

## 4 Capital planning checklist

We have produced this checklist as a tool that councils may find helpful to assess their capital planning arrangements and identify any areas for improvement. This is informed by our findings, practice guidance, and our sector knowledge.

### Exhibit 11: capital planning self-assessment checklist

Theme	Paragraph reference	Questions to consider	Council self-assessment
Strategic context	58 to 60	<p>Does the capital plan set out the strategic context for capital planning?</p> <p>For example:</p> <ul style="list-style-type: none"> <li>• known challenges facing the council;</li> <li>• gaps in the council's knowledge and the actions needed to close them; and</li> <li>• local, regional, and national policies that impact on capital plans.</li> </ul>	
Aims and Objectives	38 to 45	<p>Does the capital plan cover both the short and longer term?</p> <p>Does the capital plan include clear aims and objectives. For example:</p> <ul style="list-style-type: none"> <li>• a long-term ambition for the purpose of capital investment in the council area;</li> <li>• a set of clear objectives that support the achievement of the council's ambition; and</li> <li>• details of how it will support the council's wider objectives.</li> </ul>	

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Focusing on outcomes	46 to 48	<p>Has the council set out:</p> <ul style="list-style-type: none"> <li>• what success looks like for the plan overall;</li> <li>• what success looks like for individual projects; and</li> <li>• how it will measure and monitor this.</li> </ul>	
Knowing the condition of assets	52 to 57	<p>Is the council's capital plan informed by a recent, accurate and comprehensive knowledge of the condition of assets?</p> <p>Does the council's capital plan include a maintenance plan based on realistic costs?</p> <p>Has the council assessed which assets it needs to successfully deliver its well-being objectives, and how much they will cost?</p> <p>Has the council considered a range of options in response to condition surveys – for example co-location or service re-design.</p>	
Working with others	61 to 67, and 76	<p>Has the council worked with partners to:</p> <ul style="list-style-type: none"> <li>• identify opportunities to jointly plan and deliver capital projects;</li> <li>• ensure that capital plans are aligned, including identifying mutual priorities that capital plans can help deliver; and</li> <li>• explore the pooling of knowledge, skills and resources to improve capital planning.</li> </ul>	

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Planning for risk and assessing impact	68 to 71	<p>Does the Council:</p> <ul style="list-style-type: none"> <li>• complete impact assessments for all projects;</li> <li>• assess the impact of capital plans overall;</li> <li>• identify the intended socio-economic outcomes for residents in capital plans;</li> <li>• ensure that capital risks are assessed and recorded; and</li> <li>• set out how capital risks will be mitigated in capital plans.</li> </ul>	
Understanding resource requirements	42, 54 to 56, 70, and 72 to 76	<p>Does the council:</p> <ul style="list-style-type: none"> <li>• set out realistic costs for the new assets and maintenance it needs to deliver its objectives;</li> <li>• set out the prudent and affordable level of funding available (both internal and external) over the medium term;</li> <li>• calculate and communicate a capital funding gap based on identified needs and funding available;</li> <li>• set out how the gap will be managed and mitigated against; and</li> <li>• include consideration of non-financial resources in plans, such as capacity and contractor supply.</li> </ul>	

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Monitoring progress and impact	87 to 89	<p>Does the council:</p> <ul style="list-style-type: none"> <li>regularly report publicly on progress in delivering its capital plan;</li> <li>regularly report on the impacts and outcomes achieved from capital projects; and</li> <li>include key financial information, such as comparing actual project costs to planned costs.</li> </ul>	
Supporting oversight and scrutiny	90 to 92	<p>Does the council ensure that councillors have access to training and development to enable them to:</p> <ul style="list-style-type: none"> <li>take well informed decisions on capital plans and projects; and</li> <li>effectively scrutinise the progress and VFM of capital plans and projects.</li> </ul>	

Source: Audit Wales