



AUDIT AND GOVERNANCE COMMITTEE	AGENDA ITEM No:
	PUBLIC REPORT

**TITLE: LANCASTER WAY: REQUEST FROM THE TRANSPORT &
INFRASTRUCTURE EXECUTIVE COMMITTEE**

1.0 PURPOSE

- 1.1 Following a referral by the Transport and Infrastructure Meeting of 15 May 2020, to request that the Audit & Governance Committee commission an independent review of the costs and timetable associated with the programme delivery of the Lancaster Way project, on the terms described in this report, to be reported back to this committee at a future meeting.

<u>DECISION REQUIRED</u>
Lead Officer: Paul Raynes Director of Delivery and Strategy
Author: Robert Parkin, Chief Legal Officer and Monitoring Officer
RECOMMENDATIONS The Committee agrees to: 1. Request the Chief Finance Officer, in consultation with the Chair, the Director of Delivery and Strategy, and Cambridgeshire County Council to commission an independent external auditor to conduct a review of the Lancaster Way project on the terms of reference at Appendix A to this report 2. Request that the appointed auditor present a report of its findings to this committee at its next meeting on 31 July 2020.

2.0 BACKGROUND

Transport and Infrastructure Committee

- 2.1 The Transport & Infrastructure Executive Committee at its meeting of 15 May 2020 resolved to make a reference to the Audit & Governance Committee to conduct a review in the following terms:

Lancaster Way - Further Cost Overrun

It was resolved to:

[...]

- e) Refer this project to the CPCA Audit & Governance Committee for a value for money review of the costs and timetable related to the project

3.0 MAIN ISSUES

- 3.1 The report relevant to the item is at appendix B. Members are asked to note that the resolution of that committee is in the format of the decision notice at appendix C, rather than in the form on the report at appendix B, following for a formal amendment to that motion at committee.

Terms of reference

- 3.2 The CPCA intends to proceed jointly with Cambridgeshire County Council to participate in the review. The terms of reference are at Appendix A. The committee is asked to approve these terms.

Approval of external reviewer

- 3.4 It is proposed that the Chief Finance Officer, in consultation with the Chair of this committee, the Director of Delivery and Strategy, and Cambridgeshire County Council, appoints a suitably qualified and independent external auditor.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The cost of commissioning an external auditor will be met by the CPCA. Once the cost is known, the Chief Finance Officer is empowered by the scheme of delegation to authorise the expenditure.

5.0 LEGAL IMPLICATION

- 5.1 No legal implications

6.0 EQUALITIES IMPLICATION

- 6.1 No equalities implications

7.0 APPENDICES

7.1 Appendix A:

TERMS OF REFERENCE

Request from Transport and Infrastructure Committee

The Transport and Infrastructure Committee resolved to:

- (a) Refer this project to the CPCA Audit & Governance Committee for a value for money review of the costs and timetable related to the project***

In addition to the costs and timetable of the scheme itself, the project's value for money will be reliant upon the robustness of its governance, project management, and decision-making processes. Ensuring these are in place is crucial as the project moves into the delivery phase.

To conduct a review of the Lancaster Way project, considering

- the affordability and overall cost of the scheme
- the value for money of the scheme
- the time taken to bring the project to the point of delivery
- compliance with best practice in project management, including scope change and change control
- Decisions taken by the project team relating to the project's definition, development and cost
- Decisions taken by relevant CCC and CPCA Committees and Boards, by CPCA officers, including through officer working papers, with regard to the project's definition and development.
- The governance processes in CCC and the CPCA between decisions and recommendations reached by the project team and key officers and decisions taken by relevant Committees and Boards
- The funding background to the project, including funding provision made for the scheme by CPCA in its MTFS and taking account of decisions regarding project definition
- The preparation of reports for relevant Committees and Boards, including the involvement of CCC officers, CPCA technical officers and any others at the CPCA
- Any other communications between CCC and CPCA, within the CPCA or with any other organisation with regard to the decision making process that are relevant to the project

and to report conclusions to the Combined Authority through its Audit and Governance Committee.

The Lancaster Way project is in its origin a S106 obligation imposed on Grovemere, the developer of the Lancaster Way business park, which is also an Enterprise Zone, to improve the roundabout at the junction of the A10 and A142 at Ely. The developer benefited from a Growth fund grant to support the delivery of that obligation. Design and delivery of the scheme has been managed throughout by Cambridgeshire County Council.

Methodology

To be determined by the Chief Finance Officer and the Auditors, in consultation with the Chair of the Audit and Governance Committee

Timetable

The findings will be reported to the CPCA's Audit and Governance Committee at its next scheduled meeting on 31 July.

7.2 Appendix B:

Transport and Infrastructure Committee meeting of 15 May 2020, decision report

<https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1967/Committee/67/SelectedTab/Documents/Default.aspx>

7.3 Appendix C:

Decision Statement

<https://cambridgeshirepeterboroughcagov.cmis.uk.com/Document.ashx?czJKcaeAi5tUFL1D TL2UE4zNRBcoShgo=SLRSipvg7PG48eZTIUoIWslfxoD%2fe7dXGQ8KcCAB9IZ%2btRz6pAuo3g%3d%3d&rUzwRPf%2bZ3zd4E7lkn8Lyw%3d%3d=pwRE6AGJFLDNlh225F5QMaQWCtPHwdhUfCZ%2fLUQzgA2uL5jNRG4jdQ%3d%3d&mCTIbCubSFfXsDGW9IXnlg%3d%3d=hFfIUdN3100%3d%3d&kCx1AnS9%2fpWZQ40DXFvdEw%3d%3d=hFfIUdN3100%3d%3d&uJovDxwdjMPoYv%2bAJvYtyA%3d%3d=ctNJff55vVA%3d%3d&FgPIIEJYlotS%2bYGoBi5oIA%3d%3d=NHdURQburHA%3d%3d9Qjj0ag1Pd993jsyOJqFvmyB7X0CSQK=ctNJff55vVA%3d%3d&WGewmoAfeNR9xqBux0r1Q8Za60LavYmz=ctNJff55vVA%3d%3d&WGewmoAfeNQ16B2MHuCpMRKZMwaG1PaO=ctNJff55vVA%3d%3d>

<u>Source Documents</u>	<u>Location</u>
1) Transport and Infrastructure Committee meeting of 15 May 2020, decision report:	https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1967/Committee/67/SelectedTab/Documents/Default.aspx
2) Transport and Infrastructure Committee meeting of 15 May 2020, decision statement	https://cambridgeshirepeterboroughcagov.cmis.uk.com/Document.ashx?czJKcaeAi5t

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