments.

Recommendations of Councillor Anne Whitehead

1. That Cabinet recommends the following for approval to Budget Council 23 February 2020:
 - the updated Capital Programme covering financial years 2022/23 to 2025/26
 - the Capital Strategy (Investing in the Future) 2022/23
2. That the Finance Portfolio Holder be given delegated authority to finalise the Capital Programme and associated Capital Strategy, as updated for Cabinet's final budget proposals, and outcomes of the Final Local Government Settlement

Relationship to Policy Framework

The Council's revenue and capital budgets should represent, in financial terms what the Council is seeking to achieve through its Policy Framework.

The proposed capital programme and supporting strategy is part of the Council's budget and policy framework, and fits into the Medium Term Financial Strategy

Conclusion of Impact Assessment(s) where applicable

Climate	Wellbeing & Social Value
Digital	Health & Safety
Equality	Community Safety

No direct impact arising from this report.

Details of Consultation

In line with the Council's Constitution (Part 3 Section 5 – Budget & Policy Framework), the draft Strategy was considered by Budget & Performance Panel at its meeting of 14 December 2021. The Panel noted the report with no suggested amendments.

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 arising from this report.

Section 151 Officer's Comments

The s151 Officer has contributed to the writing of this report and Appendices.

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	Paul Thompson
Tel	01524 582503
Email	pthompson@lancaster.gov.uk
Links to Background Papers	
Cabinet: Report & Minutes of 7 December 2021	
Appendix A: Capital Programme 2022/23 to 2025/26	
Appendix B: Investing in the Future Capital Investment Strategy	
Appendix C: Capital Assurance Group (CAG) Terms of Reference	
Budget & Performance Panel: Report & Minutes of 14 December 2021	