

**ANGUS COUNCIL**

**RESOURCES AND CENTRAL SERVICES COMMITTEE  
STRATEGIC POLICY COMMITTEE**

**9 SEPTEMBER 2004  
14 SEPTEMBER 2004**

**SUBJECT: CAPITAL PROJECTS MONITORING GROUP**

**REPORT BY DIRECTOR OF FINANCE**

**Abstract: This Report seeks approval for the establishment of a Capital Projects Monitoring Group to examine any issues raised through the routine Capital Monitoring Process on the Composite Capital Programme and subsequently direct any corrective action which may require to be taken.**

**This Report also seeks approval for the proposed remit and Membership of the Group.**

**1 RECOMMENDATION**

- 1.1 It is recommended that the Committee –
- i. approve the establishment of a Capital Projects Monitoring Group to examine any issues raised through the routine Capital Monitoring Process on the Composite Capital Programme and subsequently direct any corrective action which may require to be taken; and
  - ii. approve the proposed remit and Membership of the Group.

**2 INTRODUCTION**

- 2.1 A paper was presented at the Budget Strategy Group (BSG) Meeting of 6th May, 2004 detailing the outcome of a review carried out by Officers from the Finance Department on the circumstances leading to the significant slippage which occurred on the 2003/04 Composite Capital Programme. In its consideration of the slippage review paper, the BSG agreed to the establishment of a Capital Projects Monitoring Group (CPMG). The purpose of this group is to examine the circumstances surrounding any substantial issues arising with ongoing capital projects (as highlighted through the regular Capital Monitoring Statements and the consultation processes which support these productions) and to ensure that the relevant Chief Officers are taking the appropriate action to correct the situation where appropriate.
- 2.2 This Report puts forward proposals regarding the formation and operation of the CPMG for the consideration of Members.

**3 GROUP REMIT**

- 3.1 It is proposed that the remit of the CPMG will be to:

- perform an overview role in the overall monitoring of the Composite Capital Programme which would supplement rather than take the place of existing monitoring arrangements at Officer level and through Committee
- investigate with relevant Officers the issues and reasons for identified areas of substantial potential overspend/underspend, as highlighted through the regular Capital Monitoring Statements
- agree the corrective action as appropriate to be taken in order to rectify the identified issue/problem with the appropriate Chief Officer(s).

3.2 The Group will adopt a monitoring role only. It will not consider the strategic aspects, development or funding of individual capital projects or the Composite Capital Programme as a whole - these areas will continue to be the responsibility of the Capital Budget Sub Group (CBSG) and BSG.

#### **4 MEMBERSHIP OF GROUP**

4.1 It is proposed that the CPMG be a Member/Officer Group, comprising the following core members:

- 3 Elected Members, being the Convener and Vice Convener of the Resources and Central Services Committee, and one opposition Member from the Resources and Central Services Committee
- the Chief Executive or Representative
- the Director of Finance and the Head of Financial Services

4.2 Departmental Chief Officers/Designated Officers would be called in to provide information on individual capital projects as and when required.

#### **5 TIMING AND FREQUENCY OF MEETINGS**

5.1 It is proposed that Group Meetings be timed to tie in with Capital Monitoring Reports which are produced for the Resources and Central Services Committee as information supplied to the Group will be based on the content of such Reports. Information additional to the Capital Monitoring Report may also be required. Meetings must therefore be timed to allow for the production of more detailed information where it is considered that such further information is required.

5.2 It is recommended, therefore, that Meetings are scheduled to take place following the presentation of Capital Monitoring Reports to Resources and Central Services Committee Meetings.

5.3 It is envisaged that the Group may be required to meet 3 times a year and only if significant issues are highlighted through the Capital Monitoring Process. A suggested Timetable of Meetings (subject to availability of proposed Group Members) would be:

CPMG Proposed Meeting	Associated Capital Monitoring Report	
	Expenditure to end of	Resources and Central Services Committee Date
Late October / Early November	August, 2004	21st October 2004
Early - Mid December	October, 2004	2nd December 2004
Early - Mid February	December, 2004	3rd February 2005

## **6 PROVISION OF INFORMATION TO THE GROUP AND ADMINISTRATIVE ARRANGEMENTS**

- 6.1 As well as being provided with the most up to date Capital Monitoring Statement, the Group may require additional information on any projects which have been identified as potential problem areas requiring further consideration i.e. areas of potential significant slippage or overspend.
- 6.2 The Group may wish to take action by requesting a Meeting with the relevant Chief Officer/Designated Officer to establish why the problem has arisen and the best way forward.

## **7 FINANCIAL IMPLICATIONS**

- 7.1 There are no financial implications associated with the terms of this Report.

## **8 HUMAN RIGHTS IMPLICATIONS**

- 8.1 There are no Human Rights Implications arising as a result of this Report.

## **9 CONSULTATION**

- 9.1 All Chief Officers have been consulted in the preparation of this Report.

## **10 CONCLUSION**

- 10.1 The Committee is requested to approve the establishment of a Capital Projects Monitoring Group to examine any issues raised through the routine Capital Monitoring Process on the Composite Capital Programme and subsequently direct any corrective action which may require to be taken.
- 10.2 The Committee is also requested to approve the proposed remit and Membership of the Group.

**NOTE:** No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973, (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

DSS/SMS/PH - 24/08/04

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