

## PRIORITISATION OF CAPITAL PROJECTS

Under the Capital Strategy, the County Council has to be able to demonstrate that it uses a clear, understandable method of comparing projects in order to prioritise expenditure.

To keep the process as simple as possible it is proposed to build on the process used in previous years and to continue to categorise each proposal to one of four categories namely:

1. Essential
2. High priority
3. Priority
4. Desirable

For this to work there needs to be fairly clear guidelines of the criteria to be used to enable the categorisation of a specific scheme. The suggested system is as follows:

### Essential

It is likely that projects in this category will automatically proceed. Therefore it is important that there is a strict definition of what is an essential scheme. A scheme should be classified as essential if; both criteria (a) and (b) or criteria (c) are met.

- (a) The County Council would fail to meet its statutory obligations if the scheme did not proceed
- (b) The scheme meets County Council and/or service objectives, and is to be 100% funded from either external resources, or capital receipts which will only be generated if the project proceeds. External resources would include grants or other outside contributions. It also needs to be demonstrated that the revenue consequences of the project are either generated through external funding or result in a reduction in revenue costs contributing to the service's overall savings target.
- (c) The renewal of a lease which is to be subject to restrictions under the Prudential Code where it has been demonstrated that there is no alternative.

### Other Categories

To determine into which category a project proposal should be classified each project will need to be scored. The criteria, with the maximum score for each of the criteria shown in brackets, are detailed below:

- a) It meets a stated County Council objective as measured by the criteria set out in an annex to this document **(30)**

- (b) It meets a key service objective as stated in a strategy document, business plan or action plan agenda ( **5** )
- (c) Failure to provide the scheme would result in a reduction of the County Council's stated level of service ( **5** )
- (d) The scheme attracts some external support, or attracts additional funding into Lancashire, either financial or the County Council is working in Partnership with other bodies ( **5** )
- (e) A need for the proposal has been identified in the Asset Management Plan or Local Transport Plan ( **15** )
- (f) The project will bring about future revenue savings ( **30** )
- (g) The proposal can be shown to meet sustainability criteria in particular with reference to the potential impact on climate change ( **5** )
- (h) Provides support to Community Leadership and develops the locality focus agenda ( **5** )

Initially the scoring will be undertaken by the Capital Strategy Group.

## ANNEX

### **CAPITAL PROGRAMME ASESMENT CRITERIA**

The Corporate Priorities and Objectives which form part of the Corporate Strategy are under review with the new administration. The following are based on a current draft. It should be emphasised that the final priorities and objectives may differ from these. However, given available timescales the following are broadly reflective of the policy direction.

#### Our citizens

- Growing up prepared for the future
  - Enjoy and Achieve
  - Positive Contribution
  - Economic Wellbeing
- Promoting health and wellbeing
  - Be healthy
  - Reducing Health inequalities
  - Improving health and wellbeing
  - Maintaining a healthy workplace and promoting healthy living to our staff
- Supporting vulnerable people
  - Better support for looked after children
  - Improved assistance for our vulnerable children and young people
  - More older people supported to live independently
  - More carers supported.

#### Our communities

- Making Lancashire communities safer & stronger
  - Helping everyone feel safe
  - Helping children and young people to live in a safe environment
  - Preventing and reducing levels of crime and disorder
  - Supporting and protecting the citizens and businesses of Lancashire
  - Operating safely in all we do
- Delivering choice and local control in Lancashire
  - Giving local communities a real say in how services are developed and delivered
  - Giving people more choice and help over the help they receive
  - Promoting the wellbeing of individuals and communities.
- Delivering value for money
  - Efficiency savings
  - Cost effective approach to managing capital projects
  - Useable capital receipts

#### Our county

- Improving the transport network in Lancashire
  - Developing the transport network

- Improving accessibility
- Promoting sustainable economic growth in Lancashire
  - Locational priorities
  - Strategic Development / Inward Investment
  - High growth and knowledge based sectors
  - Business Support Services
  - Skills
  - Employability
  - Infrastructure
  - Helping Lancashire through the recession
- Protecting and improving Lancashire's environment & culture
  - Reducing the amount of household waste produced
  - Maintaining the quality of Lancashire's environment
  - Promoting Lancashire's heritage and culture

#### Our Organisation

- Our people
  - Working together as 'one council'
  - Building an organisation upon the skills, talent and knowledge that our employees already have
- Our processes
  - Re-designing processes to deliver outcomes that meet the needs of our customers
  - Delivering services in more flexible ways
- Our resources
  - Delivering value for money across all services
  - Gaining greater efficiency from our assets, employees, money and infrastructure