

Executive Committee – 16/7/14
Item 11 - Revised Section 4.6

Prioritisation 'Golden Rules'	
Golden Rule	Description
1	<p>Revenue Impact</p> <p>The item should have a positive material and causal impact on the Council's revenue budget over the medium term. The impact should be material in nature.</p> <p><i>Example – Investments into existing or new assets that will generate a material revenue return to the Council that can be used to help address future budget gaps, such as the recent investment into the market place buildings that have resulted in a significant revenue return. This is also a good example of helping to contain other spending pressures through a better use of an existing asset.</i></p>
2	<p>Fit with Key Priorities</p> <p>There should be a direct and causal impact upon the achievement of the Council key priorities of;</p> <ul style="list-style-type: none"> • Better Town Centres • Better Jobs • Better Educational Offer <p><i>Example – Most items can claim to have some positive impact on the key priorities but future spending commitments should explicitly show that they have a direct and causal impact and that the outputs are of relevance / in scale with the inputs.</i></p>
3	<p>Risk and Return Profile</p> <p>The item / project should fit the Council's risk and return appetite and also complement the overall portfolio of investment / assets.</p> <p><i>Example – A positive risk/return ratio should be achieved and it should contribute to a balanced portfolio (not necessarily a universal approach). Perhaps we should start to think about x% higher risk / x% lower risk, and the remainder of medium risk. A positive impact on the balance sheet (over the medium term) is also an important consideration.</i></p>
4	<p>Investment Leverage</p> <p>The item / project should ideally act as either an 'invest to save' type project or one that 'pump primes' other significant investment into the borough.</p> <p><i>Example – the use of assets that levers in other third party investment at the same time as providing the ability to generate ongoing revenue income streams (eg, commercial lettings, development partnerships).</i></p>

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5	Self Sufficiency	<p>Given the continuing trend of reduction in central government grants, priority will be given to projects that assist in the Council moving further towards financial self sufficiency.</p> <p><i>Example – acceptance that as the council adopts a more commercial approach then items that have a 'positive material revenue impact' will be considered whilst those that are a 'cash drain' or neutral in impact will not.</i></p>
6	Strategic Partnerships	<p>The item should generally have a positive impact on the Council's strategic partnerships and the Council's long term strategic ambitions for the borough – eg, town centre development.</p> <p>In particular – items that support and help develop 'scope' rather than 'scale' will be prioritised.</p> <p><i>Example – the continuation of the current award winning customer services offering.</i></p>