



iMET Project Local Growth Fund Recovery

To: Cambridgeshire and Peterborough Combined Authority Board

Meeting Date: 25 November 2020

Public report: This report contains appendices which are exempt from publication under Part 1 of Schedule 12A of the Local Government Act 1972, as amended, in that it would not be in the public interest for this information to be disclosed (information relating to the financial or business affairs of any particular person (including the authority holding that information)). The public interest in maintaining the exemption outweighs the public interest in publishing the appendices.

Lead Member: Austen Adams, Chair of the Business Board

From: John T Hill, Director of Business and Skills

Key decision: Yes

Forward Plan ref: KD2020/078

Recommendations: The Combined Authority Board is recommended to:

- a) Approve pursuing clawback of Local Growth Funding (LGF) in relation to the iMET Programme LGF investment, by selling the iMET building on the open market for a cash receipt back into the recycled Local Growth Funding budget, through agreements with Cambridge Regional College and the Landlord Urban and Civic;
- b) Approve the Combined Authority owning and disposing of the iMET building to effect claw-back, if required. It is not the intention of the transaction as currently envisaged that CPCA would take ownership of the iMET Building. If CPCA do take ownership, it would only be for a short period of time before the iMET is transferred to the end purchaser;
- c) Approve a refocussed Grant Funding Agreement between Cambridge Regional College and the Combined Authority and that final sign-off of that agreement, in relation to the iMET equipment being retained and utilised by Cambridge Regional College to continue delivering learner outputs, is delegated to the

Director Business and Skills in consultation with the s73 Officer and the Lead Member for Investment and Finance;

- d) Delegate authority to the Director Business and Skills, in consultation with the Section 73 Officer, the Monitoring Officer and the Lead Member for Investment and Finance, to finalise the form and then sign-off the Surrender or Assignment Option Agreement between Cambridge Regional College and the Combined Authority, once full and final agreement with the landlord has been achieved; and
- e) Delegate authority to the Director Business and Skills in consultation with the Section 73 Officer, Monitoring Officer and the Lead Member for Investment and Finance to finalise Heads of Terms on an agreement with the landlord of the iMET building, which in turn facilitates the final sign-off of the option agreement with Cambridge Regional College.

Voting arrangements: A simple majority of all Members

1. Purpose

- 1.1 To seek approval of the partial recovery of the Local Growth Fund (LGF) investment of £10,502m in the legacy project design and build of a vocational training centre at Alconbury Weald.
- 1.2 In parallel, the Combined Authority Board is asked to approve a refocusing of the existing legal Grant Funding Agreement to enable the equipment paid for by the LGF grant to continue to be utilised to achieve skills outcomes to benefit of the current and future cohorts of learners.
- 1.3 These proposals were considered at the Business Board meeting on 10 November 2020. Following discussion, the Business Board decided unanimously to recommend these proposals to the Combined Authority Board for approval.
- 1.1 The report to the Business Board can be viewed via the link below:

[Business Board meeting on 10 November 2020 - Item 2.4 refers](#)

2. Considerations

- 2.1 LGF Officers received a formal valuation of the iMET equipment the day after the Business Board meeting held on 10th November 2020. A copy of this valuation is included at Confidential Exempt Appendix G for Board Members information.

3. Appendices

- 3.1 Exempt Appendix A: Options for Reuse or Liquidation of the Asset
- 3.2 Exempt Appendix B: Analysis of risks and implications
- 3.3 Exempt Appendix C: Legal Advice to Combined Authority regards iMET lease

- 3.4 Exempt Appendix D: Process Flowchart mapping agreements proposed
- 3.5 Exempt Appendix E: Heads of Terms Assignment Option Agreement with CRC
- 3.6 Exempt Appendix F: Valuation by Strutt and Parker 8th July 2020
- 3.7 Exempt Appendix G: Valuation of iMET equipment 11th November 2020

4. Background Papers

- 4.1 [Business Board Paper iMET 27 May 2020](#)

Or from:

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