

**MEETING OF THE SELECT COMMITTEE ON ECONOMIC REGENERATION
- 1ST SEPTEMBER 2004**

UPDATE OF THE COUNCIL'S CAPITAL STRATEGY

REPORT OF THE DIRECTOR OF FINANCE

1. PURPOSE

- 1.1 To consider the update of the Council's Capital Strategy.

2. BACKGROUND

- 2.1 The production and annual update of a Capital Strategy is considered to be "Best Practice", and is taken into account in Councils' Comprehensive Performance Assessment (CPA) scores - although there is no longer a direct connection with the allocation of capital resources.
- 2.2 The Strategy document is intended to describe how the deployment of capital resources contributes to the achievement of the Council's goals, and to help ensure that assets - and the resources tied up in them - are efficiently and effectively used.
- 2.3 It forms an integral part of the strategic financial and service planning within the annual budget setting process and supports decisions on Councils' capital investment under the new "Prudential" system.
- 2.4 The Capital Strategy also forms part of the Council's Budget and Policy Framework and can therefore be amended only by the full Council following consideration by the Select Committees.
- 2.5 The draft Capital Strategy attached has not been fundamentally changed compared with 2003, and indeed one characteristic of a "good" strategy is that it should remain relevant for a number of years. On the other hand, it also needs to be a relevant working document, reflecting current circumstances and priorities, and to this end the draft Strategy has been amended and updated where necessary.
Significant amendments this year are as follows:

- Reference to the Black Country Study reporting in 2005 which will examine transportation needs for the area to 2031 and inform future Local Transport Plans and establish priorities for Transport investment (para. 2.1.3).
- Inclusion of the following Education priorities (para. 2.1.1):

- Development of proposals for the DfES “Building Schools for the Future” (BSF) secondary school replacement and refurbishment programme.
 - Development of the infrastructure required to deliver the Inclusion Strategy.
 - Addressing issues relating to asbestos in schools.
- Inclusion of the following “Other Services” priorities (para. 2.1.5):
 - More resources to improve facilities and security within the Borough’s Parks;
 - Addressing the key issues identified in the Playing Pitch Strategy;
 - Investment in the identification and remediation of Contaminated Land in line with the Council’s Contaminated Land Inspection Strategy;
 - Investment of resources from the ODPM Liveability Fund;
 - Continued investment from English Partnerships to resolve the problem of Limestone instability at Wrens Nest in line with the Council’s Limestone Strategy;
 - Seeking resources from DEFRA to enable the Mines Drainage system at Pensnett to be replaced.
 - Noting of the outputs from the recent property review by Donaldsons (para. 2.3).
 - Inclusion of the Local Improvement Financial Trust (LIFT) initiative, and the Regeneration of Dudley Town Centre and Brierley Hill as examples of Partnership working (para. 3.2.2 & 3.2.4).
 - Inclusion of the Customer/Citizen Access to Services (CATS) Programme and reference to the Customer/Citizen Contact Strategy & Policy (paras. 7.1.1 & 7.2).

3. PROPOSAL

- 3.1 That the Select Committee considers the attached draft Capital Strategy and raises any issues it wishes to be taken into account when the Strategy is considered by full Council.

4. FINANCE

- 4.1 As described above, the Capital Strategy forms an integral part of the Council’s strategic financial and service planning and supports decisions on capital investment under the "Prudential" system.

5. LAW

5.1 Section 111 of the Local Government Act 1972 enables the Council to do anything which is calculated to facilitate or which is conducive or incidental to the discharge of any of its statutory functions.

6. EQUAL OPPORTUNITIES

6.1 The Capital Strategy complies fully with the Council's policies on equal opportunities. In particular, through this Strategy and the Asset Management Plan the Council will be seeking to comply with its responsibilities with regard to access for disabled people to its buildings.

7. RECOMMENDATION

7.1 That the proposal set out in section 3 be considered.

8. BACKGROUND DOCUMENTS

8.1 Government guidance on Capital Strategies.
Community Plan and Council Plan.

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DIRECTOR OF FINANCE

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