

**29 JANUARY 2025**

**KEY DECISION? NO**

**ANNUAL CAPITAL STRATEGY 2025/26**

**SUMMARY AND RECOMMENDATIONS:**

**SUMMARY:**

The Council is required to approve a Capital Strategy for 2025/26 before 1 April 2025.

The Capital Strategy 2025/26 (Appendix 1) is in accordance with CIPFA's "Prudential Code" and the "Treasury Management Code of Practice" 2021, and the Department for Levelling Up, Housing and Communities (DLUHC) guidance on Local Government Investment.

**RECOMMENDATION:**

Members are requested to recommend to Council:

- (i) Approval of the Capital Strategy for 2025/26 to 2027/28 and Prudential Indicators for 2025/26.

**1 INTRODUCTION**

- 1.1 This report sets out the proposed Capital Strategy for the year 2025/26 to 2027/28, including the Prudential indicators for capital finance for 2025/26.
- 1.2 This capital strategy report gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 1.3 Decisions made this year on capital and treasury management will have financial consequences for the Authority for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.

- 1.4 The Council follows best practice by adhering to the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017* (the CIPFA Code), incorporating any subsequent revised guidance. Subsequently the Council approves both a Capital Strategy and the related Treasury Management Strategy before the start of each financial year.

## 2 PURPOSE

- 2.1 The purpose of the Capital Strategy is to give an overview of how capital expenditure; capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 2.2 The purpose of investment management operations is to ensure that all investment decisions that are made primarily to generate a profit have a suitable level of security and liquidity. Ensuring risks and rewards are monitored regularly.
- 2.3 The second main function of the Capital Strategy is to set the Prudential indicators for affordable, prudent and sustainable capital investment.
- 2.4 Appendix 1 sets out the Capital Strategy for 2025/26 to 2027/28 and fulfil key legislative requirements as follows:
- The **Capital Strategy** sets out a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. It has been written in accordance with CIPFA's Code of Practice on Treasury Management, the CIPFA Prudential Code and MHCLG guidance on local government investments.
- 2.5 These policies and parameters provide an approved framework within which officers undertake the day-to-day capital, treasury and non-treasury investment activities.

## 3 SCOPE

- 3.1 This report covers the Council's capital management activities as set out in paragraphs 2.1 to 2.3 above. A summary of Treasury Management and commercial investments and the Council's borrowing requirements to fund the Capital strategy are set out. Prudential indicators are identified to set measures for affordability, prudent and sustainable.
- 3.2 Where a material change occurs to the attached strategies during the year a revised strategy will be presented to full council before the change is implemented.

**BACKGROUND DOCUMENTS:**

1. *Treasury Management in the Public Services (CIPFA) 2021 Edition*
2. *Treasury Management in the Public Services Guidance Notes for Local Authorities (CIPFA) 2021 Edition*
3. *The Prudential Code for Capital Finance (CIPFA) 2021 Edition*
4. *Guidance Notes for Practitioners: The Prudential Code (CIPFA) 2021 Edition*
5. *DLUHC Statutory Guidance on Local Government Investments (3<sup>rd</sup> Edition)*
6. *SI 2003/3146 - Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (as amended)*
7. *Prudential Property Investment (CIPFA) 2019*

**CONTACT DETAILS:**

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**CAPITAL STRATEGY 2025/26**

**1 INTRODUCTION**

- 1.1 This capital strategy is a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed, and the implications for future financial sustainability.
- 1.2 Decisions made this year on capital and treasury management will have financial consequences for the Authority for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.

**2 CAPITAL EXPENDITURE AND FINANCING**

- 2.1 Capital expenditure is where the Authority spends money on assets, such as property or vehicles, that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. The Authority has some limited discretion on what counts as capital expenditure, for example assets costing below £20,000 (land and buildings) and £10,000 (plant, vehicles and equipment) are not capitalised and are charged to revenue in year. Expenditure that maintains but does not add to an asset’s potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.
- 2.2 In 2025/26, the Council is planning capital expenditure of £10.1m as summarised below:

**Table 1: Prudential Indicator: Estimate of Capital Expenditure in £ millions**

|                     | <b>2023/24<br/>Actual</b> | <b>2024/25<br/>Forecast<br/>*</b> | <b>2025/26<br/>Estimate</b> | <b>2026/27<br/>Estimate</b> | <b>2027/28<br/>Estimate</b> |
|---------------------|---------------------------|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|
| Capital Expenditure | 34.6                      | 16.2                              | 10.1                        | 2.2                         | 2.0                         |

*\* The forecast for 2024/25 is based the revised capital programme for 2024/25 and reflects the estimated out turn on all projects.*

- 2.3 The main capital projects in 2025/26 include the completion of the crematorium upgrade and regeneration activity at Union Yard (Aldershot). The full capital programme can be found in the MTFs 2025-26 to 2028-29 budget report.

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- 2.4 In November 2020 the PWLB lending facility issued lending terms that were subject to further clarification in August 2021. This makes it a condition of access to the PWLB funding that local authorities have no intention to buy investment assets primarily for yield in the current and following two financial years. No expenditure has been incurred on the acquisition of such assets since November 2020 and the Council does not plan to incur expenditure on investment assets primarily for yield within the capital programme.
- 2.5 The Council's capital programme has historically been financed primarily through prudential borrowing. The Council has adopted a strategy to generate capital receipts to as far as possible mitigate the currently high borrowing levels and cost of interest.
- 2.6 The Council is currently reviewing its entire asset base to identify assets for disposal to generate capital receipts. The key criteria are to focus on non-income generating assets and assets that require significant future capital expenditure (i.e. liability) without a commensurate uplift in income. Progress to date is included in the 2025-26 to 2028-29 MTFS. The Council's ambition to build a leisure centre at Farnborough is dependent upon securing additional funding beyond the current Levelling Up Funding allocated by government funding and developing an affordable scheme within the funding available, including the ongoing revenue implications on the Council.
- 2.8 **Governance:** non treasury management investment. Variation to capital bids and new capital bids can be received during the year, usually on the basis of a business case or in relation to urgent and unforeseen works. All projects to be recommended for inclusion in the Capital programme are appraised by the Executive Leadership Team before being proposed to Cabinet. Cabinet and Full Council is responsible for approving capital investment decisions and monitoring progress on the delivery of the capital strategy. Larger property and regeneration projects are managed through the Council's regeneration and Property and Major Works programmes. These projects undergo scrutiny and review by the Project Board at different stages (e.g. feasibility, design, planning, due diligence) and costs and financing are reviewed by the finance service. A revised capital programme is presented to Cabinet early February and to Full Council in late February each year.
- 2.9 All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

**Table 2: Capital financing in £ millions**

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|                   | 2023/24<br>Actual | 2024/25<br>Forecast | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate |
|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| External sources  | 4.8               | 4.6                 | 1.5                 | 1.1                 | 1.1                 |
| Capital Receipts  | -                 | 2.7                 | 0.8                 | 0.8                 | -                   |
| Revenue Resources | 0.3               | -                   | -                   | -                   | -                   |
| Debt              | 29.5              | 9.0                 | 7.8                 | 0.2                 | 0.9                 |
| <b>TOTAL</b>      | <b>34.6</b>       | <b>16.3</b>         | <b>10.1</b>         | <b>2.1</b>          | <b>2.0</b>          |

2.10 Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue, which is known as Minimum Revenue Provision (MRP). Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance. Planned MRP and use of capital receipts are as follows:

**Table 3: Replacement of debt finance in £ millions**

|                  | 2023/24<br>Actual | 2024/25<br>Forecast | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate |
|------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| MRP              | 1.6               | 1.8                 | 2.1                 | 1.6                 | 1.5                 |
| Capital receipts | -                 | 3.3                 | 8.6                 | 2.1                 | -                   |

2.11 The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt. The CFR is expected to increase to £170.5m during 2024/25. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

**Table 4: Prudential Indicator: Estimates of Capital Financing Requirement in £ millions**

|     | 2023/24<br>Actual | 2024/25<br>Forecast | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate |
|-----|-------------------|---------------------|---------------------|---------------------|---------------------|
| CFR | 167.4             | 170.5               | 160.9               | 157.2               | 155.7               |

2.12 **Asset management:** The Council uses experienced asset managers (currently Lambert Smith Hampton Investment Management (LSHIM)) to provide services to support the Council's property portfolio.

2.13 **Asset disposals:** When a capital asset is sold the proceeds, known as capital receipts, can be spent on new assets or to repay debt. The Council is permitted to spend capital receipts on service transformation projects until 2030. Repayments of capital grants, loans and investments also generate capital receipts. The Council is forecasting to receive the following capital receipts over the medium term. In addition, depending on the outcome of the due diligence on Union Yard sale of the 82 private rental units, there will be a capital receipt or a deferred capital receipt, due to the uncertainty this has not been include in the CFR at this point. There is also an assumption in the MTFs of the sale of some of the Civic Quarter land by 2028-29 to the value of Circa £12m. due to the uncertainty of the amount and timing this has been excluded from the CFR.

**Table 5: Capital receipts in £ millions**

|                  | <b>2023/24<br/>Actual</b> | <b>2024/25<br/>Forecast</b> | <b>2025/26<br/>Estimate</b> | <b>2026/27<br/>Estimate</b> | <b>2027/28<br/>Estimate</b> |
|------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Capital Receipts | -                         | 6.0                         | 9.4                         | 2.9                         | -                           |

### **3 TREASURY MANAGEMENT**

3.1 Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. Where possible cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.

3.2 Due to decisions taken in the past, at 31<sup>st</sup> December 2024 the Council had £125.0m borrowing at an average interest rate of 5.1% and £28.5m treasury investments at an average rate of 6.0%.

3.3 It should be noted that the average rate received on investments of 6.0% is higher than usual. It is due to a steep improvement in the value of the Council's strategic pooled fund portfolio over the last year. This improvement was preceded by a fall in these funds' values and is not representative of the Council's long term expected return on investments. Historical average returns on strategic pooled funds are 2.8% as opposed to the 6.7% seen on these funds over the past year.

3.4 **Borrowing strategy:** The Council has to date adopted an approach of borrowing on a short-term basis to take advantage of historically low short-term interest rates. Since late 2021 however interest rates, and corresponding the Council's cost of borrowing, have risen dramatically.

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Bank of England Base Rate was 0.1% in December 2021 and rose to a high of 5.25% in August 2023. It has now experienced modest falls and is currently 4.75%.

- 3.4 In the medium term the Council aims to have a higher proportion of debt in longer-term loans, enabling greater long-term certainty in costs. Short term interest rates are expected to reduce whilst longer term rates are expected to remain near current levels. The current strategy is to attempt to replace maturing debt with longer term debt (i.e. more than one year) at rates as close as possible to or less than the MTFs projections. The situation is kept under constant review.
- 3.5 Projected levels of the Council's total outstanding debt (which comprises borrowing and leases) are shown below, compared with the capital financing requirement (table 6).

**Table 6: Prudential Indicator: Gross Debt and the Capital Financing Requirement in £ millions**

|                               | 2023/24<br>Actual | 2024/25<br>Forecast | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate |
|-------------------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| Debt (incl. leases)           | 163.0             | 141.7               | 19.4                | 5.1                 | 5.1                 |
| Capital Financing Requirement | 167.4             | 170.5               | 160.9               | 157.2               | 155.7               |

- 3.3 This table only shows loans which the Council has or is contractually committed to, most of these loans will be repaid within the short term which is why the debt figures for future years reduce significantly. The forecasted figures for loans which expect to be undertaken in future, as opposed to loans currently held, is shown in table 7.
- 3.4 Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from table 6, the Council expects to comply with this in the medium term.
- 3.7 **Liability benchmark:** To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. It is desirable that investment balances are kept to a minimum of £21m. This incorporates the Council's strategic pooled funds of approximately £16m and a further liquidity buffer of £5m. This investment balance also meets the minimum £10m that is required to maintain a desired professional status under the Markets in Financial Instruments Directive II (MiFID II).
- 3.8 The liability benchmark was £146.0m on 31<sup>st</sup> March 2024 and is forecast to rise to £150.0m by 31<sup>st</sup> March 2025, before falling to £139.3m over the



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next three years.

**Table 7: Borrowing and Liability Benchmark in £ millions.**

|                     | 2023/24<br>Actual | 2024/25<br>Forecast | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate |
|---------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| Existing borrowing  | 162.0             | 141.0               | 19.0                | 5.0                 | 5.0                 |
| Forecast borrowing  | 162.0             | 150.0               | 143.3               | 141.3               | 139.3               |
| Liability benchmark | 146.0             | 150.0               | 143.3               | 141.3               | 139.3               |

- 3.9 The Council borrowed £16m more than the liability benchmark on 31<sup>st</sup> March 2024. This figure is not excessive and borrowing at a slightly different level to the liability benchmark is common as a result of day to day cashflow variations. As the table shows in future the Council expect borrowing to be at the liability benchmark.
- 3.10 **Affordable borrowing limit:** The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

**Table 8: Prudential Indicators: Authorised limit and Operational Boundary for External Debt in £ millions**

|  | 2023/24<br>limit | 2024/25<br>limit | 2025/26<br>limit | 2026/27<br>limit | 2027/28<br>limit |
|--|------------------|------------------|------------------|------------------|------------------|
| Authorised limit – borrowing               | 200.0            | 200.0            | 180.0            | 180.0            | 180.0            |
| Authorised limit – leases                  | 2.0              | 2.0              | 2.0              | 2.0              | 2.0              |
| Authorised limit – total external debt     | <b>202.0</b>     | <b>202.0</b>     | <b>182.0</b>     | <b>182.0</b>     | <b>182.0</b>     |
| Operational boundary – borrowing           | 170.0            | 170.0            | 150.0            | 150.0            | 150.0            |
| Operational boundary – leases              | 1.8              | 1.8              | 1.8              | 1.8              | 1.8              |
| Operational boundary – total external debt | <b>171.8</b>     | <b>171.8</b>     | <b>151.8</b>     | <b>151.8</b>     | <b>151.8</b>     |

- 3.11 **Treasury Management Investment Strategy:** Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.

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3.12 The Council's policy on treasury investments is to prioritise security and liquidity over yield, that is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice.

3.13 The table below estimated future levels of investments for the Council. The £16.0m in long term investments represents the estimated value of strategic pooled funds. The £5.0m represents a suitable liquidity buffer to be held in shorter-term investment products.

**Table 9: Treasury Management Investments in £ millions**

|                         | <b>2023/24<br/>Actual</b> | <b>2024/25<br/>Forecast</b> | <b>2025/26<br/>Estimate</b> | <b>2026/27<br/>Estimate</b> | <b>2027/28<br/>Estimate</b> |
|-------------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Near-term investments   | 21.6                      | 5.0                         | 5.0                         | 5.0                         | 5.0                         |
| Longer-term investments | 15.4                      | 15.4                        | 16.0                        | 16.0                        | 16.0                        |
| <b>TOTAL</b>            | <b>36.9</b>               | <b>20.4</b>                 | <b>21.0</b>                 | <b>21.0</b>                 | <b>21.0</b>                 |

3.14 **Risk management:** The effective management and control of risk are prime objectives of the Council's treasury management activities. The treasury management strategy therefore sets out various indicators and limits to constrain the risk of unexpected losses.

3.15 **Governance:** Treasury Management Investments. Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Executive Head of Finance and staff, who must act in line with the treasury management strategy approved by full council. Quarterly reports on treasury management activity will be presented to Corporate Governance, Audit and Standards Committee. CGAS committee is responsible for scrutinising treasury management decisions.

## 4 NON-TREASURY INVESTMENTS FOR SERVICE PURPOSES

4.1 The Council lends money to its subsidiary (Rushmoor Homes Limited) and is a funding partner of Farnborough International Limited. Considering the public service objective, the Council is willing to take more risk than with treasury investments, however it still plans for such investments to break-

even / generate a profit after all costs.

- 4.2 **Governance:** Decisions on service investments are made by the relevant service manager in consultation with the Executive Head of Finance and must meet the criteria and limits laid down in the investment strategy. Most loans and shares are capital expenditure and purchases will therefore also be approved as part of the capital programme.

## 5 COMMERCIAL ACTIVITIES

- 5.1 Between 2016 and 2021 in the context of central government financial support for local public services declining, the Council undertook some investment in commercial properties purely or mainly for financial gain. These investments were acquired and managed in line with the Council's Commercial Property Strategy. Total commercial investments for 2025/26 are forecast to be £122.5m, the portfolio providing a net return after all costs of 6.5%.

- 5.2 With financial return being the main objective, the Council accepts higher risk on commercial investment than with treasury investments. The principal risk exposures for commercial investments include level of competition, barriers to entry/exit, and future market prospects. For commercial properties, risks include quality and financial security of tenants, building quality and relevance.

For the existing portfolio of investments these risks are managed by:

- Assessment of the relevant market sector(s) including the level of competition, barriers to entry/exit, future market prospects
  - Assessment of exposure to particular market segments to ensure adequate diversification
  - Appointment of external advisor to manage designated commercial property investments
  - Use of further external advisors if considered appropriate by the Executive Head of Finance
  - Continual monitoring of risk across the whole portfolio and specific assets
- 5.3 With the introduction of revised PWLB lending terms the Council can confirm it has no intention to acquire investment assets primarily for yield in the current and following two financial years.
- 5.4 The Council will have due regard to the potential sale of commercial investments where this would be an appropriate option. This will be done as part of an ongoing process assessing the relative risks of and return from these investments to the Council.
- 5.5 **Governance:** Decisions on the day-to-day management of commercial

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investments are made by the Head of Service responsible for the Council's Property and Estates functions in line with the criteria and limits as set out in the Council's constitution.

**Table 10: Prudential Indicator: Net Income from Commercial and Service Investments to Net Revenue Stream**

|  | 2023/24<br>Actual | 2024/25<br>Forecast | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate |
|--|-------------------|---------------------|---------------------|---------------------|---------------------|
| Total Net Income from Service and Commercial Investments | 8.3               | 7.1                 | 6.89                | 7.02                | 6.6                 |
| Proportion of Revenue Stream                             | 64.1%             | 50.1%               | 49.3%               | 50.9%               | 48.99%              |

### 6 OTHER LIABILITIES

- 6.1 In addition to debt detailed above, the Council also set aside funds to cover risks of Business Rate Appeals.
- 6.2 **Governance:** Decisions on incurring new discretionary liabilities are taken by service managers in consultation with the Executive Head of Finance. The risk of liabilities crystallising and requiring payment is monitored by Finance and reported quarterly to committee. New liabilities exceeding £2m are reported to full council for approval/notification as appropriate.

### 7 REVENUE BUDGET IMPLICATIONS

- 7.1 Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e., the amount funded from Council Tax, Business Rates and general government grants.

**Table 11: Prudential Indicator: Proportion of Financing Costs to Net Core Revenue Stream in £ million.**

|                 | 2023/24<br>Actual | 2024/25<br>Forecast | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate |
|-----------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| Financing Costs | 8.5               | 10.1                | 8.9                 | 8.1                 | 7.9                 |

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|                                       |       |       |       |       |       |
|---------------------------------------|-------|-------|-------|-------|-------|
| Proportion of Net Core Revenue Stream | 65.5% | 70.1% | 62.1% | 57.8% | 55.7% |
|---------------------------------------|-------|-------|-------|-------|-------|

Note: The indicator above shows that the proportion of financing costs to the net core revenue stream increases significantly from 2023/24. This is due to increase borrowing levels and higher interest rates. The sale of assets will reduce debts and therefore costs from 2025/26.

- 7.2 **Sustainability:** The current high levels of borrowing are not considered to be affordable on a long term, sustainable basis. For this reason, asset sales (and FIL loan repayment) of a minimum of £18.7m in over the next three years are expected to reduce borrowing to a more affordable level. Future capital expenditure and borrowing decision will consider their long-term sustainability and affordability and will be reviewed considering the Council's risk appetite and tolerances.
- 7.3 It should be noted that there are uncertainties around the timing of asset sales and the amount that assets can be sold for. The expectations shown in table 3 are that £3.3m of capital receipts will be received in 2024/25 with £8.6m being received in 2025/26. There is the possibility that these amounts may be different or be received in different years.

## 8 KNOWLEDGE AND SKILLS

- 8.1 The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Executive Head of Finance is a qualified accountant (Institute of Chartered Accountants England and Wales) with 24 years' experience of local government finance, the Property and Estates Service and Regeneration teams include permanent and contract resources who are appropriately qualified and including a number of Chartered Surveyors). The Council pays for staff to study towards relevant professional qualifications including CIPFA, ACT and RICS.
- 8.2 Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers and Lambert Smith Hampton Investment Management Ltd (LSHIM) as commercial property consultants as required depending on the nature of the professional advice sought. This approach is more cost effective than employing such staff directly and ensures that the Council has access to knowledge and skills commensurate with its risk

appetite.