

Appendix

The Response of the Cabinet Member with Responsibility for Finance to the Scrutiny Report on Developing and Managing the Capital Programme

I would like to thank the Scrutiny Committee for this thorough and well-timed report into the Capital Programme.

When I joined the Council in March 2000 the Capital Programme for 2000/2001 stood at £33,206,000. In 2006/2007 the sums involved were just under £105,000,000 and, looking forward, while this level of spending is set to continue for some years to come; as highlighted in the report, the funding streams have risen from five to nineteen and with it have raised the complexity of the programme. The Panel has perhaps rightly looked at the detailed workings and the driven up projects from the service need approach, but does seem to have ignored the Cabinet or Council driven down path as evidenced by the flooding capital addition or indeed the Scrutiny Panel effects on the programme, as evidenced by the £15M Urban Renewal roads programme. This could become a greater factor if Central Government relaxes its grip around the throat of Local Government.

It is likely this will be the high-water mark of the Capital Programme in this cycle. The joint spending on Capital by the Government, working in partnership with the Council, has been one of the distinctive features of this period in the history of the Council. This is why I welcomed this look at the way this vital Council Programme is being handled.

I welcome the key conclusion from the report that states: "Overall, the Corporate business processes designed by Officers to develop and evaluate the Capital Programme were found to be strong, well managed and committed to continual improvement".

I accept the recommendations in the report at the bottom of page 2, which are as follows:

"That Cabinet reviews and formalises its role in overseeing the development and Management of the Capital Programme, in order to clarify the process, and create a visible audit trail.

That the Overview and Scrutiny Steering Committee (OSSC) considers how to incorporate the Capital Programme into its scrutiny of the budget.

The Developing and Managing the Capital Programme Task Group submits the evidence and key findings contained in this report as a tool to initiate this process."

I would suggest that in response to the recommendation in Para 1 that the Cabinet in its annual planning week has a session on the Capital Programme to ensure that its corporate plan is being followed, and its aims are understood.

This would be followed, at a suitable moment in the budget cycle, ie late December or January, by a meeting between the Leader of the Council, the Cabinet Member with Responsibility for Corporate Services, the Cabinet Member with Responsibility for Finance, and their respective Directors, with the Corporate Property Strategy Group to review their recommendations to the Capital Plan.

I thank the Scrutiny team for their work.

Adrian Hardman
Cabinet Member with Responsibility for Finance

25 February 2008