

## **CUSTOMER AND CENTRAL SERVICES OVERVIEW AND SCRUTINY COMMITTEE**

### **Budget Process Task Force – Recommendations regarding the management of Capital Projects**

#### **Portfolio Holder Response – Cllrs Maurice Jones and Steve Male**

The following points respond to directly to those recommendations made by the Task Group in its report to Overview & Scrutiny committee on 11 October.

1. The Finance Team have a rolling programme of review for all Financial Procedures to ensure that they reflect best practice and remain up to date. It is appropriate that the Code of Financial Governance is subject to similar review.
2. All schemes in the Capital Programme have a named project manager. The organisation has a management structure in place which holds these individuals to account.
3. It is essential that there is effective management of slippage.
  - (i) The mid year review of the 2010/11 Programme has been a valuable exercise and will be repeated on an annual basis.
  - (ii) Agreed, slippage should not go forward unexplained.
  - (iii) One of the dangers of slippage is escalation of cost and the recommendation to reconfirm costs is well made.
4. The Council has an agreed Project Management approach based on Prince 2. There is a lighter touch approach within this framework for smaller projects.
5. It is important that there is an awareness of all resources supporting individual schemes and a straightforward approach to identifying officer time will be explored.
6. The concept of 'Invest to Save' schemes was raised in the report to Council in February. It make perfect sense to invest in assets where they generate efficiencies that more than cover the financing costs and make a contribution to the overall revenue budget. The Outline Business Case and Detailed Business Case pro formas will be updated to reflect this.
7. There was a review of policy led scoring to make it as objective as possible and this will be reviewed again for the 2011/12. This is increasingly important given the current financial constraints.

8. Given the scarcity of resources there is little value in setting aside allocations for individual geographical areas of the authority. The Capital Programme should assess the overall needs of Central Bedfordshire as a whole.
9. Capital receipts are held at an authority level whilst other contributions such as S106 are through negotiation with third parties. There is already an objective to hold at as high a level as possible.
10. The Capital Programme in February made no long term commitment to rolling programme and these are already subject to an annual review.
11. In respect of the two further requests:
  - (i) A list of all assets will be provided.
  - (ii) A comprehensive list of all Section 106 funding is available. The ability of of the Authority to increase these funds is limited by the scope for future developments and their infrastructure requirements.