

# Technical Enquiry Service

## Frequently Asked Questions

The new Prudential Code was only issued in December 2017, so how can a local authority meet the requirement to produce a capital strategy for 2018/19?

CIPFA recognises that those authorities that do not already have a capital strategy will be unable to produce one for the first year of implementation the new Prudential Code. As a consequence the Treasury and Capital Management Panel has issued the following statement to assist practitioners.

### **Statement by the Treasury and Capital Management Panel on the Production of Capital Strategies**

The updated the Prudential code for Capital Finance in Local Authorities (Prudential Code) and Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes (Treasury Management Code) have been issued in December 2017.

Both these codes will be effective for the 2018/19 financial year. However, it is recognised that the requirement included in the Prudential Code to produce a Capital Strategy may require a longer lead-in period. Therefore the Treasury and Capital Management Panel recognises that this requirement may not be able to be fully implemented until 2019/20 financial year.

The Treasury and Capital Management Panel would recommend, however, that the requirements of both Codes are implemented as soon as possible.

21 December 2017

### **DISCLAIMER**

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