



# Investment Committee

**13 January 2025**

Title:	Single Assurance Framework Business Case Approvals - Chief Executive Decisions
Report of:	Executive Director, Resources - Janice Gotts
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.
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## 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
	Increased connectivity
X	Enabling resilient communities
X	Achieving Best Value and High Performance

The SAF is a set of systems and processes designed to provide the CPCA with a consistent approach to appraisal, assurance, risk and performance, throughout the lifecycle of projects and programmes. It is focused on ensuring accountability, probity, transparency and legal compliance – and critically, value for money of investments. It covers the full end to end lifecycle of projects and programmes that place a financial liability on 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 decisions that have been made under delegated authority as part of the SAF arrangements and these are listed in the table below.

Investment Panel Date	CEX Approval Dates	Business Case/Change Request	Final Funding Approval
12/12/2024	19/12/2024	Market Towns Phase 1 – Cromwell Museum Change Request	Scope Change and Timing Change – no further funding requirement
12/12/2024	19/12/2024	Market Towns Phase 2 - Stream 1 (Community Ownership of Local Business)	Scope Change and Timing Change – no further funding requirement

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

### 2.4 **Market Towns Phase 1 – Cromwell Museum - Change Request (scope/time)**

In March 2023, the CA Board approved £330,000 grant funding towards the expansion of the Cromwell Museum on Huntingdon high street. This investment was required to ensure the space was fit for purpose with appropriate on-site visitor facilities (such as washroom/toilet provisions). A total of £30,646 has been expended to date on initial concept designs and associated due diligence.

This change request is seeking approval to amend the project scope to allocate the remaining funds of £299,354 to be used towards the acquisition of property (7-8 Market Hill Huntingdon) to enable expansion of the Cromwell Museum in Huntingdon. This option represents a more impactful expansion of the museum than redeveloping the existing space and delivers additional benefit for the same level of CPCA investment.

Since the original approval was granted, an opportunity arose to move from the original scope and to secure a vacant and derelict high street unit (opposite the existing museum). This option allows the museum to expand by moving into a secondary space rather than extending the existing site and operating from the 2 locations.

The CPCA funds of £299,354 are to be used towards the purchase of the property. The purchase price of £207,000 has been agreed in principle (this was negotiated down due to urgent works identified as part of the initial due diligence work). The difference between the property purchase price and grant value (£92,354) will be used towards immediate remedial work and contingency.

The grant is awarded to Huntingdonshire District Council under the Market Towns Programme, and they in turn will fund the purchase and then reclaim the costs from the CPCA. Completion and expenditure of CPCA funding remains profiled by 31 March 2025.

### 2.5 **Market Towns Phase 2 - Stream 1 (Community Ownership of Local Business) - Change Request (scope/time)**

Market Towns Programme (Phase 2) - Stream 1 (EG033 - Community Owned Businesses): to reduce budget by £90,000 and associated outputs (with 13 groups instead of 15 to receive large grants). The £90,000 to be reallocated to the other two streams - Social Enterprise Hubs (EG034) and STEM Exhibitions (EG036).

During the initial phase of this programme, it was anticipated that delivering more business support and awarding development grants to early-stage community groups looking to establish a new community-owned business, which would allow for the release of large capital grants as those projects progress.

	<p>However, there was less demand than expected from new start groups, and those early-stage groups that are in the pipeline are progressing more slowly than we expected.</p> <p>There is concern that the pipeline will not move quickly enough to allow the award the originally planned 15 capital grants, and we therefore suggest releasing two of these (to a sum of £90,000) within the Market Towns Programme to allow other strands to make a greater impact in their delivery areas, exceeding their targets and ensure the success of the wider programme. As a result of this change, we are more likely to achieve the programme outcomes and deliver greater impact for communities across the Combined Authority area.</p> <p>£90,000 to be reallocated within the programme in support of the other delivery streams detailed below:</p> <p><b>Stream 2 (EG034 – Social Enterprise Hubs)</b> - £70,000 top-up for the Social Enterprise Fund (managed by SEEE) and will be allocated to the 3 'funded' hubs currently in delivery and for which additional capital investment is required:</p> <ul style="list-style-type: none"> <li>• Hub 1 (Remo, March) - the roof needed much more repair than was anticipated and so have been unable to progress until they find additional funding to fix it.</li> <li>• Hub 2 (People &amp; Animals, Wisbech) - have had to find an alternative way of powering and heating the hub as the proposed solution of solar panels and ground source heat pump will not give them sufficient supply in the winter (they are off grid). Without adequate provision for winter heating, the building cannot be signed off for occupation by building control. This additional funding will allow the provision of a generator and 9 x 1200W Infra-Red Panels to heat and provide top-up winter power for the hub.</li> <li>• Hub 3 (Allia, Papworth) - once works commenced some unbudgeted changes were required to meet building regulations as well as challenges relating to power capacity and kitchen extraction at the hub. They have also included a request to fund a walk-in fridge to increase the cold storage capacity for the hub, but particularly for the community brewery space. The need for this funding is urgent as the costs were unbudgeted and therefore stresses the business model for both Allia and the operator.</li> </ul> <p><b>Stream 3 (EG036 – STEM Exhibitions)</b> - £20,000 top-up to extend the STEM exhibition in Wisbech for a further 2 years to summer 2026.</p>
2.6	The Chief Executive decision notices have been published by the Combined Authority and links are included in the Background papers.

### 3. Governance

3.1	<p>The Combined Authority Single Assurance Management Framework and Procedure was reviewed at 8 September 2023 Audit and Governance Committee and approved 20 September 2023 Combined Authority Board.</p> <p>Work continues in embedding the Framework and Procedure, including through training for members and officers.</p>
3.2	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.

### 4. Appendices

4.1	Not applicable.
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## 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.
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### Legal Implications

5.2	<p>The legal implications in relation to the approval of this delegated decision process and the authority for the Chief Executive to act is set out in the main body of this report.</p> <p>Whilst the Investment Committee does not have a decision-making role on the business case stage of the process, it is considered good practice from a governance perspective for the Committee to be provided with information about the delegated decisions made and have the opportunity to comment if considered appropriate to do so.</p>
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### Public Health Implications

5.3	None
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### Environmental & Climate Change Implications

5.4	None
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### Other Significant Implications

5.5	None
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### Background Papers

5.6	Single Assurance Framework Board report 29 November 2023 <a href="#">Single Assurance Framework Cover report and appendices (pages 94-148)</a>
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