



Investment Committee

29 August 2024

| | |
|----------------------|--|
| Title: | Single Assurance Framework Business Case Approvals - Chief Executive Decisions |
| Report of: | Janice Gotts, Executive Director Resources |
| Lead Member: | Mayor Dr Nik Johnson |
| Public Report: | Yes |
| Key Decision: | No |
| Voting Arrangements: | To note - no requirement to vote |

Recommendations:

| | |
|---|--|
| A | To note the Chief Executive business case decisions for projects less than £1m under the Single Assurance Framework. |
|---|--|

Strategic Objective(s):

The proposals within this report fit under the following strategic objective(s):

| | |
|---|---|
| X | Achieving ambitious skills and employment opportunities |
| X | Achieving good growth |
| X | Increased connectivity |
| X | Enabling resilient communities |
| X | Achieving Best Value and High Performance |

The Single Assurance Framework (SAF) is designed to provide the CPCA with a consistent approach to appraisal, assurance, risk and performance, throughout the lifecycle of projects. It is focused on ensuring accountability, probity, transparency, legal compliance and value for money of investments made by the CPCA.

1. Purpose

| | |
|-----|--|
| 1.1 | Under the SAF arrangements approved by the Combined Authority Board at its meeting on 20 September 2023, the Chief Executive has delegated authority to approve project investments of less than £1m in total for which the funding is within the approved Medium Term Financial Plan. |
| 1.2 | This report sets out the projects which have been approved by the Chief Executive in accordance with the delegated authority from the Board and is for noting. |

2. Proposal

2.1 Management of the CPCA's investment priorities, plans and processes is critical to the successful delivery of its strategic aims and maximising the benefits to the region.

To meet the standards set by Government – such as the English Devolution Accountability Framework (EDAF) - we needed a specific Assurance Framework that shows how we will meet best value requirements and ensuring we are spending public money in the most effective way. In addition, the SAF was a key objective from the Improvement Programme and is a way of demonstrating that the CPCA has responded to concerns raised by Government through the Best Value Notice.

2.2 The table below sets out all Chief Executive that have been made under delegated authority as part of the SAF arrangements and this are listed in the table below.

| Investment Panel date | CEX approval dates | Business case | Funding approval |
|----------------------------|--------------------|---------------------------------------|------------------|
| 17 th July 2024 | 25 July 2024 | Climate Action Plan | £450k |
| 29 th July 2024 | 16 August 2024 | Cambridgeshire Local Area Energy Plan | £200k |

2.3 The following paragraphs provide a summary of each of the projects.

2.4 Climate Action Plan

The current Climate Action Plan is for 2022-25 and needs to be reviewed to provide an updated Climate Action Plan for the CPCA for years 2025-30 that with an appropriate evidence base to agree the areas objectives, actions with roles and responsibilities and identify future funding requirements to enable future business planning to mitigate and adapt to climate change and meet net zero targets.

The business case solution will:

1. commission the evidence base through:
 - a) the inclusion of Peterborough in the Locally Determined Contributions project (currently government funded and led by Cambridgeshire County Council). This will align local and national net zero policy, action and reporting.
 - b) Commissioning a climate risk assessment to understand the potential risks the climate change impacts will have across the region and the actions that could be taken to manage this risk (adaptation action),
2. Commission resource to collate the evidence base, manage stakeholder engagement (including the Climate Independent Commission) and produce a Climate Action Plan for 2025-30
3. Set the revised Climate Action Plan within the context of the Shared Ambition outcomes on climate resilience, drawing upon engagement and evidence work already undertaken. Reconvene the Independent Commission on Climate to provide an independent assessment of the Review and alignment to those outcomes.

Key Outcomes:

Ensure there is an evidence based and adopted Climate Action Plan 2025-30 that is costed and deliverable to inform future business planning through:

- An area wide agreed Locally Determined Contribution towards meeting the national target; and agreed carbon budget for Cambridgeshire and Peterborough
- An evidence base for adaptation response for CPCA, constituent authorities and public sector to inform consistent, collaborative action planning
- Provision of high-level costs for actions to support prioritisation, budgeting and delivery planning

- Inform future investment for Climate Action Plan projects to meet our ambitions
- Check and challenge provided by the Climate Independent Commission.

The Chief Executive decision notice will be published by the Combined Authority.

2.5 **Cambridgeshire Local Area Energy Plan**

Creation of a local energy system infrastructure plan for Cambridgeshire that will help to achieve net zero ambitions, unlock housing and other clean economic growth more quickly and cost effectively than 'business as usual', engage stakeholder and communities in delivery, whilst identifying opportunities for communities to benefit financially from energy system change and tackle inequality in infrastructure provision.

The business case solution will produce a dynamic, digital Local Area Energy Plan for energy infrastructure in the County that will feed into national and regional energy system planning and ensure that place-based planning for housing and other development is not driven by energy infrastructure but by sustainability. Without this planning there will be substantial delays to growth, net zero will not be optimised and result in higher costs and greater risk of unsustainable growth driven by access to energy infrastructure rather than planned for sustainability.

Key outcomes:

A Cambridgeshire Local Area Energy Planning (LAEP) will:

- Feed into national and regional energy system planning
- Optimise net zero infrastructure planning to save money compared to a piecemeal unplanned
 - approach
- Identify future demand for net zero infrastructure spatially to inform Local Lan use Planning
 - policies
- Feed this information directly into UK Power Networks for their budget planning cycle, so that
 - investment is directed in a managed way to where the districts have identified as the most
- sustainable locations for this growth
- Make Cambridgeshire a more 'investment ready' place for net zero investors, where the
- largest barrier to delivering projects is grid capacity related, with large queues of projects held
- up for years
- Create a community friendly process that can ensure local people can have their say in where and how net zero is delivered – strategically, rather than just in an ad hoc way in response to individual planning applications
- Reduce the inequality of energy infrastructure planning by identifying projects that will be required to ensure communities are not left behind and communities can benefit from being part of projects and their delivery
- Provide a robust evidence base for these projects for external funding applications
- Clear roadmap for everyone to support the net zero transition, which is easier for all stakeholders to understand and communicate
- Cambridgeshire Local Area Energy Planning will provide the same level of detail and to the same standard or better than the Peterborough Local Area Energy plan - this will be important for any cross-boundary infrastructure planning.

The Chief Executive decision notice will be published by the Combined Authority.

3. Background

| | |
|-----|--|
| 3.1 | <p>The Combined Authority Single Assurance Management Framework and Procedure was reviewed at 8 September 2023 Audit and Governance Committee and approved at the Combined Authority Board on 20 September 2023.</p> <p>Work continues in embedding the Framework and Procedure, including through training for officers.</p> |
| 3.2 | <p>The Framework notes that the Programme Management Office are responsible for ensuring that the SAF process is maintained, updated and that performance and risks are regularly reviewed with the Executive Director of Resources, Corporate Management Team, Investment Committee, Audit and Governance Committee and CPCA Board.</p> |

4. Appendices

| | |
|-----|-----------------|
| 4.1 | Not applicable. |
|-----|-----------------|

5. Implications

Financial Implications

| | |
|-----|---|
| 5.1 | The financial implications are set out within the report and are included with the available resources of the Combined Authority as approved within the Medium Term Financial Plan. |
|-----|---|

Legal Implications

| | |
|-----|--|
| 5.2 | <p>The Climate Action Plan and the Cambridgeshire Local Area Energy Plan both have identified financial spends which fall within the scope of the Chief Executive's delegation as set out in the Single Assurance Framework (SAF) whereby the Chief Executive is able to approve business cases up the value of £1 million (SAF, paragraph 5.6.5 Approvals).</p> <p>Following the approval, CPCA standard grant funding agreements will be issued setting out the conditions of grant funding. The CPCA will issue contracts for any consultancy support procured.</p> |
|-----|--|

Public Health Implications

| | |
|-----|------|
| 5.3 | None |
|-----|------|

Environmental & Climate Change Implications

| | |
|-----|------|
| 5.4 | None |
|-----|------|

Other Significant Implications

| | |
|-----|------|
| 5.5 | None |
|-----|------|

Background Papers

| | |
|-----|---|
| 5.6 | <p>Single Assurance Framework Board report 29th November 2023 Single Assurance Framework Cover Report</p> <p>Appendix A - Single Assurance Framework Appendix A Single Assurance Framework</p> <p>Appendix B - Investment Committee Terms of Reference Appendix B Terms of Reference</p> |
|-----|---|