

Sefton Metropolitan Borough Council

CAPITAL STRATEGY

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1. Introduction

The Capital Strategy is an essential element within the Council's overall Corporate Planning Framework. It underpins and operates within the umbrella of the Council's Capital Allocations Framework (Appendix 1) which enables the development and management of a Capital Investment Plan. The Strategy encompasses the single capital pot and bidding process and its overarching aim is to provide a framework within which the Capital Investment Plan can be delivered.

The Strategy is intrinsically linked with the Council's Medium Term Financial Strategy (MTFS) and the Strategic Asset Management Plan, and is concerned with all aspects of the Council's capital expenditure – its planning, prioritisation, management and funding

The purpose of the strategy is to set out the Council's approach to capital investment, and how its capital programme supports its corporate priorities and 4 main objectives:

- **Together develop healthy & well supported communities wellbeing**
- **Together develop access to opportunities for all**
- **Together develop attractive & sustainable places & communities**
- **Together empowering and supporting residents**

It takes into account other relevant Council strategies, policies and plans and the views of partners and stakeholders with whom the Council is involved. It also takes account of the resources which are likely to be available to the Council to fund capital investment and the effect of that investment on the Council's revenue budget.

All capital investment decisions will be made with reference to corporate objectives. Except in extraordinary circumstances, capital investment decisions should by their nature form part of the Council's strategic plans and so only after a positive contribution to one or more of these objectives has been demonstrated will a project be considered.

In addition demands for Capital are many, and often in excess of the resource available. This scarcity of Capital resource is likely to continue and it is therefore essential that there is a clear mechanism for the generation, evaluation and selection of capital schemes. A capital project will need to have demonstrated a rigorous process of options appraisal, requiring evidence of need, cost, risk and outcomes.

Opportunities for cross cutting and partnership working will always be considered.

2. Aims of the Capital Strategy

The key aims of the Capital Strategy are to:

- provide a clear context within which proposals for new capital expenditure are evaluated to ensure that all capital investment is targeted at meeting the Council's Priorities and/or legislative requirements;
 - establish a fair and objective approach to capital prioritisation
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- maximise the use of resources by establishing effective arrangements for the management of capital expenditure including the assessment of project outcomes, budget profiling, deliverability, and the achievement of Value for Money.
- establish a corporate approach to generating capital resources, including the release of capital from the Council's existing asset base.

3. Capital Resources

Capital resources from Central Government can be split into three categories:

- Non ringfenced – resources which are delivered through the single capital pot and can be utilised on any project.
- Ringfenced Non Specific – resources which are ringfenced to particular areas but not to particular projects (delivered through the single capital pot)
- Ringfenced Specific – resources which are ringfenced to specific projects.

The Councils strategy for deploying resources is to ensure that all resources are being utilised to achieve the Corporate Objectives.

Methods of funding the Capital Programme

Government Grants and Non government Contributions

These can be non ringfenced, ringfenced non specific, or ringfenced specific resources as noted above. Unless the funding is ringfenced specific it needs to be applied for as part of the single capital pot, and a business case should first be presented to the Strategic Capital Investment Board (SCIB) to ensure that

- the project is in line with corporate objectives
- the resources are used in the most efficient and effective method
- match funding and revenue consequences can be managed in the capital and revenue budget.

The outcome of these reviews will be reported ultimately to Cabinet and Council, with whom the final decision rests.

Prudential Borrowing

The Council will investigate opportunities to resource capital projects using prudential borrowing where plans are sustainable, affordable, prudent, and offer value for money. Full appraisal will take place to ensure that all revenue implications of the cost of borrowing are taken into account. Prudential Borrowing will also be utilised to cover the cost of projects such as redundancy capitalisations, where the reduction in costs is on a corporate basis. All costs associated with Prudential Borrowing, including on going revenue cost, must be met by the applying department.

Capital Receipts

Capital Receipts come from the sale of the council's assets. Corporate asset management planning covers all the Councils assets and is critical in supporting the Capital Investment Plan through a planned programme of acquisition and disposal, and subsequent capital receipt. The Strategic Asset Management Plan is intrinsically linked to the Capital Strategy and is overseen and managed via the Strategic Capital Investment Board.

Where the sale of an asset results in the requirement to repay grant, or the loss of a significant revenue stream, the receipt will be utilised for this purpose. Once these liabilities have been established and provided for capital receipts will be available to support the capital programme as a corporate resource.

Revenue Contributions

Occasionally the service putting a capital project forward wishes to utilise its revenue budget to support the capital project.

Other Capital Funding

Funding and capital investment can become available to the Council from non central government grants, such as EDRF, REECH Project, Business Support Grants, Big Lottery funding and monies obtained via section 106 Town and Country Planning Act 1990 and section 278 Highways Act 1980. This type of Capital funding and investment is scheme and criteria specific and whilst it falls within the umbrella of the Capital Strategy, it is not available within the single capital pot prioritisation process. For example s 106 monies are determined by the Councils Planning Committee, and can only be used in accordance with the Planning consent.

4. The Councils approach to Capital Investment

The overall level and direction of the Council's capital investment proposals embodied in its capital programme, is informed by the Council's Corporate Priorities and therefore its stakeholders, particularly the Borough's residents.

The Council's capital investment plans are influenced by a number of external parties and factors: central government and its agencies, legislation requiring capital works, partner organisations, businesses, developers and by its stakeholders' needs and views

The Council works with a wide range of partners from the public, private, voluntary and community sectors, all of which have an influence over its spending priorities. Wherever possible the Council will seek to work in partnership with others to deliver its capital investment programme in order to provide facilities that meet the needs of the Borough.

Where it may be required by legislation to carry out works of a capital nature, such as to comply with the Housing Grants, Construction and Regeneration Act 1996 or Health and Safety requirements, the Council will consider the most effective way to discharge its obligations and appropriate provision will be made in its Capital

Programme once it has determined that it shall carry out the necessary work and that this should be capitalised.

Wherever Government grants are available to meet all or part of the cost of capital projects the Council will ensure that these are applied for and used to maximise the amount of investment which can be made and the benefit which will result from that investment.

Wherever possible, and appropriate, funding will be sought from external parties towards the cost of capital projects. These will include developers, government agencies, funding from the European Union, funding bodies such as the National Lottery, and partner organisations that may join with the Council to bring forward particular projects of mutual benefit.

The Council will also endeavour, through its programme of capital investment, to maintain its assets to a standard such that they remain fit for purpose, enabling continuity of service delivery. In particular, it will carry out regular surveys of its stock of buildings and structures to ascertain their state of repair and any remedial works which may be necessary. Repair or improvement works arising from such surveys will be carried out subject to the availability of resources and consideration of the role the building plays in service delivery and the need to continue the relevant service in order to contribute to meeting corporate priorities.

In addition the Capital Strategy will be influenced by the results of any service reviews which have been carried out by the Council, either as part of the budget preparation process or as one-off exercises. Where these reviews identify areas of service which are to be restructured or discontinued, this may give rise to surplus assets which will be available for disposal and possibly generate a capital receipt which will be available for funding further capital investment. Alternatively reviews may identify areas for investment, some of which may be capital investment.

Where suitable “Invest to Save” projects can be identified the Council will actively pursue such projects as it recognises the benefits, in the form of reduced costs falling on the General Fund Revenue Account, that can result from such investment. Any capital investment which will result in a revenue cost saving or efficiency will be considered.

The Councils approach to the use of capital expenditure and resources is broadly as follows:

1. To maintain the allocation of grant funding in line with ring-fenced government allocations and criteria.
 2. To progress projects which are fully funded and which therefore will have no effect on the Councils overall capital financing position. In relation to such projects it remains vital that they undergo a rigorous appraisal process and support the Council’s strategic properties and objectives.
 3. In relation to non specific ring fenced resources, to prioritise schemes within the overall level of capital receipts available to the Council (the single capital pot) over the planned period using the Capital Investment Plan process.
 4. Provide appropriate funding to the Property Intervention Fund (PIF), a key enabler for property related activity in the Council.
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5. Governance

Responsibility for the Capital Allocation Framework, Capital Strategy, Capital Investment Plan and Strategic Asset Management Plan rests with Council.

Oversight and management of the Strategy and process is through Cabinet, supported by a Member Reference Group, the Strategic Capital Investment Group (SCIG).

The Strategic Capital Investment Group (SCIG) will oversee the delivery of the Capital Strategy, and assess, determine and performance manage all capital projects. It will also provide reference for the operational groups delivering the capital programme, asset management and investment priorities.

SCIG consists of 3 Cabinet Members supported by Directors (or appropriate representative) from each directorate, and the Head of Investment Programmes and Infrastructure, and the Head of Finance and ICT.

The Group will meet regularly (to ensure there is a managed approach to:

- Developing the Capital Strategy,
- Developing the coming years capital programme
- Appraising business cases
- Monitoring performance of capital projects

The group oversees capital projects from inception to completion to ensure they are delivered efficiently and effectively and in line with the Council's corporate objectives.

All matters relating to capital within the single capital pot are assessed by this group first before entering into the normal reporting process. The group will recommend actions to Cabinet or appropriate sub-group, for recommendation to Council.

The Capital Strategy Governance structure is detailed at Appendix B.

6. How the Capital requirements will be prioritised

Council will agree the prioritisation of Capital resources and agree an annual Capital Investment Plan. All non specific ring-fenced capital allocations will be pooled to form a Single Capital Pot and subject to appraisal, prioritisation and were appropriate a bidding process.

Where resources are passed to the Council as part of the Single Capital Pot, the Strategic Capital Investment Group (SCIG) will review the original suggested/intended purpose for which the resources were provided and consider if this is the most efficient and effective method of achieving the Councils corporate objectives.

In some circumstances it will be necessary to maintain and restrict resources to the original suggested/intended use due to the nature of the funding criteria, risk to future allocations, claw back etc, contractual commitment to ongoing programmes of work

or the need to undertake planned maintenance and repair of our buildings, assets and schools.

In these circumstances although the resource will remain part of the Single Pot it may be deemed a 'pre allocated sum' and will not therefore be available for redistribution through the bidding process. Such sums would currently for example included, Integrated Transport Funding and Disabled Facilities Grant. SCIG will make any recommendations in relation to 'pre allocated sums' to Cabinet, for recommendation to Council, as part of the yearly Capital Investment Plan.

Where works of a capital nature are required as an emergency or due to urgent health and safety requirements, SCIG will consider the most effective way to discharge its obligations and appropriate provision will be made in its Capital Plan. Again in these circumstances although the resource will remain part of the Single Pot it may be deemed 'pre allocated' and will not be available for redistribution through the bidding process.

All remaining resources will be subject to a bidding and appraisal process, which will provide the mechanism for the determination of the Council's Capital Investment Plan. It is essential to apply a robust prioritisation process to determine which projects are included in the Capital Investment Plan. All projects will therefore be subject to a Project Appraisal Process, This includes projects and schemes which are fully funded or self financed, as the Council will be selective in the bids it make for external funding by ensuring consistency with its corporate priorities and financial strategies . No project should be considered in isolation. This process also applies to any projects which are proposed following the approval of the yearly capital programme.

7. Capital Project Appraisal Process

To ensure resources available for capital investment are used efficiently and effectively all capital projects must be in line with corporate objectives and priorities.

Project bids can be put forward by any individual from any service area which requires Capital funding to complete its' objectives. A project may consist of a single project or a single programme of small similar projects, but must demonstrated that the requirement meets the corporate objectives.

At the first stage the appropriate Director should consider the alignment of the project with corporate priorities and service objectives, including other capital requirements from within the directorate and agree that a bid be put forward to the Capital Investment Appraisal process. A project appraisal form must be submitted (Appendix 3) to SCIG, and signed by the appropriate Director, as confirmation this assessment has been undertaken.

An annual timetable for the receipt of project bids will be determined. Project sponsors may present their business case to SCIG detailing how the project delivers council priorities and service objectives.

Stage 1: projects will be assessed and scored based on the following designations

Emergency Works	Not scored due to nature of work & liability
Urgent Health and Safety	Not scored due to nature of work & liability
Statutory Obligation	These are projects which are related to our statutory obligations and are <u>necessary</u> for Sefton to fully comply with those duties. The level and implications of failure to fund should be detailed for consideration and will primarily be covered by the 'risk' section of the scoring.
Invest to Save	These are deemed to be projects where calculated revenue savings out weigh the capital cost, within <u>five years</u> of the project being completed. Projects which realise revenue savings within a longer period will also be considered but scored appropriately. Whilst completion of these projects effectively leads to savings, and should be done almost regardless of score, they must be scrutinised to ensure that the savings are real and assured, and the affordability within the overall programme considering the other categories must be assessed.
Strategic Objective /Plan	These are projects which demonstrably achieve a strategic objective where the outcomes can be effectively quantified and assessed. Such schemes may use public sector match for private / European funding. They may deliver against national or regional plans
Fully funded from external resources	These are projects which are funded from non-Council funds. In order that the projects are selected in line with Council priorities as far as is possible, these projects remain subject to the project appraisal process. Any revenue or ongoing liability to the Council must be highlighted and an exit plan detailed.
Contractual obligation	These are project where we have already commenced, or have contractually committed to completing the projects. Once again, it stands to reason that these projects should go forward, however, this is not a forgone conclusion, and each project will be considered on its' individual merits.
Other	These projects may not be essential, but may have a very positive effect on our communities and where possible this category should not be neglected. Some may also have a spend to save aspect which falls outside the five year return period but are nonetheless attractive prospects

Stage 2: the business case will need to demonstrate that:

- The chosen option delivers the highest impact in achieving improved performance against the Council's key objectives, including links to other schemes, and strategic plans.
 - The project is financially sustainable and any adverse revenue implications can be dealt with within existing budgets.
 - That the risks and appropriate actions to negate these risks have been identified
 - A full exit strategy has been identified by the relevant directorate who will be responsible for meeting any ongoing costs.
 - That the project has key milestones and is deliverable
 - The method of procurement has been identified and represents value for money.
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It is recognised that at Stage 2 the level of appraisal required may differ dependant on the projects nature, size and complexity. However a clear understanding of financial liability upon the Council, both capital and revenue, is essential (all appraisal forms must be signed by the relevant finance officer).

Stage 3: business cases will be appraised and validated by the Strategic Capital Investment Group using a prioritisation scoring model (Appendix 4), and will either be:

- Recommended to Cabinet for inclusion in the Capital Plan,
- Considered acceptable but not at this particular time, and placed on a reserve list
- Rejected as not being viable.

Within the prioritisation scoring model criteria are not taken equally. Each criteria has a score and weightings are then applied. This is an important exercise to ensure that the criteria are properly considered to the correct degree. It is also recognised that realistically the objective criteria within the model needs to allow for flexibility.

Through the bid validation process the level of funding for each project will also be determined (this may be more or less than originally bid for).

Stage 4: SCIG will then propose to Cabinet, for recommendation to Council, a Capital Investment Plan aligned to the corporate objectives. Council will be the final arbiters of which capital schemes best achieve the aims of the Council.

8. Revenue Implications

The impact, if any, upon the General Fund Revenue Account, which will arise from capital investment proposals will be calculated and considered at the time projects are appraised and will be placed before Cabinet.

Such impact may be in the form of reduced interest receipts, where projects are to be financed from capital receipts or reserves, borrowing costs, if loan finance is to be employed, or additional running costs arising from the provision of a new or altered facility. Offset against these costs will be any savings which might accrue, for example from “invest to save” projects, or income generated.

All residual costs, including borrowing cost, must be accounted for from within the relevant directorate/departments existing budget. The impact of this must be understood, detailed and appropriately considered within the appraisal process.

The Council will always have regard to the affordability of its proposed capital investments, in terms of the revenue implications arising. The revenue implications of the capital programme will be taken account of in the Council’s Medium Term Financial Strategy.

.9. Capital Investment Plan

All new capital investment proposals must be appraised by the Strategic Capital Investment Group prior to Cabinet, and subsequent Council approval being

requested. Before any project may be commenced expenditure must have been agreed by Council as part of the Capital Investment Plan.

The Council will agree a rolling three year Capital Investment Plan each year consistent with the capital strategy and the resources available. The Strategy and Plan will be taken into account in the refresh of the Medium Term Financial Strategy.

10. How the Council Will Procure its Capital Projects

Regard will be had to the contents of the Council's Procurement Strategy when considering the delivery of capital projects.

Where estimated project contract costs exceed the relevant European Union threshold, the appropriate EU tendering procedures will be followed.

All contracts will be let in accordance with the Public Contracts Regulations and the Council's Financial Procedure Rules and Contracts Procedure Rules, as set out in Chapter 11 of the Constitution. .

The Council will decide on the appropriate form of financing for projects included in the Capital Plan based on advice from the Head of Finance and ICT as to availability and the consequences and costs of use of the various options.

11. Performance Monitoring and Evaluation

The overall performance of the Capital Investment Plan (both expenditure and funding), including post evaluation of projects, will be monitored regularly by Cabinet via the Strategic Capital Investment Group (SCIG). SCIG will report throughout the year to Cabinet, or appropriate sub-group.

The Strategic Capital Investment Group

The Capital Strategy envisages a commissioning approach to the delivery of the Capital Investment Plan, and through SCIG this will be supported by a strong programme management process. The Group's role is to assist the Council in providing a managed approach to the capital plan and to provide a coordinated corporate approach to the strategic alignment of investments which ensures that investments are planned, managed and delivered prudently.

SCIG will act as a reference group and will review project progress and receive exception reports indicating the corrective action to be initiated where projects fall behind schedule, appear likely to overspend or otherwise give cause for concern. All capital investment proposals and project progress and management are subject to the Council's scrutiny arrangements.

The Capital Programme Management Group

Reporting directly to SCIG a new Capital Programme Management Group will manage the delivery of the Capital Investment Plan.

The Group will support and inform the process and offer a co-ordinated programme management support function to facilitate;

- project outputs being monitored at least quarterly to ensure delivery,
- activities and projects being evaluated annually to ensure that activity is addressing corporate and/or statutory outcomes,
- risk assessment and management
- support for project managers
- verification that expenditure is compliant with the funding agreement.

The Capital Programme Management Group will oversee individual capital schemes to ensure that any potential problems in terms of cost, timescales or other issues are flagged at the earliest opportunity and remedial action identified. This will be reported to SCIG

Project Sponsors

All projects will be assigned a named project sponsor from within the relevant directorate. They will be responsible for overseeing the project, including project initiation, monitoring and control, implementing exception reports and, where appropriate, corrective action if the project deviates from its planned progress or cost. Project Forms will be maintained in respect of each project which will track the progress of projects.

Project Sponsors will report into the Capital Programme Management Group and subsequently SCIG.

12. Review

The Capital Strategy will be reviewed annually, adapting to the review of the Councils strategic objectives. It does not need to be overhauled annually if existing documentation remains valid.

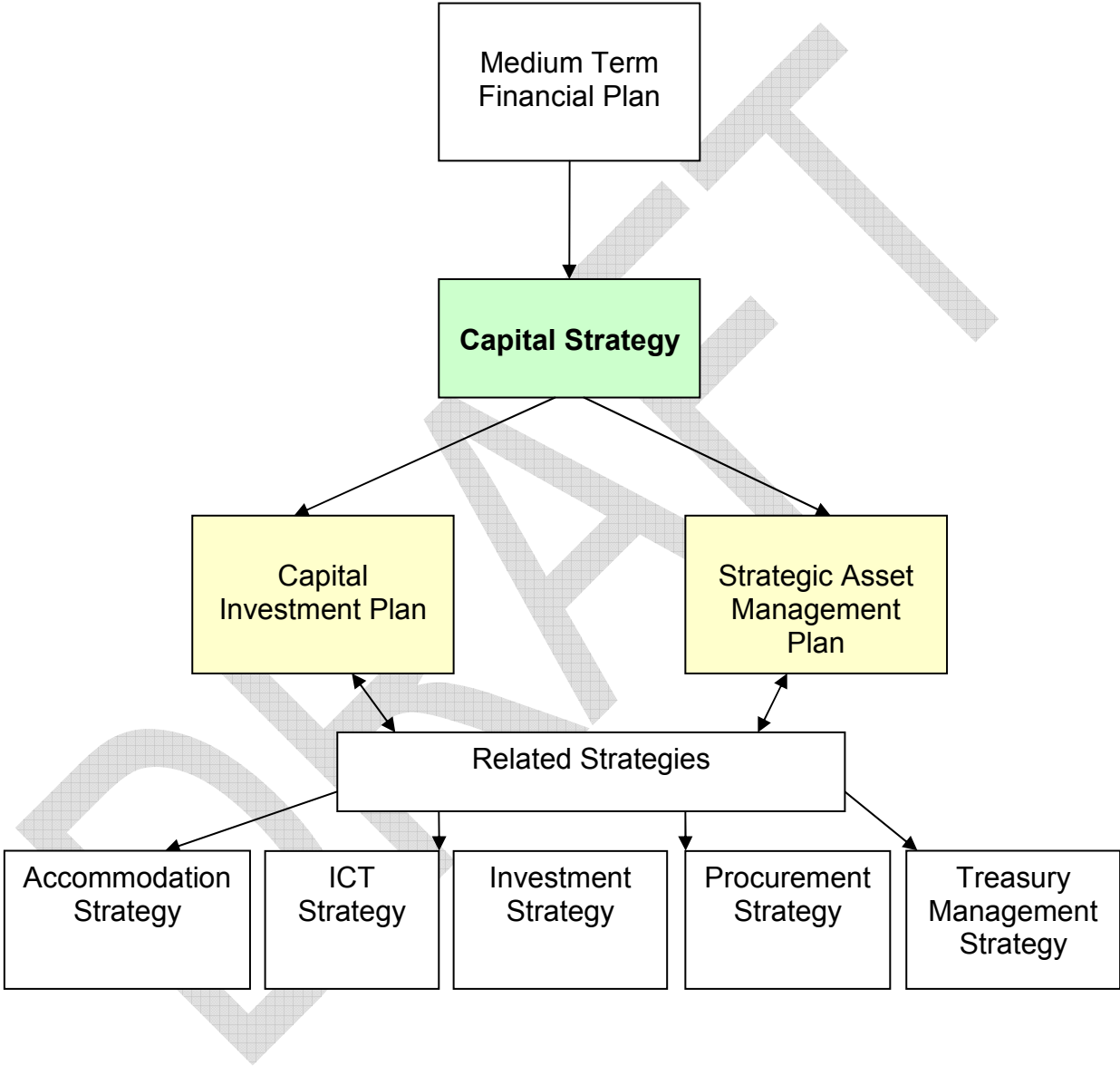
Each year after the 3 year Capital Investment Plan has been agreed, the SCIG will review the prioritisation process. If necessary the appraisal documents and process will be amended to ensure that corporate objectives and priorities, and the benefits and impact of schemes are adequately reflected in the prioritisation procedure. The Council will review the allocation of its capital resources on an annual basis to ensure that its programme of investment is in line with actual resource available.

13. Summary

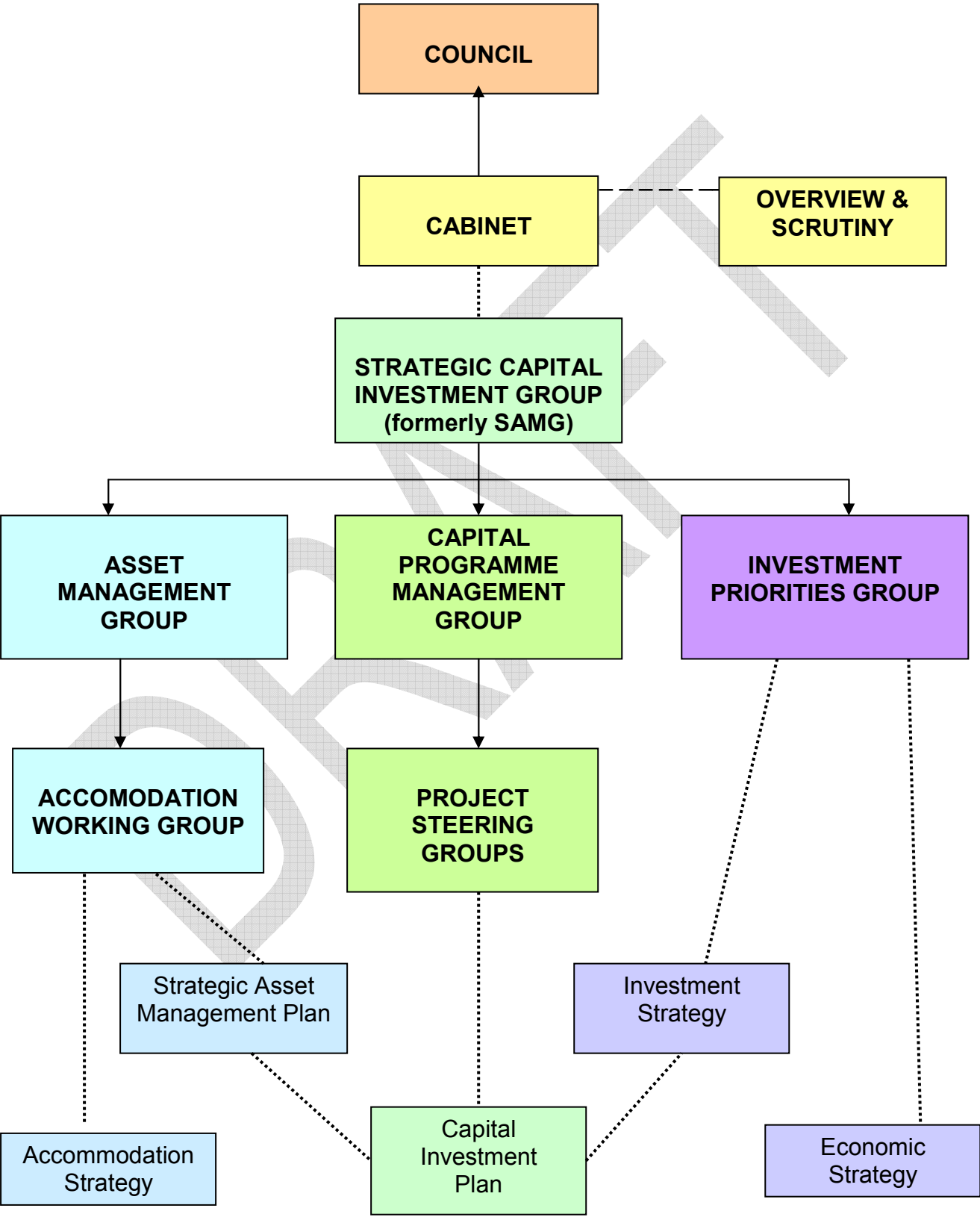
This Capital Strategy provides the policy background to the Councils Investment Plan and Strategic Asset Management Plan enabling the Council to build a long term capital programme to ensure a managed approach to the achievement of the corporate priorities.

The Strategy demonstrates and sets the framework for how the Council's Capital Investment Plan supports its corporate priorities.

Capital Allocation Framework



CAPITAL STRATEGY GOVERNANCE STRUCTURE



Strategic Asset Management Group
PROJECT APPRAISAL FORM

		DATE SUBMITTED	
PROJECT TITLE			
APPLICATION DEPARTMENT			
SERVICE AREA			
PROPOSED START		PROPOSED FINISH	
PROJECT SPONSOR			Ext No

DESCRIPTION OF THE SCHEME

CONTRIBUTION TO CORPORATE OBJECTIVES		
Corporate Objectives		
<ul style="list-style-type: none"> Together develop healthy & well supported communities Wellbeing 	Yes/No	
<ul style="list-style-type: none"> Together develop attractive & sustainable places & communities 	Yes/No	
<ul style="list-style-type: none"> Together empowering and supporting residents 	Yes/No	
<ul style="list-style-type: none"> Together develop Access to Opportunities for All 	Yes/No	
How will this be achieved?		

CONTRIBUTION TO STRATEGIC OBJECTIVES / PLANS (Inc national & regional plans & partners)



SCHEME DESIGNATION (as per Capital Strategy)			
Urgent Health & Safety	Yes / No	Emergency Works	Yes/ No
Invest to Save (5yrs)	Yes / No	Other Revenue Saving	Yes/ No
External Fully Funded	Yes/ No	Statutory Obligation	Yes/ No
Strategic Objective / Plan	Yes/ No	Contractual Commit	Yes/ No
Other	Yes/ No		

OUTPUTS AND OUTCOMES FOR CAPITAL INVESTMENT	
Problem or Issues the scheme addresses:-	
Outputs to be achieved:-	
Outcomes to be realised:-	
Evidence of Needs Assessment / Business Plan included	Yes/No

CONSENTS REQUIRED
<p>Are any Planning / Building Regulations required - Comments :-</p> <p>Are any Central Government consents required - Comments :-</p>

RISK MANAGEMENT
Key Risks presented by undertaking the project (inc deadline dates) :

Key Risks mitigated by undertaking the project :

EXIT STRATEGY / RESIDUAL LIABILITY

CONSEQUENCE OF NOT UNDERTAKING SCHEME

FINANCIAL SUMMARY

- | | |
|--------------------------------|---|
| 1. Call on Capital Resource | £ |
| 2. Capital amount of the bid | |
| A) Sefton | £ |
| B) Other Funding: | |
| • Grant | £ |
| • Borrowing | £ |
| 3. Year 1 Annual Revenue Costs | |
| A) Sefton | £ |
| B) Other Funding | £ |

STATUS OF EXTERNAL FUNDING, e.g. bid submitted, offer received?

**MUST BE COMPLETED:
 DETAILED FINANCIAL APPRAISAL – analysis of scheme cost and phasing over project life.**

CAPITAL COSTS	2013/14 £ 000	2014/15 £ 000	2015/16 £ 000	2016/17 £ 000	2017/18 £ 000	TOTAL £ 000
Land/Property Value (Include land owned by the Council)						
Construction Costs						
Furniture & Equipment						
Vehicle & Plant						
Fees						
Other (please specify)						
TOTAL						

REVENUE IMPLICATION	2013/14 £ 000	2014/15 £ 000	2015/16 £ 000	2016/17 £ 000	2017/18 £ 000	TOTAL £ 000
Staffing (including NI and Super)						
Running costs						
Capital charges/ Lease Cost						
Furniture and Equipment						
Rent or Licence Fee						
Building Maintenance Costs						
Vehicle & plant						
Annual Revenue savings						
Revenue costs						
Current Budget						
Income						
NET EXPENDITURE						

POTENTIAL FUNDING	2013/14 £ 000	2014/15 £ 000	2015/16 £ 000	2016/17 £ 000	2017/18 £ 000	TOTAL £ 000
Grant (please specify)						
Private/Partner Funding (please specify)						
Prudential Borrowing						
Other (please specify)						
Revenue contribution						
TOTAL						

APPROVALS FOR BID SUBMISSION	
1. Service Director	Date
2. Finance Officer	Date

APPROVAL OF BID	
Strategic Capital Investment Group Chair	Date
<u>Comments</u>	

HAVE THE GENERIC QUESTIONS BEEN ASKED? (see below)
<p>GENERIC QUESTIONS TO ASSIST IN IDENTIFICATION OF OPTIONS BEEN CONSIDERED?</p> <ul style="list-style-type: none"> ▪ Is 'do nothing' an option? ▪ Is there a 'do minimum' scheme? ▪ Does the scheme/project have to be undertaken on the scale proposed? ▪ Could it be scaled down or phased? ▪ What is the design life for the scheme and the effect of varying it? ▪ Are different locations possible and/or available? ▪ Are there different ways of meeting the required outcomes? ▪ Are all elements of the proposed scheme justified? ▪ By removing some elements could the cost/value ratio be improved? ▪ Could the scheme be combined with another scheme to advantage? ▪ Are there different ways of providing/funding the facility? ▪ How are other comparable organisations achieving the desired outcomes? ▪ Could the benefits of the scheme be achieved by alternative means?

SEFTON MBC - PROJECT APPRAISAL FORM ADVISORY NOTES

PROJECT TITLE

Brief title of the Scheme/Project

APPLICATION DEPARTMENT

Please provide.

SERVICE AREA

Please provide details of the service area.

PROPOSED START – PROPOSED FINISH

The date you wish the project to commence and the date you anticipate it will finish. These are only your initial indications.

PROJECT SPONSOR

The person within your Service who is to be the responsible Officer, together with their telephone extension number.

BRIEF DESCRIPTION OF THE SCHEME

Please outline the proposed scheme/project and what is required.

CONTRIBUTION TO CORPORATE OBJECTIVES

Indicate which of the Council's key objectives the proposed scheme will achieve, This should be answered Yes/No and any comments if necessary.

CONTRIBUTION TO STRATEGIC OBJECTIVES / PLANS

Indicate which Strategic objectives / plans the proposed scheme will achieve, These could be National or regional, relate to partners or specific areas of the Borough e.g. The Liverpool City Region Deal,

SCHEME DESIGNATION

Please indicate relevant category (as per Capital Strategy).

OUTCOME/OUTPUT

Issues

What is the problem or issue identified and evidenced, which resulted in the need to submit the Capital Bid.

Outputs

Identify what will be achieved or completed once the scheme/project is finished. These maybe determined by an external funding stream, be the result of a needs assessment, relate to services plans etc,

Outcomes

What is the outcome/impact the scheme will realise?

CONSENTS REQUIRED

Are any Planning/Building Regulations required?

Please advise yes/no. If yes then a brief idea of the Planning/Building Regulation Approval which will be required.

Are any Central Government consents required?

Please advise yes/no. If yes then a brief idea of the consents which will be required.

RISK MANAGEMENT (advise on risk management is contained within the Corporate Risk Management guidance)

Key Risks presented by undertaking the scheme

Please identify the key risks associated with this project. This could link to the Council's or Departmental Risk Registers.

If funding is time constrained please identify.

If the project must be completed within a defined time line please identify.

Key Risks mitigated

Please identify the key risks mitigated by this project. This could refer to the Council's or Departmental Risk Registers.

EXIT STRATEGY / RESIDUAL LIABILITY

This confirms how the project will be sustained in the future, and what liabilities will remain with the Council both capital and revenue and who and how commitments will be met.

CONSEQUENCE OF NOT UNDERTAKING THE SCHEME

This confirms what the consequence or likely consequence would be to the Council if the scheme was not progressed.

THE BID SUMMARY

This is a summary of the costs of the bid, which is being requested to carry out the scheme.

STATUS OF EXTERNAL FUNDING

This confirms the current status of required funding

DETAILED FINANCIAL APPRAISAL PLEASE CONSULT WITH YOUR SERVICE ACCOUNTANT AT ALL STAGES OF THE FINANCIAL APPRAISAL. A FULL FINANCIAL ASSESSMENT IS CRITICAL.

Capital Costs

Please advise of the full costs associated with the scheme/projects. The land/building value will need to be indicated on the form.

Revenue Implications

Please indicate the likely running costs associated with the future maintenance of the project/building. Running costs could be: Staffing, Utilities, Cleaning, Ground Maintenance, Insurance, Rates

Potential Funding

An indication of the funding which will be available for the scheme/project. This should include any revenue contributions.

APPROVALS

The Service Director and Finance officer must approve the bid before submission to SCIG
The SCIG must approve the bid and the Chair must sign and date.

COMMENTS

Any comments or advice from SCIB. .

GENERIC QUESTIONS These questions need to be asked to ensure that the scheme submitted is appropriate and relevant to fulfil the objectives.

Capital Single Pot - Prioritisation Scoring Model

Scheme Title:			
	Score	Weight	Total
Unavoidable capital expenditure due to emergency / urgent H& S	Outside Scoring system due to nature of works, and liability.		
Achievement of the Corporate Objectives	How important is this project to improving performance on the Councils key objectives? Score (10=High, 1=Low)	x1	10
Statutory, Contractual or Legislation	Critical Statutory / mandatory requirement = 10 Non statutory /mandatory = 0	X1	10
Achievement of Strategic Objectives / Plans	How important is this project to delivering Strategic objectives / plans? Score (10=High, 1=Low)	X1	10
Invest to Save	100% payback within 5 years = 10 and Reduces to zero pro rata to funding identified	X2	20
External Funding	100% funding or expenditure leading to larger capital receipt = 10 and Reduces to zero pro rata to funding identified	X2	20
Residual Liability	Score (10=Low , 1 = High)	X 1	10
Risk – presented by project	Score (10=Low , 1 = High)	X1	10
Risk – mitigated by project	Score (10=High, 1=Low)	X1	10