



Capital Decision Point Committee remit

Purpose

- 1 This paper provides the Committee with the Capital Decision Point Committee remit with proposed amendments noted in tracked changes.

Background

- 2 At its meeting on 17 March 2017, the Council agreed to establish a Capital Decision Point Committee. The remit, membership, and standing orders were also approved by the Council at its meeting on 17 March 2017.
- 3 Following consideration of the background and remit of the Committee, amendments are suggested, in tracked changes.

Recommendations

- 4 The Council is invited to consider and approve the revised remit of the Capital Decision Point Committee.

Financial implications

- 5 There are no direct financial implications associated with this paper.

Publication

- 6 This paper will be published on the Council website following the meeting.

Further information

- 7 Contact: Martin Kirkwood, Secretary to the Committee (direct line: 0131 313 6583, email: mkirkwood@sfc.ac.uk), or Sheila Meehan, Clerk to the Council (direct line: 0131 313 6619, email: smeehan@sfc.ac.uk).

Capital Decision Point Committee remit

Background to and remit of the Committee

Background

- 1 The Committee has oversight of the SFC capital programmes, and in particular the governance arrangements, for both colleges and universities. The Committee will provide assurance to the SFC board that the Council executive has undertaken the necessary scrutiny and due diligence for all all its capital programmes; traditional capital, revenue-funded and Financial Transaction loan finance.
- 2 All capital projects should be the product of a business case in order to be considered for funding. The Council's Capital Projects: Decision Point Process guidance examines a project at critical stages in its procurement and delivery to provide an assurance that it is consistent with the agreed initial aims and it can progress successfully to the next stage.
- 3 The key stages in the decision point process are:
 - Decision Point review 0: strategic assessment
 - Decision Point review 1: business justification/outline business case
 - Decision Point review 2: procurement strategy/full business case
 - Decision Point review 3: pre-tender
 - Decision Point review 4: pre-contract/ pre-construction
 - Decision Point review 5: post-occupancy evaluation.
- 4 The decision point process provides assurance that each project:
 - Is on target to meet the pre-agreed aims and objectives
 - Can successfully progress to the next stage of development or implementation
 - Remains within the cost, quality and budget parameters set
 - Represents value for money
 - Governance and resource arrangements are effective for its delivery.
- 5 For this purpose, major capital projects are defined as capital projects above £5 million.

Remit

- 6 Where major capital projects are revenue-funded, the Committee will provide assurance to the SFC Board that, at each of the two key Decision Point review stages (2 and 4), the executives of SFC and SFT have undertaken the necessary

scrutiny and due diligence to satisfy themselves that the project can progress to the next Decision Point review stage.

- 7 Where major capital projects are funded through direct capital grant, the Committee will provide assurance to the SFC Board that, at each of the two key Decision Point review stages (2 and 4), the SFC executive, supported by its professional advisors, has undertaken the necessary scrutiny and due diligence to satisfy themselves that the project can progress to the next Decision Point review stage.