

PRIVATE & CONFIDENTIAL



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

**MARKET TOWNS PROGRAMME
Investment Prospectus**

Appraisal Report

January 2023

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1. Cambridgeshire & Peterborough Combined Authority issued its fourth call for Market Towns funding projects with **four applications** received by the agreed timescale.
2. We were asked to act as the independent assessors for the call and this report is prepared to assist the Entrepreneurial Advisory Panel (EAP) conduct its review before the bids are presented onto the Combined Authority's Board for a decision on each project.
3. **Strategic Fit.** All projects followed directly from the completion of their respective town masterplan which were produced in line with CPIER and LIS recommendations. Most projects were therefore able to find strong alignment with them, so the Strategic Fit score is less useful as a criterion for distinguishing between bids.
4. **Leverage / Resources.** Match funding was extremely thin on the ground with no projects able to demonstrate a 50% match or greater and many requesting 100% funding. Typically, we placed less value on contributions in kind and placed more weight on direct cash contributions. However, the in-kind contributions were still included in our assessments.
5. **Value for Money** This was especially difficult to assess, given the paucity of information supplied. In many cases no output information was offered. Because of the value of public funding being requested, it is vitally important that each application demonstrates a competitive cost per outcomes.
6. The projects each covered different areas of activities that we have summarised in the table below:

PURPOSE	Number	Value
Place making	2	£270,000
Transport Improvements	1	£260,000
Community Safety	0	0
Capacity Building	1	£925,000
TOTALS	4	£1,455,000

7. The relatively small number of projects in this round allows time to expand on the Scoring matrix and included a summary of our review of each project
8. **E-Space (North), Littleport** – The application was submitted by East Cambridgeshire District Council who own and manage this well-established Business Centre. This project will address the shortage of suitable workspace in the town and deliver approximately 580 sqm extension to facilitate the creation of new direct and associated jobs. Match Funding, Design, and Planning consents have yet to be obtained / completed.
9. **Capital Investment Fund, Littleport** - This application aims to create a small capital pot (£75,000) to enable the District Council to enhance frontages or buildings that will improvement the general appearance of Littleport's Town Centre area. Match funding is still to be confirmed and an appropriate monitoring framework devised to assess the project's impact.
10. **Whittlesey Relief Road, Strategic Outline Business Case** – Prior to developing a project which could be successful in receiving public sector funding (via CPCA, DfT or other sources) is the need to develop a suitable Business Case which includes a detailed value for money assessment on the need for public funding. A full procurement exercise will be required to

appoint suitable consultants and finalise the study's cost.

11. **Whittlesey Town projects** - This funding application is split into four mini-projects namely, Community basketball / tennis / netball improvements; Whittlesey Market place improvements; Heritage Library display; and the Manor Leisure Centre Solar PV improvements. The application appears to indicate that further match funding is available but offers no outputs.
12. As part of the appraisal process queries were sent on each of the four applications on the 20th December. Replies were received on three of the projects enabling these comments to be incorporated into this report. No reply has been received from Fenland District Council on the Whittlesey Town Projects.
13. The reply from East Cambridgeshire District Council (ECDC) on the E-Space North project confirms that the project has been compiled with advice from specialist consultants, lawyers and stakeholders including the local MP when the project was included as a component of the Levelling up fund bid back in July. If the bid is successful, the scope of the development will be widened further to incorporate community space making it a more ambitious project.
14. The reply from ECDC on the Capital Investment Fund, Littleport addressed our concerns over the lack of measurable targets, rationale for offering 100% grants and status of the match funding. ECDC have confirmed the following:

measurable targets – 'We have estimated 10 businesses applicants. Footfall can be measured using public Wi-Fi as a benchmark.'

rationale for 100% grants – 'We have tried approaching this from a 'matching funding' perspective from the applicant but had very poor uptake. We changed the Board approved Ely Scheme. to eliminate the match funding and have so far had in excess of 80% applications.'

status of match funding – 'subject to this application being successful and the town councils approval.....offered during consultation with the town council chair to bring the fund up to £100k if it is actually needed.'

15. Following these replies, we have recommended the following:

- **Three** projects for approval: -

East Cambs - E-Space (North), Littleport

East Cambs - Capital Investment Fund, Littleport

Fenland - Whittlesey Relief Road, Strategic Business Case

- And a Conditional approval of **One** project subject to more information being provided: -

Fenland - Whittlesey Town projects

16. The detailed recommendations are set out in the next section. This report should be read in conjunction with the appraisal matrix for each project which is provided as a separate attachment.

App No.	Applicant	Project	Grant Requested	Recommendations
1	East Cambridgeshire District Council	E-Space (North), Littleport	£925,000	Approval for the requested amount of £925,000 subject to the following conditions: 1. Confirmation of matching funding. 2. Confirmation that any capital cost overrun will be met by East Cambridgeshire DC 3. An appropriate monitoring framework be agreed to assess the project's job creation. 4. Confirmation of planning approval 5. Submission of the following Full Business Case, subsidy control advice & risk assessment.
2	East Cambridgeshire District Council	Capital Investment Fund, Littleport	£75,000	Approval for the requested amount of £75,000 subject to the following conditions: 1. Confirmation of all matching funding. 2. Submission of an appropriate monitoring framework based on number of businesses supported and town centre footfall.3. Submission of a risk assessment.
3	Fenland District Council	Whittlesey Relief Road - Strategic Outline Business Case	£260,000	Approval for the requested amount of £260,000 subject to the following conditions: 1. Confirmation that Fenland DC 2 will meet any capital cost overrun. Copy of the tender brief and summary of the tender selection process.
4	Fenland District Council	Whittlesey Town projects	£195,000	Conditional approval of the amount request £195,000 subject to the following conditions:: 1. Confirmation of the matching funding that is being sought from the FCC communities foundation. 2. Confirmation that any capital cost overrun will be met by Fenland DC 3. Submission of appropriate outputs and monitoring framework to enable each of the four mini-projects to be assessed. 4. Submission of a risk assessment.
	TOTAL		£1,455,000	

Market Towns Programme Investment Prospectus

Application Appraisal Matrix (summary)

Weighted Score (max 99 available)				
Minimum pass is 74 marks (75%)				
Project Title / Town:	East Cambs -E-Space (North), Littleport	East Cambs - Capital Investment Fund, Littleport	Fenland - Whittlesey Relief Road, Strategic Business Case	Fenland - Whittlesey Town projects
Criteria	Mark - Edit	Mark - Edit	Mark - Edit	Mark - Edit
Rationale	4	4	6	4
Timescales	4	4	6	4
Activities/Milestones	2	2	3	2
Delivery Arrangements	6	9	9	9
Outputs/Outcomes	15	10	15	10
Strategic Fit	15	15	15	10
State Aid	2	3	3	3
Costs	6	6	6	6
Resourcing	8	8	4	8
VFM	15	15	10	10
Risks	2	2	4	2
Total Score	79.0	78.0	81.0	68.0
Percentage Score	79.8%	78.8%	81.8%	68.7%