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Capital Allocation Oversight for Finance and Risk Committees Training Course

8 – 19 March 2027
Madrid

Capital Allocation Oversight for Finance and Risk Committees Training Course

Ref: 735_27607 **Date:** 8 – 19 March 2027 **Location:** Madrid **Fees:** 9500 GBP

Capital Allocation Oversight for Finance and Risk Committees is a 2-week training course for committee members, finance chiefs, risk chiefs and committee secretaries who build a capital proposal challenge checklist and post-investment review protocol. Large capital commitments now face sharper scrutiny from investors and lenders, and committees are expected to show how each approval fits strategy and tolerance for loss. Jupiter Prime Training offers this course on capital allocation oversight to senior decision makers.

Why Capital Allocation Oversight Matters Now

Three pressures shape capital allocation oversight today. Shareholders and lenders question whether approved projects earn more than the cost of the funds they consume, volatile input costs and interest rates widen the gap between forecast and outcome, and directors carry personal accountability for the quality of their challenge. A committee that probes sponsors well redirects funds towards resilient projects; one that rubber-stamps them inherits stranded assets and overruns. The course draws on Committee of Sponsoring Organizations Enterprise Risk Management COSO ERM, ISO 31000 risk management guidelines and the Institute of Internal Auditors Three Lines Model IIA Three Lines.

Who Gains Most from Capital Allocation Oversight

- Directors who vote on large capital requests at finance or investment committees
- Finance chiefs who frame funding envelopes and present sponsor submissions
- Risk chiefs who set loss tolerance for capital projects and report breaches
- Committee secretaries who prepare papers, minute challenge and track conditions
- Audit and assurance heads who test whether approved benefits were realised

A committee whose chair, finance lead and risk lead attend together gains most, because they leave sharing one language for questioning sponsors.

Capital Allocation Oversight Capabilities

Participants shift from receiving investment papers to interrogating them, with sharper questions and clearer conditions of approval.

- Weigh competing capital requests against strategic priorities and funding envelopes — committee ranking decisions
- Test sponsor assumptions on demand, cost and timing with downside scenarios — conditional approvals
- Calibrate risk-adjusted hurdle rates by project class — finance chiefs setting thresholds
- Specify capital risk appetite limits and escalation triggers — risk chiefs and directors
- Design stage-gate conditions and kill criteria — sponsors and project boards
- Build post-investment reviews that feed lessons into future approvals — audit committees

Key Capital Allocation Oversight Terms

- Hurdle rate — the minimum return a project must clear before a committee will fund it, often raised for riskier classes.
- Funding envelope — the total capital a committee can commit over a period, shared among competing requests.
- Optimism bias — the habit of sponsors to understate cost and overstate benefit in investment proposals.
- Downside case — a deliberately pessimistic scenario showing what happens to returns if key assumptions fail.
- Stage gate — a decision point where a project must meet set conditions before more capital is released.
- Post-investment review — a structured look back comparing realised costs and benefits with those promised at approval.

Capital Allocation Oversight Day by Day

Day 1: The Committee's Mandate

- Delegated Authority Matrix — Which Capital Requests Reach the Committee
- Committee Terms of Reference — Finance Versus Risk Committee Roles
- IIA Three Lines Model — Sponsor, Challenger and Assurance Duties
- Capital Failure Case Studies From Utilities and Healthcare — Missed Warning Signs
- Strategic Alignment Screen — Linking Requests to Corporate Priorities

Day 2: Reading an Investment Paper

- Proposal Anatomy Review — Need, Options, Costs, Benefits and Risks
- Option Comparison Tables — Do-Nothing and Do-Minimum Baselines
- Cash Flow Profile Reading — Timing, Peaks and Funding Pressure
- Optimism Bias Indicators — Spotting Understated Cost and Inflated Benefit
- Sponsor Questioning Techniques — Probing Without Redesigning the Project

Day 3: Risk-Adjusted Return Thresholds

- Cost of Funds Benchmarks — Setting a Committee Reference Rate
- Project Class Premiums — Expansion, Replacement and Regulatory Spending
- Payback and Return Thresholds — Choosing Which Metric Governs Approval
- Strategic Override Rules — When Below-Threshold Projects Proceed
- Hurdle Rate Policy Drafting — Consistency Across Business Units

Day 4: Scenario and Downside Testing

- Sensitivity Tornado Charts — Which Assumptions Move Returns Most
- Break-Even Analysis — How Far Volumes or Prices Can Fall
- Downside and Severe Case Construction — Plausible Pessimism for Committees
- Reference Class Forecasting — Comparing Proposals With Past Outturns
- Scenario Summary Page — One-Sheet Evidence for Directors

Day 5: Capital Risk Appetite

- COSO ERM Appetite Statements — Translating Tolerance Into Capital Limits
- Concentration Limits — Single Project, Sector and Counterparty Exposure
- ISO 31000 Risk Treatment Options — Avoid, Reduce, Share or Accept
- Capital Breach Escalation Triggers — When Overruns Return to Committee
- Appetite Dashboard Design — Committed Versus Available Headroom

Day 6: Portfolio-Level Choices

- Capital Rationing Techniques — Ranking Under a Fixed Funding Envelope
- Portfolio Balance Grids — Growth, Sustaining and Compliance Spending
- Correlation Between Projects — Shared Exposures Across the Pipeline
- Deferral and Phasing Options — Releasing Funds Without Cancelling
- Annual Capital Plan Challenge — Committee Agenda for Budget Rounds

Day 7: Conditions, Gates and Kill Criteria

- Stage-Gate Funding Release — Conditions Before Each Tranche
- Kill Criteria Design — Pre-Agreed Grounds to Stop a Project
- Contingency Ownership Rules — Who Controls Reserve Funds
- Change Request Thresholds — Scope or Cost Shifts Needing Re-Approval
- Approval Conditions Tracker — Secretaries Monitoring Outstanding Actions

Day 8: Monitoring Approved Capital

- Earned Value Summaries for Directors — Cost and Schedule Signals
- Benefits Realisation Registers — Owners and Measurement Dates
- Red-Flag Reporting Formats — Early Notice of Slippage
- Independent Assurance Reviews — Second and Third Line Roles
- Committee Reporting Cadence — Depth by Project Size and Risk

Day 9: Learning From Outturns

- Post-Investment Review Scope — Which Projects and When
- Variance Attribution Methods — Estimate Error Versus Execution Error
- Sponsor Accountability Conversations — Outcomes Without Blame Culture
- Lessons Library Design — Feeding Evidence Into Future Papers
- Assumption Recalibration — Updating Benchmarks From Realised Results

Day 10: Practising the Capital Proposal Challenge Checklist and Post-Investment Review Protocol

- Mock Committee Session — Challenging a Live Proposal From Day Two Methods
- Downside Case Rebuild — Applying Day Four Scenario Techniques
- Appetite Limit Check — Testing a Request Against Day Five Headroom
- Peer Critique of Draft Questions — Sharpening the Committee Line
- Capital Proposal Challenge Checklist and Post-Investment Review Protocol — Final Assembly

Applying Capital Allocation Oversight After the Course

- Run the next large capital request through a downside case and break-even test before it reaches the committee agenda.
- Select two projects completed in the last cycle and lead a post-investment review using variance attribution to separate estimate error from execution error.

Capital Allocation Oversight Questions FAQ

What is capital allocation oversight and why does it matter now?

Capital allocation oversight is how a finance or risk committee challenges, approves, conditions and later reviews large investment requests. It matters now because higher funding costs and volatile inputs punish weak approvals, and investors expect directors to show the quality of their scrutiny.

Which roles gain most from capital allocation oversight training for finance and risk committees?

Committee directors, finance chiefs, risk chiefs, committee secretaries and assurance heads gain most. You benefit most if you sit on or support a committee that approves capital and want firmer questions and conditions rather than deeper modelling skills.

How does capital allocation oversight training differ from an investment appraisal course?

It is written for those who challenge proposals, not those who build them. An appraisal course teaches analysts to model cash flows, while this one equips committees to test assumptions, set thresholds, attach conditions and judge outcomes after funds are spent.

What do you bring back from capital allocation oversight training?

You bring back a structured set of questions for every capital request and a method for reviewing projects once complete. Both can be tabled at your next committee meeting and adapted to its delegated authority limits.

Capital Allocation Oversight: The Way Forward

The capital proposal challenge checklist and post-investment review protocol first shapes how the next major request is questioned and conditioned. Committee chairs, finance chiefs and secretaries use it to keep challenge consistent from paper to paper. After its first full cycle, revisit whether downside cases proved realistic against outturns and tighten hurdle rates for classes that repeatedly disappointed.