

**THE OVERVIEW AND SCRUTINY COMMITTEE**

**23 January 2017**

**Minute Extract**

582. **CAPITAL STRATEGY AND CAPITAL PROGRAMME 2017**  
(Report CAB28889 refers)

The Portfolio Holder for Finance introduced the report. The investment proposals as set out were required to achieve the Council's main objectives and priorities of the Council Strategy, including maintaining of service delivery and the Council's longer term ambition to be financially self sufficient. Each of the capital projects would be supported by business cases going forward.

The Committee asked number of detailed questions of the Portfolio Holder and Leader and of the officers present, which were responded to as summarised below:

- (i) The Chief Executive clarified that a business case for individual capital projects was developed and assessed and the programme brought forward for Members' consideration. With regard to the Station Approach project, it was recognised that this had been 're-set' and a report on a revised scheme was to be considered by Cabinet for the project to go forward. The Capital Programme at Appendix C had been prepared on the basis that the scheme to be delivered would be fully backed and funded by the Council.
- (ii) Councillor Godfrey referred the Committee to page 5 of the Capital Strategy which listed various capital projects which had yet to receive formal approval (or had been supported with business cases at this time) to be added to the Capital Programme.
- (iii) Councillor Horrill emphasised that in the context of the many projects currently being work in progress, the Capital Programme would certainly be required to evolve.
- (iv) Councillor Godfrey responded to concerns that the Capital Programme may be too reliant upon successful delivery of the Station Approach project and whether there may be too much of a risk of a net negative position as a consequence. He was satisfied that across the whole Capital Strategy, there were a number of other projects which, collectively delivered, would mean that this was not a significant risk to the Council. He recognised that Station Approach was an important project for the Council to deliver but reminded Members of the Central Winchester Regeneration and other key projects.

- (v) Councillor Horrill emphasised that the Capital Strategy was a living document and that it was necessary for there to be many projects to consider, in case not all were delivered. She referred to the huge investment of the Council across the Housing Revenue Account to the benefit of residents.
- (vi) Councillor Godfrey recognised that there were various high priority projects necessary to reduce particular impact, from matters such as flooding. Although the aspirational list on page 5 of the Capital Strategy referred to some river, flood and drainage schemes which were not yet in the Programme, each would be assessed with regard to their relative impact. There had been various major capital projects across the District related to flooding that had been delivered successfully.
- (vii) Councillor Godfrey explained that business cases for each of the projects would set out their corresponding social and environmental return upon the investment. In addition, the programme would be based in future years on the new Council Strategy and the approach taken to outcome-based budgeting.

At conclusion of debate, it was considered that having a large capital programme was a useful 'place holder' for the various projects being considered by the Council, and together with robust processes (including the requirement for individual business cases), this meant that the Capital Strategy and Programme was to be generally welcomed and also would evolve going forward. The importance of revenue-generating projects in the Plan must be particularly recognised. The Committee voted on a proposal (which was seconded, and carried) that Portfolio Holder's management of the Capital Programme must be based on the various financial, environmental and social outcomes that the Council was looking to achieve.

**RESOLVED:**

That the Leader and Portfolio Holder for Finance have regard to the comments of the Committee as set out above, in particular its request for there to be outcome-based portfolio holder management of the Capital Strategy

**RECOMMENDED:**

**THAT THE CAPITAL STRATEGY AND PROGRAMME 2017  
BE NOTED.**