KPMG

INFRASTRUCTURE, GOVERNMENT AND HEALTHCARE

Bury Metropolitan Borough Council

Capital programme management review

May 2009

AUDIT

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1 Executive summary

1.1 Introduction

In recent years, Bury Metropolitan Borough Council's ('the Council') capital slippage has been a significant proportion of the total capital programme. Our previous reviews have confirmed that the Council's discretionary capital expenditure is targeted at its priorities. However, there is a risk that significant slippage prevents the Council from achieving priority outcomes as quickly as it intends.

Further to this, the Audit Commission's Corporate Assessment Report 2008 highlighted that there was some weaknesses in the management of the capital programme. In particular, funding of major schemes was not profiled across financial years, which made it difficult to effectively manage progress.

Our review has sought to identify what the key reasons have been for the occurrence of slippage over recent years, and in particular in 2007/08. We have reviewed the bidding/appraising, planning and monitoring processes involved in the capital programme.

1.2 Key findings

This review has identified that the Council has taken some steps to try to reduce the reported slippage and to improve monitoring of the capital programme to allow issues to be identified at an early stage. There are, however, some further actions that the Council can take to reduce the risk of slippage occurring. The key findings of this review are:

- The Council now re-profiles the capital programme during the year, which will lead to a lower level of reported slippage at the end of the financial year. However, this process alone does not reduce the actual slippage arising, as the spend remains delayed. (Section 3.2)
- There is not always a clear link between the Council's priorities and the schemes included in the capital programme. There is a need to clearly document what the approved schemes' intended outcomes are and how these link to the Council's corporate objectives are. (Sections 4.3 and 5.3)
- Sufficient lead time and additional planning time is not always built in to the project timescales in the project initiation document (PID). This means that the profile of expenditure is sometimes incorrect and can cross financial years, leading to slippage being reported. (Sections 5.3 and 6.3)
- The Council has a post completion review process in place for schemes over £50k. This process allows the Council to share the lessons learnt from the projects that have been completed. It also allows for an assessment against the original objectives of the schemes. However, as noted above, there are opportunities to strengthen the documentation in relation to the original objectives. (Sections 4.3, 5.3 and 5.5)

1 Executive summary *(Continued)*

- For 2008/09 the Council has introduced a process for profiling expenditure across the financial year at various milestones. This will assist the monitoring of the capital programme and should assist in ensuring greater focus on the profile of expenditure. (Section 6.3)

1.3 Key learning points

As noted above, the Council has put some processes in place for 2008/09 to begin addressing the slippage issues previously encountered. Further to this, we have identified the following key learning points for the Council:

- The Council should clearly document on the project bids what outcomes the capital scheme is intended to achieve. This will allow the Council to have a clear audit trail of the impact that capitals schemes have had in relation its corporate objectives.
- The Council should review the PIDs compared to revised plans. This would help to highlight any trends in planning issues, such as inadequate lead time estimates (for tendering, ground preparation and so on) and additional planning time built into the PID.
- The Council does not currently over-programme the capital programme. The Council should give consideration to over-programming the capital programme, by having pre-approved 'reserve' schemes. These could then be commenced if there is a delay in one of the existing schemes of the capital programme. This would mean that resources would not remain unused.

1.4 Way forward

We will discuss the findings of the review with officers to agree an action plan to address the key issues going forward. In addition, we shall continue to work with officers to constructively challenge the delivery of action plans.

2 Introduction

2.1 Background

Bury Metropolitan Borough Council approved a capital programme for 2008/09 in February 2008. The planned programme for 2008/09 was £38 million (£37.1 million for ongoing projects and £0.9 million for discretionary schemes), with a further £29.4 million and £32.5 million planned for 2009/10 and 2010/11 respectively. In previous years, the Council's capital slippage has been a significant proportion of the total capital programme. The following table demonstrates the level of slippage over the last three financial years.

	2005/06	2006/07	2007/08
Capital programme slippage (%)	20%	38%	15%

Our earlier reviews, (Review of the Medium Term Financial Strategy – March 2006 and Review of Service Prioritisation – June 2008) have confirmed discretionary capital expenditure is targeted at Council priorities. However, there is a risk with significant slippage that such spend does not take place as quickly as planned and priorities are not achieved as quickly as intended. Given the increasing scale of the Council's capital programme, the risk of not achieving priority outcomes is higher if slippage continues to occur.

Further to this, the Audit Commission's Corporate Assessment Report 2008 highlighted that there was some weaknesses in the management of the capital programme. In particular, funding of major schemes was not profiled across financial years, which made it difficult to effectively manage progress.

2.2 Objectives and scope of our review

This review has considered how bids for capital programme projects are initially made, the process for appraising bids and selecting schemes for inclusion in the Programme and then how these projects are managed through the project lifecycle. The review has also considered how arrangements are used to monitor and manage the capital programme. Where possible we have compared the Council's arrangements to best practice. Our review specifically considered:

- the 2007/08 capital programme outturn and reasons for any significant slippage or overspend;
- capital scheme management arrangements, specially how schemes are:
  - planned, in terms of expected expenditure, commencement of works and length of work;

2 Introduction *(Continued)*

- reviewed and approved once a proposal is prepared for a capital scheme;
- monitored through the capital programme management arrangements; and
- evaluated, once a scheme is complete.

- The degree to which capital bids and schemes have quantitative business cases and performance indicators measuring outcomes;
- The degree to which organisational learning takes place, so mistakes are not repeated and good practice is shared; and
- The extent to which resources are actively managed to ensure slippage on capital schemes is used on other capital schemes, so resources are used effectively to delivery council priorities.

2.3 Audit approach

Our approach has been to:

- review key documents;
- interview key officers within the accountable body;
- share best practice; and
- provide constructive challenge and support.

2.4 Acknowledgements

We would like to take this opportunity to thank all those staff at the Council who have supported this review.

3 2007/08 capital out-turn

3.1 Introduction

This section of the report discusses the 2007/08 capital out-turn. The approach to this review was to select a sample of capital schemes from the 2007/08 capital out-turn and to follow these through the capital process, from the initial bid through to the evaluation process.

3.2 Background

The total capital programme approved by Council at the start of 2007/08 was £43.673 million. Slippage brought forward from 2006/07 (£22.808 million), in-year approvals for newly identified schemes (£3.658 million) and re-profiled spend from 2006/07 (£1.621 million) increased the capital programme to £71.760 million.

The actual capital expenditure incurred during 2007/08 amounted to £35.536 million. Whilst this appears to be a very large variance to the capital programme of £71.760 million, it was recognised during 2007/08 that monitoring processes needed to be improved. As a result, the Capital Programme Management Group (CPMG) re-profiled the programme. This led to £36.520 million being re-profiled to future years.

This process of re-profiling the capital programme during the year, which has continued into 2008/09, should reduce the amount of reported slippage. However, this report seeks to highlight other ways that any potential slippage could be reduced by identifying issues in the planning, monitoring and evaluation stages of the capital programme.

3.3 Schemes identified

We obtained the capital monitoring reports for quarters three and four of 2007/08. From this we identified schemes that had significantly different out-turns to that forecast and to the revised estimates (after taking account of re-profiling) at quarter three. We looked at variances in terms of slippage and overspends.

We also ensured there was coverage of all key departments involved in the capital programme.

As a result of this analysis we identified and reviewed the schemes detailed in Appendix Two.

4 Capital bidding process

4.1 Introduction

This section of the report discusses the capital bidding process in operation at the Council. This section also looks at how this process has operated for the schemes identified for review in section three.

4.2 Background

Schemes below £50k are accepted based on their outline application (stage one of the capital bidding process) these are automatically included within the draft capital programme. Only schemes above £50k are formally assessed against the criteria set out below.

Capital bids are, ultimately, required to be submitted to Council for approval prior to commencement of the capital scheme. Capital bids are evaluated by the Star Chamber and the Capital Programme Evaluation Panel, during stage two of the capital bidding process, using the following criteria:

- links to Council priorities
- links to Team Bury ambitions
- legal requirements
- health and safety requirements
- improving performance
- positive environmental impact
- local economic benefit
- invest to save
- risk management
- value for money/affordability

Accepted schemes are then included within the draft capital programme, which is taken to Management Board, Resources and Performance Scrutiny, Executive and finally to Council.

The link back to the objectives of the Council and the ambitions of Team Bury means that approved discretionary capital schemes should contribute to the achievement of these.

4 Capital bidding process *(Continued)*

4.3 Bidding and approval process for identified schemes

Some of the schemes identified to be tracked through the capital programme cycle were approved prior to the introduction of the methodology discussed in section 4.2, which means that it has not been appropriate to test whether the appropriate criteria have been used.

Our discussions with officers in relation to the Derelict Land Grant Support scheme indicated that there was not a clear link to the corporate objectives of the Council for this scheme. As detailed in Appendix Two, this scheme is used to support other sources of funding for other projects. The Council cannot be sure that the monies being invested on this scheme are contributing to the achievement of its corporate objectives.

In addition there was no support for the monies requested in the bid. This is an historic figure that has been used for a number of years and has been inflated over time.

Recommendation 1

The Council should reconsider the use of the DLG scheme in the current way it is being operated, as if schemes do not require match funding or contingencies, this fund will remain unused. The capital bid should also be supported with a rationale for the amount of money requested.

5 Management and monitoring of capital schemes

5.1 Introduction

This section of the report discusses the arrangements in place for the management and monitoring of capital schemes over the project lifecycle.

5.2 Background

Successful project management requires detailed planning at the outset and monitoring as the project progresses. The Council has a number of mechanisms in place to assist this process.

5.3 Capital scheme planning

The Project Initiation Document (PID), which is completed at stage two of the capital bidding process should document as much information as is available at the time of completion. Estimates of time and cost are based on the professional judgement of the architects and consultants. There is some initial profiling of spend at this stage, as well as analysis of any future revenue expenditure consequences.

Part of the PID is to identify how the capital scheme will contribute to the achievement of the Council's objectives. From the schemes that we have reviewed there were limited examples of performance indicators or other measures being identified at the PID stage. The purpose of such measures are to demonstrate that the capital scheme has had the desired effect and has contributed to the achievement of the Council's objectives.

Recommendation 2

The Council should ensure that all PIDs identify clearly how schemes are going to contribute to the achievement of the Council's corporate objectives. This should be done through the identification of performance indicators or other measures that can be monitored on completion of the capital programme.

Recommendation 3

The Council should consider the introduction of 'milestone' performance measures, which show that the capital programme is making progress towards the achievement of the overall performance indicators or measures identified in the PID.

5 Management and monitoring of capital schemes *(Continued)*

Upon project approval the initial scheme plans are revisited. This involves completing the design brief and firming up the expenditure forecasts and timing of the scheme. Once firmer design plans are in place, this can clearly change the projections made in the PID. There were instances where inadequate estimates for lead times had been included in both the PID and the revised plans, for example Modernisation & New Pupil Places. The capital programme needs to be updated once plans have become firmer to ensure that the capital programme budget is realistic.

As the documentation for the capital bidding process is relatively new, we were unable to see from the schemes selected whether there was a trend in the difference between the original timescales/costs laid out in the PID to those in the revised plans following approval. There is a risk that timescales contained in the PID are not realistic compared to the revised plans after the design brief has been completed. Reviewing the PIDs compared to revised plans would help to highlight any trends in planning issues, such as inadequate lead time estimates (for tendering, ground preparation and so on) and additional planning time built into the PID. Appendix One identifies how this would look in relation to the existing process map.

Recommendation 4

The Council should review revised plans and compare them to the original PIDs submitted for consideration by the Capital Programme Evaluation Panel. This would allow trends in planning issues to be identified and addressed.

5.4 Capital scheme monitoring

The capital programme is monitored at various levels:

- The overall capital programme is monitored on a quarterly basis as part of the corporate financial monitoring report by both the Resource and Performance Scrutiny Commission and the Executive.
- The CPMG hold monthly meeting discussing the capital programme as a whole and issues arising on individual schemes. The minutes of these meetings are reported to Management Board.
- Each capital scheme typically establishes a project team where progress is monitored, issues arising in the scheme are discussed and a way forward is identified. This is at the operational level and involves detailed monitoring.

The CPMG is made up of technical, finance and service staff. This means that a balanced view can be obtained in terms of the progress of schemes.

The CPMG has been instrumental to some of the developments in the management of the capital programme, such as:

- the development of the two-stage bidding process to ensure there is a link to the corporate objectives;

- the introduction of re-profiling and quarterly scheme profiles to identify potential areas of slippage at an early stage; and
- the sharing of experiences and raising awareness of capital projects across the borough.

Future plans are to develop the CPMG further, by looking beyond purely financial information and looking at the actual scheme progress, therefore giving a more holistic approach to project management.

As noted above, for 2008/09 the monitoring process for the CPMG has improved, with the introduction of profiled spend across the year. Quarterly milestones are now required throughout the year. This should assist in the planning and monitoring process. For example, if schemes have back-ended expenditure, this would indicate a bigger risk of slippage and progress can therefore be monitored more closely. Similarly, the introduction of in year profiling will ensure that a focus is placed on planning spend throughout the year and, therefore, considerations to the actual timing of the capital works.

The Council could make use of this profiled expenditure to inform the timing of its treasury management activities, as this will provide greater clarity over when there is the greatest demand for cash and where there is less requirement for borrowing.

Recommendation 5

The Council should use the profiled capital expenditure to inform the treasury management activities, in terms of taking loans and the making short-term investments.

5.5 Post completion evaluation and organisational learning

All capital schemes over £50k, once completed, must be evaluated using a template 'post completion review' form. Schemes greater than £50k are assessed against four Key Performance Indicators (KPIs). The four KPIs are:

- Time predicted between commit to design and commit to construct compared to actual time taken;
- Time predicted between commit to construct and available for use compared to actual time taken;
- Cost predicted at commit to design compared to actual cost at commit to construct; and
- Cost predicted at commit to construct compared to actual cost at available for use.

All schemes over £250k must then have an additional evaluation completed (within the same template form). This additional review process involves providing analysis and explanations in terms of:

- financial management – using the 'cost' KPIs above;

- project management – using the 'time' KPIs above;
- achievement of corporate objectives and highlighting the outcomes achieved; and
- corporate asset objectives.

Discussions with officers identified that for schemes where expenditure is below £250k more informal reviews are still undertaken, but these are not necessarily formally documented or lessons shared across the organisation.

The post completion review form also has a section for 'Lessons Learnt'. Here project teams have the opportunity to identify what issues have arisen during the project and how these can be addressed going forward. These lessons are then shared with the rest of the CPMG.

Our review of the post completion review forms revealed that few 'Lessons Learnt' were being identified. In some cases, issues were raised on the forms, but there were no lessons identified. Typically, the issues that are raised are in relation to the technical aspects of the project(s), such as delays due to environmental issues. Issues are not typically raised in respect of the planned profile of expenditure or other planning issues, such as lead times. The forms do not include any prompts to aid the completion of this section. Such prompts may ensure that more points are raised on the form for the rest of the organisation to learn from.

There is currently no space on the post completion review form to include examples of where practices have worked well, so that best practice can be shared across the organisation.

Recommendation 6

The Council should introduce prompts to aid the completion of the 'Lessons Learnt' section of the post completion review form for schemes over £250k. The prompts could be in the areas that are evaluated in the rest of this section of the form, such as financial management (including funding, planning, profiling and monitoring) and project management. The form should also provide opportunities to include examples of best practice experienced during the capital scheme development.

At present, there is only a requirement to complete a post completion review. However, issues may arise during the course of a project which could be learning points for the whole of the organisation. If a scheme is being completed over a number of years, there will be a delay in formally identifying and sharing these issues or they may be overlooked at the end of the project.

5 Management and monitoring of capital schemes *(Continued)*

Recommendation 7

For projects lasting greater than one year, the Council should consider the introduction of an interim evaluation process to identify issues arising that may provide as learning points for the whole organisation.

As noted in section 5.3 there were limited examples of non-financial performance indicators or other performance measures being identified in the PIDs. Highways noted that they reviewed projects post-completion to see what impacts the works have had on the safety of the roads. Accident rates would be considered for this purpose.

The majority of the post completion reviews, where applicable, had not yet been completed for the specific schemes that we were reviewing. However, we did review some completed post completion review forms for other schemes.

There were some examples of performance measures being evaluated in the post completion forms reviewed, however, these were largely in relation to the corporate asset objectives. In relation to the ‘Achievement of Corporate Objectives’ section there were some outcomes recorded on the forms, but these were not ‘measured’ outcomes. For example, one form noted that the outcome was ‘Redevelopment of a 2.1 acre brownfield site’ and another stated ‘improved public transport infrastructure’. An improvement to the latter documented outcome would be to add a performance measure, for instance, ‘increase public transport usage from x to y.’

The post completion review should relate back the performance indicators or other measures identified in the PID (see recommendations 2 and 3).

6 Managing resources

6.1 Introduction

The management of resources is crucial in ensuring value for money is being achieved. Slippage on the capital programme may mean that interest costs are being unnecessarily incurred or may mean that resources are unutilised.

6.2 Avoiding slippage and alternative use of resources

The Council has incurred slippage over recent financial years, as identified in the previous sections. Our review has identified that this is mainly due to the following reasons:

- Profiling of spend is not always known at the start of the project, or issues have arisen affecting the start date, and estimated profiles have not, historically, been revisited during the year. Instead the expenditure could be re-profiled either during the year or to future years to reflect up to date information.
- Lead times from the project initiation to the commencement on site have not always been built in to the project plan or issues have arisen which have lengthened the project lead time. This can mean that projects slip from one financial year to the next. For example, environmental issues arising on the Modernisation & New Pupil Places scheme meant that the project did not commence until 2008/09.

Recommendation 8

The introduction of the quarterly milestone profiled expenditure for CPMG monitoring should be used as the basis for revisiting and revising the in-year profiled expenditure. This will assist in the identification of a requirement to re-profile spend into future years or make alternative uses of the resources.

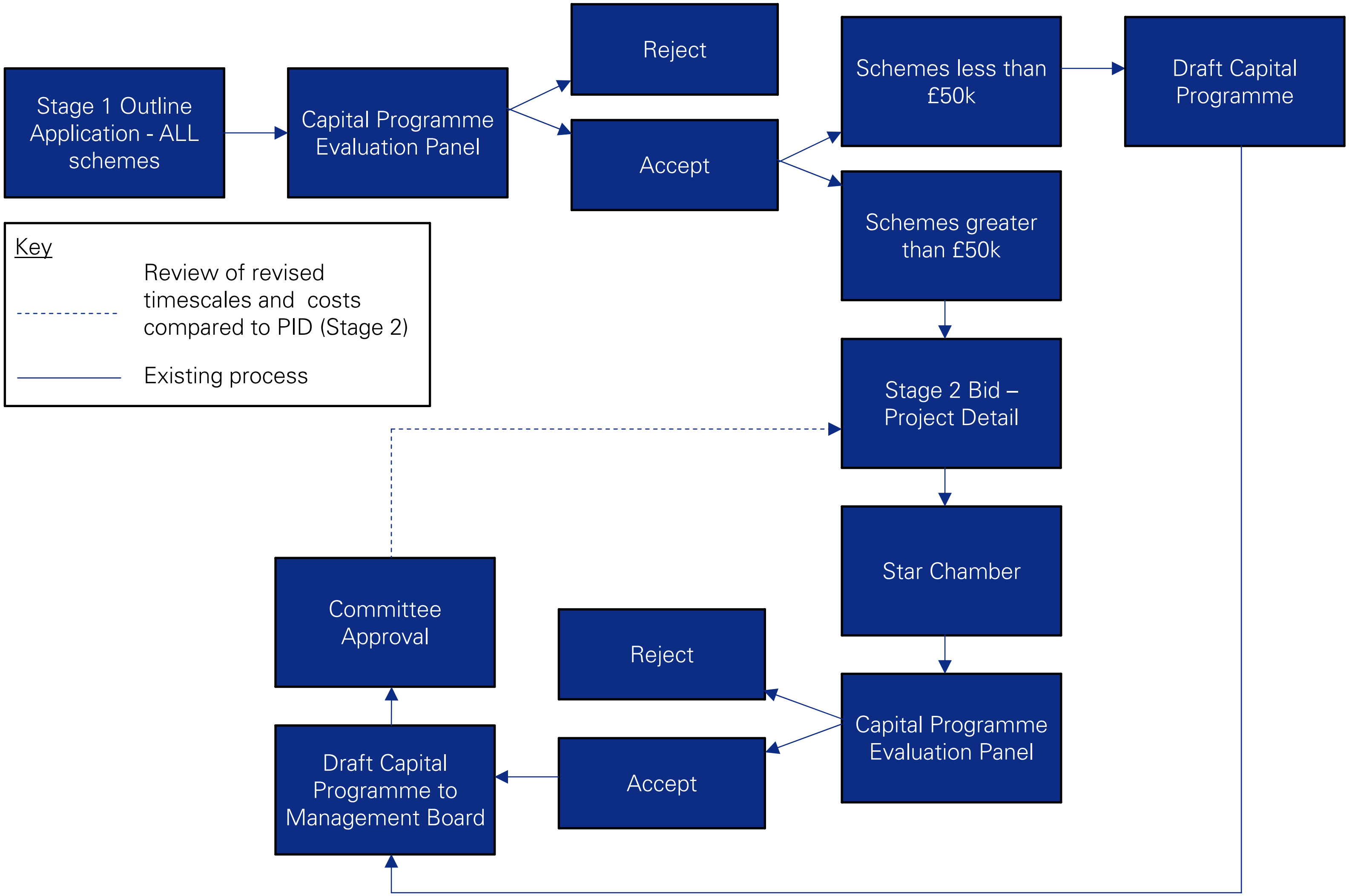
The Council does not currently over-programme the capital programme. Over-programming involves having some pre-approved ‘reserve’ schemes in case there are delays or underspends on one of the main schemes of the capital programme. The purpose of this is to ensure that there are no unutilised resources, which may be attracting interest. The Highways team, within Environment and Development Services, does include some over-programming within its capital bids.

Recommendation 9

The Council should consider over-programming the capital programme with pre-approved ‘reserve’ schemes. These should be separately identified in the capital programme reported to Council.

Appendix One - Approval process flowchart

Approval process flowchart



Appendix Two – Schemes selected for review

Schemes selected for review

Department	Scheme	Description of the scheme and rationale for variance	Original estimate (£000)	Revised estimate after re-profile (£000)	Forecast Out-turn (£000)	Actual Out-turn (£000)
Children's Services	Modernisation & New Pupil Places	This scheme is for works required at schools. The capital programme is informed by the Asset Management Plan for schools. The 2007/08 approved scheme was for a programme of replacing temporary accommodation at two primary schools (Fairfield and Holcombe Brook). There was also funding for works at two secondary schools (Woodhey and Parenthorn). This was to match Targeted Capital Funding (TCF) awarded by the Department for Children, Schools and Families (DCSF). The work had been commissioned but not completed at the year end. Some of the works had been held up due to environmental issues encountered and some had been delayed due to the lead time required to get the works started.	1,972	2,103	2,103	275
Children's Services	Computers for Schools*	This scheme was for the purchase of computers. The purchase had not taken place within the financial year and was expected to happen over the summer months.	0	212	212	0
EDS – ALAL	AGM – Archives Redevelopment	This scheme is also referred to as Bury Museums. The capital scheme involved works to make modifications to the museum structure and archives. This expenditure was part of larger programme of spend on museums.	0	42	42	90

*For this scheme we sought to gather explanations for the variance to identify any issues that may apply to other schemes, and did not track the scheme through the capital programme.

Schemes selected for review *(Continued)*

Department	Scheme	Description of the scheme and rationale for variance	Original estimate (£000)	Revised estimate after re-profile (£000)	Forecast Out-turn (£000)	Actual Out-turn (£000)
EDS – Highways	Principal Road Network	A survey of roads is carried out on a yearly basis. The results of this are input into a computerised system, which leads to a ten year programme of works. This is the basis for each year's capital scheme for Highways. This particular scheme in 2007/08 was mainly made up of the works at Manchester Road/Dumers Lane and Water Street. The reason for the variance against the estimates and forecast has been attributed to coding differences within the Highways budget.	351	351	511	431
EDS – Planning	DLG (Derelict Land Grant) Support	This scheme was established a number of years ago to decontaminate land. This scheme is now used as a 'contingency fund', for example, for areas where match funding is required. At the start of the year there would be no firm plans for the use of these monies. The capital bid is always in the region of £90k. Slippage from previous years is then added. The funds are vired out to other schemes during the year, but the spend is not marked against this capital scheme, therefore an artificial underspend is shown.	95	140	140	10

Schemes selected for review *(Continued)*

Department	Scheme	Description of the scheme and rationale for variance	Original estimate (£000)	Revised estimate after re-profile (£000)	Forecast Out-turn (£000)	Actual Out-turn (£000)
Housing Public (Six Town Housing)	HRA/MRA Schemes **	This scheme is for the works to the Council's housing stock to bring properties up to the Decent Homes Standard for 2010. There have been a number of reason attributed to the underspend in 2007/08: ● the procurement exercise to engage a large number of contractors went on longer than originally anticipated. This led to delays in the commencement of works. ● there were delays in getting GM Procure (housing consortium) contracting arrangements organised, which meant that projects start dates were delayed. ● there was a lack of reliable information in relation to project and financial information. ● a lack of resources with the Six Town Housing Asset and Investment team.	12,330	13,544	13,544	11,628

** The Council's Internal Auditors have carried out a separate review of the arrangements in place at Six Town Housing and are will be issuing a report with their findings in due course. The points identified above have been informed by the work of the Council's Internal Auditors.

Appendix Three - Recommendations and action plan

Recommendations and action plan

***	*Significant residual risk*	**	*Some residual risk*	*	*Little residual risk*

	Recommendation	**Priority**	**Management response**	**Responsibility and timescale**
1	The Council should reconsider the use of the DLG scheme in the current way it is being operated, as if schemes do not require match funding or contingencies, this fund will remain unused. The capital bid should also be supported with a rationale for the amount of money requested.	*	➢Agreed. ➢The 2010/11 Capital Programme will be based on a 'zero based' approach that will involve a comprehensive review of all carried forward allocations and the bids for new funding	Capital Programme Monitoring Group February 2010
2	The Council should ensure that all PIDs identify clearly how schemes are going to contribute to the achievement of the Council's corporate objectives. This should be done through the identification of performance indicators or other measures that can be monitored on completion of the capital programme.	***	➢Agreed although this will depend on the number of PIDs involved. It is suggested that this approach be limited initially to schemes costing more than £250,000	Capital Programme Monitoring Group February 2010
3	The Council should consider the introduction of 'milestone' performance measures, which show that the capital programme is making progress towards the achievement of the overall performance indicators or measures identified in the PID.	**	➢This is already done for very large schemes and it is agreed that the approach should be extended and that a more comprehensive approach to presenting the milestones be developed	Capital Programme Monitoring Group February 2010

Recommendations and action plan *(Continued)*

***	*Significant residual risk*	**	*Some residual risk*	*	*Little residual risk*
	Recommendation	**Priority**	**Management response**		**Responsibility and timescale**
4	The Council should review revised plans and compare them to the original PIDs submitted for consideration by the Capital Programme Evaluation Panel. This would allow trends in planning issues to be identified and addressed.	**	➢Agreed although this will depend on the number of PIDs involved. It is suggested that this approach be limited initially to schemes costing more than £250,000		Capital Programme Monitoring Group February 2010
5	The Council should use the profiled capital expenditure to inform the treasury management activities, in terms of taking loans and the making short-term investments.	**	➢The Council already uses capital expenditure reports that are produced quarterly in the budget monitoring process to inform treasury management activities. Loans are taken out in line with movements in the Capital Financing Requirement.		On-going
6	The Council should introduce prompts to aid the completion of the 'Lessons Learnt' section of the post completion review form for schemes over £250k. The prompts could be in the areas that are evaluated in the rest of this section of the form, such as financial management (including funding, planning, profiling and monitoring) and project management. The form should also provide opportunities to include examples of best practice experienced during the capital scheme development.	*	➢Agreed		Capital Programme Monitoring Group February 2010

Recommendations and action plan *(Continued)*

***	*Significant residual risk*	**	*Some residual risk*	*	*Little residual risk*

	Recommendation	**Priority**	**Management response**	**Responsibility and timescale**
7	For projects lasting greater than one year, the Council should consider the introduction of an interim evaluation process to identify issues arising that may provide as learning points for the whole organisation.	**	➢Agreed; as per recommendation 3	Capital Programme Monitoring Group February 2010
8	The introduction of the quarterly milestone profiled expenditure for CPMG monitoring should be used as the basis for revisiting and revising the in-year profiled expenditure. This will assist in the identification of a requirement to re-profile spend into future years or make alternative uses of the resources.	**	➢Agreed and has already been implemented	Capital Programme Monitoring Group February 2010
9	The Council should consider over-programming the capital programme with pre-approved 'reserve' schemes. These should be separately identified in the capital programme reported to Council.	**	➢The programme is already over-programmed to the extent that the forecast of expenditure is greater than available resources. Consideration will be given to the production of a 'reserve' list of schemes although there is a danger that this may raise false expectations. Slippage usually involves equivalent amounts of expenditure and resource.	Capital Programme Monitoring Group February 2010