

Capital, Investment and Treasury Management Strategy

Investment Sub Committee Friday, 21 January 2022

Report of: Chief Finance Officer (Section 151)

Purpose: For decision

Publication status: Unrestricted

Wards affected: All

Executive summary:

This report submits the updated Capital, Investment and Treasury Management Strategy in accordance with the Department for Levelling Up, Housing and Communities (DLUHC) and CIPFA guidance to this Sub Committee for approval before going forward to full Council on 10th February 2022 for approval.

This report supports the Council's priority of: Building a better Council/
Creating the homes, infrastructure and environment we need/ Supporting economic recovery in Tandridge/ Becoming a greener, more sustainable District.

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Recommendation to the Sub-Committee:

That the Sub Committee recommends to Council the approval of the Capital, Investment and Treasury Management Strategy

Reason for recommendation:

This report and separate document will be reviewed by this Sub Committee before being recommended to Council for approval. This is a requirement of the CIPFA 2017 Prudential and Treasury Management Codes.

1 Introduction and background

- 1.1 The Capital, Investment and Treasury Management Strategy ('Strategy') have been updated and is attached as a separate document. This strategy provides a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the delivery of the Council's priorities along with an explanation of how risk, security and liquidity are managed.
- 1.2 The aim of the Strategy is to provide a framework within which the Council's Capital Investment Plans will be delivered. It provides a summary of the Council's capital expenditure plans and financing along with the principles, sources of finance and governance arrangements which apply to the management of the Capital Programme.
- 1.3 The Strategy also covers the Treasury Management function which main aim is to ensure that the income raised during the year is sufficient to meet expenditure plans and that the cash flow is planned, making sure that cash is available when needed. It is also key that when surplus cash is available this is invested with counterparties and in instruments commensurate with the Council's low risk appetite, whilst ensuring security and liquidity.
- 1.4 The Council's Investment Property Strategy is included within this document. This aims to provide a robust framework for the acquisition of property investments and the pursuance of redevelopment and regeneration opportunities.

Key implications

2 Comments of the Chief Finance Officer

- 2.1 The financial and risk implications are set out in detail within the attached Strategy and supporting Annexes.

3 Comments of the Head of Legal Services

- 3.1 There are no legal implications as a result of the recommendations in this report. The Council is required to approve a Capital, Investment and Treasury Management Strategy each financial year which includes an overview of Capital Financing, Treasury Management and Investments.

4 Equality

- 4.1 The proposals within this report do not have the potential to disadvantage or discriminate against different groups with protected characteristics in the community.

5 Climate change

- 5.1 There are no significant environmental/sustainability implications associated with the report. It is however recognised that some Council investments may be in companies that are considered to have a detrimental impact on the climate, for example oil companies.

Appendices

Appendix 1 – Capital, Investment and Treasury Management Strategy 2022/23 and supporting Annexes.

Background papers

Refer to 2022/23 Draft Budget and Medium Term Financial Strategy

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