

Notes on the Preparation of the 5 Year Capital Plan and Project Planning for the Parish Council

These notes have been produced to help with the planning of the 5 Year Capital programme for the Parish Council. We need to be clear what projects we plan during that period although it is expected that beyond a couple of years things may change due to new information. I have attached a draft lists of projects which are extracted from the Parish Council's Index of Potential Projects and Activities (September 2015) and other sources. This list represents those projects which are completely or partially specified and costed and those which are being researched currently.

This information will be used to create the 5 Year Capital Plan, an example of which from last year is shown attached. The Active Projects will be included in the 5 Year Plan along with Potential Projects if they are likely to become active during the 5 year plan period. Circumstances may also arise where the number of projects is likely to exceed funding when it will be necessary for the Council to prioritise projects in line with the available resources.

As described below the projects will be managed through the Committees. Over the next month and leading up to the budget setting in December 2015 the Committees will be asked to confirm or modify the list of projects so that the overall plan can be developed. **Notes below have been included as a basis for the management of projects.**

1. More and more work of the PC is concerned with larger projects rather than day to day work and expenditure. The PC has also worked with the Holmes Chapel Partnership on projects such as the Dane Meadow and Elm Drive Play Area. It is important that clear procedures are identified for carrying out projects to ensure that the end product meets the specification.
2. There is no clear definition of a project. It is proposed that for our purposes a Capital Project has a value greater than £2000, has a finite life span to completion and is funded from the Capital Programme. Compare this with the SID monitoring which was a Capital Project to install the SIDs but is now a routine task we undertake where costs are covered by the revenue budget. It would be expected, as part of the planning that any on-going expenditure resulting from a project would be taken into account when a project is proposed to avoid the risk that we become committed to revenue costs without adequate controls.
3. The list of Active and Potential Projects and the 5 Year Capital Plan should be revised each year and the programme of projects modified to allow for available funds and other factors such as delays in completion or decisions not to proceed. In addition the Index of Potential Projects and Activities (September 2015) will continue to be maintained.
4. Projects of value below £5000 per year will probably be managed from within a PC Committee who will appoint a responsible council member or officer. For predicted expenditure greater than £5000 a Project Board with Terms of Reference should be set up with a chairman who is responsible to the appropriate PC Committee. For large projects the Project Board may involve other groups and the chairman role may not be a member of the PC. In these cases a council member should be responsible for the PC involvement (including any funding) and report back to the appropriate PC committee.
5. A project should initially be briefly outlined in a written proposal in order to obtain approval from the Parish Council and before incurring any expenditure. The proposal document must indicate the likely capital and revenue costs together with the proposed sources of funds. A suitable project summary form is available from the Clerk.
6. Once a project is approved, the detailed proposals and costs will be prepared and agreed with the PC. Progress should be monitored by the Project Board and/or the appropriate PC committee and any substantive changes submitted to the Council for approval.

7. Where an approved project entails work by a contractor, a detailed specification should be prepared in a form that can be submitted to contractors for a quotation. This specification, with a reference number, will ensure that the contractor understands what his quote will include and the implementation by the contractor can be adequately monitored by the Project Board. Any changes to the specification must be reported to the PC. Such changes will be incorporated in a revised written specification with a new reference number which will need agreement from both contractor and any funding body.
8. Where external funding is required the best chance of success will be where a full specification for the work is available and an estimate of the costs. This can then provide the basis for the funding application and reduce the risk of issues with the funder later in the project.
9. Any tendering occurring as part of a project must be in line with the Financial Regulations of the Parish Council.
10. In cases where a contract is let, procedures for monitoring the financial and construction aspects of the contract should be established as part of the overall management of the project. The Project Board will need to decide whether to carry out the monitoring work itself or employ professional help. Regular meetings will be needed with the contractor and reports prepared for submission to the PC to keep it informed of progress.