

**COUNCIL  
20 FEBRUARY 2025**

---

**DARLINGTON CAPITAL STRATEGY 2025/26**

---

**Responsible Cabinet Member – Councillor Mandy Porter  
Resources Portfolio**

**Responsible Director – Elizabeth Davison  
Executive Director Resources & Governance**

---

**SUMMARY REPORT**

**Purpose of the Report**

1. To approve the Councils Capital Strategy for 2025/26.

**Summary**

2. The revised Prudential Code for Capital Finance in Local Authorities 2024 requires every Council to publish a Capital Strategy and review on an annual basis. In accordance with the regulations the Council published its first strategy in 2019/20 and attached in **Appendix 1** is the 2025/26 update.

**Recommendation**

3. Council are requested to approve the Capital Strategy for 2025/26 at **Appendix 1** of this report.

**Reasons**

4. The recommendation is supported by the following reasons:
  - (a) To provide a framework for capital investments.
  - (b) To ensure the Council adopts the Prudential Code for Capital Finance 2024.
  - (c) To enable the Council to invest in its assets.

**Elizabeth Davison  
Executive Director Resources & Governance**

**Background Papers**

No background papers were used in the preparation of this report.

Council Plan	The Council’s Capital Strategy contributes to all priorities outlined within the Council Plan.
Addressing inequalities	There is no impact as a result of this report.
Tackling Climate Change	The Capital Strategy contributes to the Council’s objectives for tackling climate change.
Efficient and effective use of resources	Having a clear view on Capital investment and financing plans ensures efficient and effective use of resources.
Health and Well Being	This report has no implications for the Council’s Health and wellbeing Programme
S17 Crime and Disorder	This report has no implications for crime and disorder.
Wards Affected	All wards
Groups Affected	All groups
Budget and Policy Framework	This report does not affect the budget or policy framework.
Key Decision	The Capital strategy must be approved by full Council
Urgent Decision	The Capital strategy must be approved by full Council
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers

### MAIN REPORT

5. The revised Prudential Code for Capital Finance in Local Authorities 2024 requires every Council to publish a Capital Strategy and review on an annual basis. In accordance with the regulations the Council published its first strategy in 2019/20 and attached in Appendix 1 is the 2025/26 update.
6. The revised Code emphasises the need to ensure capital expenditure is prudent, proportional, affordable and sustainable. There is also greater emphasis placed on the long-term implications of capital expenditure on the revenue budget and the delivery of the Council’s policy objectives.
7. The Strategy provides an overview of how capital expenditure and financing plans are decided upon and provides the framework for the development, management and monitoring of the council capital investment plans. It focuses on core principles that underpin the Council’s four-year capital programme and the governance framework which is in place.
8. The Strategy also highlights the resource streams available in terms of funding to the Council and the risk management approach taken.
9. The Strategy maintains a strong and current link to the Council’s priorities and to its key strategy documents such as the Treasury Management Strategy, Medium Term Financial Plan and the Council Plan.