

Flexible Use of Capital Receipts Strategy for 2020/21

Report by the Executive Director, Finance and Technology

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1. Purpose of the Report

- 1.1 To present the report on the Flexible Use of Capital Receipts Strategy for 2020/21 that was considered at Cabinet on 24 November 2020 where it was agreed it should be referred to Council.
- 1.2 In short, the Government has announced a short term discretion for local authorities to use cash capital to fund certain revenue costs. The revenue must be spent on projects to save money or reduce costs. The Council has not previously used this flexibility.
- 1.3 However, the Council is only permitted to do so if it has a strategy which lists the projects revenue costs which it will use for this purpose.
- 1.4 The law states that any plan or strategy relating to capital must be approved at a meeting of the full Council on the recommendation of the Cabinet.
- 1.5 The draft strategy is appended to this report. It proposes that for 2019/20 we use capital receipts to fund expenditure on the Transforming Corporate Systems project, which will see the replacement of the Council's core financial and human resources IT systems.

2. Recommendations

- 2.1 That the Council to approve the Flexible Use of Capital Receipts Strategy as set appended to this report.