



Strategic Capital Investment Framework

The Strategic Capital Investment Framework (SCIF) is the Welsh Assembly Government's new approach to capital expenditure, established in line with commitments made in the *One Wales* document.

The *One Wales*¹ document makes a commitment to:

...establish a Strategic Capital Investment Board to ensure that best use is made of capital funds and to develop all opportunities to access capital finance consistent with an accountable, citizen-centred public service.

Policies relating to how the new framework will function are still being developed, however initial statements suggest that the fund will be used to promote more cross-departmental and collaborative working. The framework will also aim to maximise appropriate opportunities for using non-traditional investment routes whilst supporting both large and small scale capital projects in the community.

In a recent written statement on the SCIF,² the Minister for Finance and Public Service Delivery (Andrew Davies) stated that:

The Welsh Assembly Government is establishing a new strategic framework for capital investment; it will strengthen our approach to the management of capital investment and further improve public services for people across Wales.

The Framework brings together a full range of measures to manage effective capital investment. At the centre of the Framework sits a Ministerial Board taking investment decisions. This is supported by the key components of independent expert advice, a capital investment fund of £400 million plus, a common approach to investment appraisal, and a strong focus on project management and delivery.

Prior to the SCIF the *Firm Foundations* policy set out the Welsh Assembly Government's capital investment plans for 2006-07 to 2008-09.

Strategic Capital Investment Board

The Finance and Public Service Delivery Minister, Andrew Davies, has established a Cabinet Committee, the Strategic Capital Investment Board (SCIB), to take decisions on investment proposals and oversee the delivery of significant capital investment programmes.

¹ [One Wales: A progressive agenda for the government of Wales. An agreement between the Labour and Plaid Cymru Groups in the National Assembly \(June 2007\).](#)

² [Welsh Assembly Government. Written Statement by the Minister for Finance and Public Service Delivery \(Andrew Davies\). Strategic Capital Investment Framework. \(12 May 2008\).](#)



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The SCIB has representation from Ministers with different departmental responsibilities;

- Minister for Finance and Public Service Delivery (Chair)
- First Minister
- Deputy First Minister
- Minister for Children, Education, Lifelong Learning and Skills
- Minister for Health and Social Services
- Deputy Minister for Housing

The SCIB have also established a Strategic Capital Investment Panel to provide expert and independent advice to assist the board to make the best investment decisions when allocating the capital funds. The panel will consist of seven business professionals with Welsh economic experience and private capital and corporate finance expertise.

Terms of Reference

The Terms of Reference³ for the Strategic Capital Investment Board were established during the first meeting in April 2008.

The Strategic Capital Investment Cabinet Committee will:

1. Agree and monitor the delivery of the Welsh Assembly Government's Strategic Capital Investment Plan, which will set the overarching capital delivery priorities from *One Wales* and will be endorsed by Cabinet.
2. Ensure capital investment decisions support the Assembly Government's strategic priorities as reflected in the Strategic Capital Investment Plan.
3. Promote the delivery of cross-cutting initiatives which deliver wider sustainable economic, social and environmental benefits for Wales and reflect the Spatial Plan principles by encouraging collaborative and cross-departmental capital investment programmes/projects.
4. Allocate the resources of the Strategic Investment Fund to obtain the maximum value and benefit for Wales by ensuring projects approved can be delivered efficiently to time and budget and maximise appropriate opportunities for leveraging in resources from non-traditional routes of investment.

³ Welsh Assembly Government Strategic Capital Investment Cabinet Committee: [Item 1 – Terms of Reference](#) (14 April 2008)



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5. Commission expert advice on investment proposals from the Strategic Capital Investment Panel as appropriate



Further Information:

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For further information on the topics below, double click on the links.

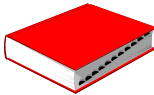
Welsh Assembly Government Written Statement: [Strategic Capital Investment Framework](#) (May 2008)

Welsh Assembly Government capital investment plans for 2006-07 to 2008-09: [Firm Foundations](#)



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