

## **STRATEGIC INVESTMENT GROUP**

**JULY 2017**

### **TERMS OF REFERENCE.**

The Strategic Investment Group (SIG) will provide an independent review of all business case proposals for capital investment and will have delegated authority to approve to the value of £1 million. It will appraise all capital bids regardless of value, review and approve, or make appropriate recommendation to either Cabinet or the full Council if the value of the application is above £1m or if for other reasons, it is more appropriate for Cabinet or the full Council to approve. The council's constitution allows Cabinet to approve individual capital schemes, with the annual Capital Plan requiring approval by the full Council. The Strategic Investment Group may determine that certain capital schemes (because, for example, of financial scale or risk), should be approved by the full Council. The lead cabinet member responsible for Finance will make the final recommendation in this regard.

Quorum membership of SIG is achieved when two cabinet members are in attendance, one of whom is the lead member responsible for Finance and two CET members, one of whom is the S.151 Officer (or is represented by the Deputy S.151 Officer).

Cabinet has previously approved a delegation to CET to approve capital schemes up to the value of £1m. This delegation may be applied provided that at least two members of CET, one of whom is the S.151 Officer (or Deputy S.151 Officer) are present to grant the approval.

SIG membership includes:

- Lead cabinet member responsible for Finance (Chair)
- Leader of the Council
- Cabinet Member
- Representative from each scrutiny committee
- Corporate Director
- Head of Finance (S.151 Officer)
- Head of Facilities, Assets & Housing (County Landlord)
- Business information Team Manager

## **Core Functions:**

1. To review and (if satisfied), approve, or to recommend approval to Cabinet or Council (as defined in the delegations above) the capital cost and funding requirements of all capital schemes;
2. Ensure all bids for capital schemes:
  - Comply with all statutory requirements
  - Have a full Business Case (in the prescribed format)
  - Clearly identify the total funding requirement and potential sources of funding
  - Clearly identify current and future revenue implications
  - Make clear the impact on the council's corporate assets
  - Support the council's agreed priorities,
  - Include an assessment under the Wellbeing of Future Generations Act
3. Recommend a medium to long term strategy for:
  - Prioritising schemes for support
  - Identifying options for increasing funding available
4. Review all successful capital bids within two years of approval.
5. The Terms of Reference apply to schemes accounted for within the council's General Fund and the Housing Revenue Account (HRA). However, annual capital expenditure in support of the maintenance of the council's housing stock and the ad-hoc acquisition of former housing stock disposed of under the Right to Buy scheme, will be approved annually by Cabinet as part of the HRA revenue and capital budget process and will not routinely require further approval by SIG.
6. SIG will normally be scheduled to meet on a monthly basis but recognises that the nature of some bids or proposals may require additional meetings or, subject to the agreement of the lead member responsible for Finance and the Head of Finance, consideration and approval of proposals via e-mail.