

CAPITAL STRATEGY

1 SUMMARY

- 1.1 This report presents the Draft Capital Strategy for approval (Appendix A). The Strategy sets out the basis for the authority's capital investment and should reflect the corporate decision-making process, corporate priorities and links with all other strategies and plans.

2 INTRODUCTION

- 2.1 In previous years, there was a requirement to submit a Capital Strategy annually for assessment as part of the Single Capital Pot regime, used for the allocation of Central Government capital support to local authorities. The Capital Strategy submitted by this Council achieved a "satisfactory" assessment
- 2.2 Following last year's round, the Office of the Deputy Prime Minister announced that instead of requiring Councils who had achieved "satisfactory" assessment to submit a Capital Strategy in 2004, the local Government Offices would work with the authorities concerned to help them to improve their strategic process.
- 2.3 Rochford has taken advantage of this help and the suggestions for improvements have been incorporated into the attached Strategy. The Strategy is still required to meet the pre-set assessment criteria.

3 DISCUSSION

- 3.1 Within the Capital Strategy is the section dealing with prioritisation of capital investment. The Council has previously set the following key priorities and targets for the Capital Programme and these are unchanged:
- ❖ Investment in statutory and priority services to ensure the continuation of essential services and value for money
 - ❖ Ensure that landlord and owner responsibilities are undertaken including priority items identified through the asset management plan
 - ❖ Improve infrastructure that has an influence on economic activity and the well being of the Authority. This mainly relates to the improvement of town and village centres.
 - ❖ Priority items flowing from key strategy documents

4 RISK IMPLICATIONS

Effective capital planning is an essential component of the new prudential capital finance system introduced in April 2004. Comprehensive Performance Assessments will continue to take account of the way local authorities utilise their resources.

4.1 Resource Risk

Effective capital planning ensures that our limited capital resources are targeted at achieving the Council's main objectives and key priorities.

5 RESOURCE IMPLICATIONS

- 5.1 The Capital Programme will be submitted to Council as part of the Budget Strategy and decisions regarding the Programme should take account of the approved Capital Strategy.

6 RECOMMENDATION

- 6.1 It is proposed that the Committee **RECOMMENDS** to Full Council

That the Capital Strategy be agreed.

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Background Papers:-

None

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