

LONDON BOROUGH OF HARROW

CABINET – 19 MARCH 2015

REFERENCE FROM OVERVIEW AND SCRUTINY COMMITTEE – 24 FEBRUARY 2015

CAPITAL CHALLENGE PANEL REPORT

The Committee received the report of the Divisional Director, Strategic Commissioning, which set out the observations and findings of the Capital Expenditure Challenge Panel with regard to the Council's capital programme.

The Chair thanked all those involved in the review for their work and informed the Committee that the recommendations, if agreed, would be taken to the Cabinet meeting on 19 March.

The Panel Chair outlined the key findings of the panel, and in particular that there was no overall corporate strategy or structure to manage the capital programme; once the budget was agreed by Council there was a silo approach in taking the projects forward.

He pointed out that some under spend could arise for positive reasons, for instance when a contractor had underperformed then the full contract price might not be paid. However, it was important to have clarity in reports as to the reasons for an under spend or slippage. He highlighted one problem created by the need to scan invoices for audit purposes, which resulted in a bottleneck for payments.

The report also demonstrated the need for less bureaucracy and greater flexibility in approving expenditure, as the threshold for Council approval was inhibiting the ability to respond to changing conditions or developments. He agreed that the wording for a proposal to change the constitution in respect of this needed to be refined, but acknowledged that there had been pressure to complete the report within deadline.

RESOLVED: That

- (1) the report of the Capital Expenditure Challenge Panel be noted;
- (2) the recommendations included in the report be agreed and referred to Cabinet for consideration.

Background Documents:

Draft minutes of the Overview and Scrutiny Committee – 24 February 2015

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