

# Moira Shire Council

## Carry Forward Capital Works Policy

<b>Policy type</b>	Council
<b>Version Number</b>	1.1
<b>Responsible Director</b>	Corporate Performance / Infrastructure
<b>Responsible Officer</b>	Senior Leadership Team (Department Managers)
<b>Date adopted by Council</b>	22 May 2024
<b>Scheduled for review</b>	This policy will be reviewed four years from the date of adoption, or sooner if required.

It is recognised that, from time to time, circumstances may change leading to the need for minor administrative changes to this document. Administrative changes do not materially alter the document (such as spelling/typographical errors, change to the name of a Council department, a change to the name of a Federal or State Government department). Administrative updates can be made in accordance with the Policy Framework Guidelines.

## PURPOSE AND SCOPE

To provide guidance on the carrying forward of capital project budget allocations into the following financial year or future year's budget. This policy does not apply to operating budgets.

## POLICY STATEMENT

Carry forward refers to an allocation of capital works budget towards a project that has not been used by the end of the assigned financial year (30 June) which is reallocated to the following, or future, financial year.

Department managers are to keep carry forward projects to an absolute minimum. Carry forward projects should be an exception, as they impact annual workload capacity, tie up scarce Council resources, and increase the likelihood of a backlog of committed capital works.

The following guiding principles will be used to determine the carry forward of capital projects at Moira Shire Council.

A capital project that has not incurred any expenditure and has not undertaken a formal procurement process during the financial year will not be eligible for carry forward. The project proposal or business case will be considered and evaluated as part of the upcoming year's capital budget and prioritised accordingly.

Carry forward projects will be limited to:

- Capital projects that have commenced (funds have been expended on the project);
- Capital projects for which Council has received grant funding, with a signed funding agreement, and is committed in writing to complete within an agreed timeframe; and/or
- Capital projects that span multiple financial years.

Renewal projects will not be eligible for carry forward without the approval of the Chief Executive Officer. By exception, where renewal projects meet the criteria stated above, the Chief Executive Officer may consider the project eligible for carry forward.

Carry forward projects are to be approved either as part of the budget adoption process or quarterly forecast review process. Proposals for carry forward projects must adhere to budget review timelines.

Projects not approved for carry forward will be subject to review and re-prioritisation against other council projects through the Quarterly Forecast Review reported to Council.

## Roles and Responsibilities

Council (Panel of Administrators)	– Adopt carry forward projects as part of Annual Budget and Quarterly Forecast Review process.
Chief Executive Officer	– Recommend projects to be carried forward based on financial ability and municipal need.
Department Managers	– Identify and advise Finance of projects proposed to carry forward into next financial year. Proposals to carry forward projects must meet the criteria stated in this policy and include justification for the proposal.

## RELATED LEGISLATION

Local Government Act 2020

Local Government (Planning and Reporting) Regulations 2020

## RELATED POLICIES AND PROCEDURES

Asset Management Policy

Community Engagement Policy

Procurement Policy

## REFERENCES

Moira Shire Council Plan

Moira Shire Council Financial Plan

Moira Shire Council Asset Plan

Moira Shire Council Annual Budget

## DOCUMENT REVISIONS

Version	Summary of Changes	Approved by	Date
1	Original Policy adopted	Council	22/05/2024
1.1	Updated paragraph around approval of renewal projects being carried forward. Changed to approval by CEO (from ELT) to align with table of responsibilities.	Administrative	16/07/2024