

Capital Programmes

Addition of Schemes to the Capital Programme

- B.23 Any new scheme where the total scheme cost does not exceed £500,000 that is ENTIRELY funded by scheme specific external sources can be added to the Capital Programme by the relevant Chief Officer following consultation with the Cabinet Member, Policy Co-ordinator and the CFO.
- B.24 Any new scheme where the total scheme cost exceeds £500,000 that is ENTIRELY funded by scheme specific external sources can be added to the Capital Programme by the Cabinet and since they will qualify as key decisions, will also need to be included in the forward plan.
- B.25 Any new scheme utilizing existing funding from the City Council may be added to the Capital Programme by the relevant Chief Officer following consultation with the relevant Cabinet Member, CFO and Policy Co-ordinator provided that this is consistent with their originally intended use.
- B.26 Any scheme requiring up to £100,000 of new funding from the City Council can be added to the Capital Programme by the CFO following consultation with the Cabinet Member with responsibility for financial matters and the relevant Chief Officer and Cabinet Member. Any such additions should be highlighted as part of the formal update of the Capital Programme submitted to Council twice a year.
- B.27 Any scheme requiring over £100,000 of new funding from the City Council will require approval by the full Council. New funding includes additional borrowing by the Council, except for supported borrowing approvals below £50,000.

Approval of Capital Schemes

- B.27 The basis for approving schemes, including credit arrangements such as Finance Leases, that are included in the approved capital programme is:
- Schemes already in the capital programme up to the value of £200,000 can be approved by the relevant Chief Officer and Policy Co-ordinator following consultation with the relevant Cabinet Member and the CFO, subject to the relevant details (as defined in guidance provided by the CFO) being provided in the form of a written briefing note or report.
 - Schemes already in the capital programme costing £200,000 or more will require scheme approval from the Cabinet and since they will qualify as key decisions, will also need to be included in the forward plan. Where there are approvals in the programme for which there are block allocations, for example New Deal for Schools, or a replacement roofs programme these may be treated as a single scheme, but any individual projects within that scheme costing in excess of £200,000 will need to be separately identified in the request

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for approval. The allocation of spending within these blocks must be made within policies or strategies already agreed by Council.

- The costs for schemes that have already received formal scheme approval by Cabinet may be varied up or down by the relevant Chief Officer following consultation with the relevant Cabinet Member without requiring further scheme approval as long as the variation in costs complies with these financial procedure rules and as long as the scope and design of the project, in the opinion of the CFO, remains largely unchanged from the original approval.
- Schemes already added to the capital programme may spend up to £50,000 or ten per cent of the scheme budget, whichever is the lesser, with the approval of the relevant Chief Officer following consultation with the relevant Cabinet Member in advance of approval to spend on the scheme for the purpose of feasibility work, scheme design and costing.

Variation of Capital Expenditure

- B.28 For the purposes of this section “Variation of Capital Expenditure” a scheme is defined as a programme of works consisting of a number of projects (e.g. Principal Roads) and a project is defined as an individual item that is either part of a larger scheme or stands alone in its own right.
- B.29 A Chief Officer following consultation with the relevant Cabinet Member and the CFO may transfer any sum between projects within a scheme providing that the CFO is satisfied that there will be no material change in the revenue implications arising from the transfer.
- B.30 A Chief Officer following consultation with the relevant Cabinet Member, the CFO and Cabinet Member with responsibility for financial matters, may transfer up to £200,000 between schemes in the capital programme providing that the CFO is satisfied that there will be no material change in the revenue implications arising from the transfer and as long as the expenditure is in line with policies and strategies already agreed by Council.
- B.31 Transfers between schemes in the capital programme from £200,000 up to £500,000 can be approved by Cabinet as long as the expenditure is in line with policies and strategies already agreed by Council. Since these decisions will qualify as key decisions, they will also need to be included in the forward plan.
- B.32 Transfers between schemes in the capital programme of £500,000 or more must be approved by Council.
- B.33 A Chief Officer following consultation with the relevant Cabinet Member, the CFO and Cabinet Member with responsibility for financial matters, may transfer up to £100,000 between projects in the capital programme

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providing that the CFO is satisfied that there will be no material change in the revenue implications arising from the transfer and as long as the expenditure is in line with policies and strategies already agreed by Council.

- B.34 Transfers between projects in the capital programme from £100,000 up to £200,000 can be approved by Cabinet as long as the expenditure is in line with policies and strategies already agreed by Council.
- B.35 Transfers between projects in the capital programme of £200,000 or more must be approved by Council.
- B.36 Any transfer between schemes or projects within the capital programme that are not in line with policies and strategies already agreed by the Council will need Council approval.
- B.37 Any variations to the Capital Programme actioned under the rules above should be carried out in line with guidance issued by the CFO and highlighted as part of the formal update of the Capital Programme submitted to Council twice a year.

Responsibilities of the CFO

- B.38 To prepare annual capital estimates jointly with Chief Officers and the head of paid service and to report them to the Cabinet for approval. The Cabinet will make recommendations on the capital estimates and on any associated financing requirements to the Full Council. Approval of the CFO is required where a chief officer proposes to bid for or exercise additional borrowing approval not anticipated in the capital programme. This is because the extra borrowing may create future commitments to financing costs.
- B.39 To prepare and submit reports to the Cabinet on the projected income, expenditure and resources compared with the approved estimates.
- B.40 To issue guidance that may be updated from time to time on the management and monitoring of the capital programme and other related issues, for example, on project appraisal techniques. The definition of 'capital' will be determined by the CFO, having regard to government regulations and accounting requirements.
- B.41 To approve, following consultation with the Solicitor to the Council and the Cabinet Member with responsibility for financial matters, any addition to the capital programme or capital expenditure which in the opinion of the CFO is in the best interests of the Council.

Responsibilities of Chief Officers

- B.42 To comply with all guidance concerning the capital programme, capital schemes and controls issued by the CFO.
- B.43 To ensure that all capital proposals have undergone a project appraisal in accordance with guidance issued by the CFO.
- B.44 To prepare regular reports reviewing the capital programme provisions for their services in accordance with the Corporate Monitoring Timetable for submission to the CFO.
- B.45 To ensure that adequate records are maintained for all capital contracts.
- B.46 To prepare and submit reports, jointly with the CFO, to the Cabinet, on completion of all contracts where the final expenditure exceeds the approved contract sum or overall scheme cost by more than 10% or £25,000 which ever is the higher, including where the additional spend was funded from.
- B.47 To ensure that credit arrangements, such as leasing agreements, are not entered into without the prior approval of the CFO and, if applicable, approval of the scheme through the capital programme.
- B.48 To consult with the CFO and relevant Cabinet Member where the chief officer proposes to bid for any capital resources issued by government departments that has not been included in the latest update of the capital programme