



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

Agenda Item No: 3.6

## Community Renewal Fund Award Approval

To:	Cambridgeshire and Peterborough Combined Authority Board
Meeting Date:	24 November 2021
Public report:	Yes
Lead Member:	Mayor Dr Nik Johnson
From:	John T Hill, Director of Business and Skills
Key decision:	Yes
Forward Plan ref:	2021/073 [General Exception]
Recommendations:	<p>The Combined Authority Board is recommended to:</p> <ul style="list-style-type: none"><li>a) Note the award of £3,393,851 from Department for Levelling Up, Housing and Communities (DLUHC) jointly with Department for Work and Pensions (DWP) in relation to the Community Renewal Fund</li><li>b) Following acceptance of the grant, delegate authority to the Director of Business and Skills in consultation with the Chief Finance Officer and Monitoring Officer to enter into grant funding agreements on behalf of the Combined Authority with the two approved providers.</li></ul>
Voting arrangements:	<p>Item a), note only (no vote required). Item b) a simple majority of all Members present and voting</p> <p>To be carried, the vote must include the vote of the Mayor, or the Deputy Mayor when acting in place of the Mayor.</p>

## 1. Purpose

- 1.1 The Board is invited to note the proposed grant funding to the Combined Authority being offered jointly from Department for Levelling Up, Housing and Communities (DLUHC) and Department for Work and Pensions (DWP) relating to the Community Renewal Fund (CRF).
- 1.2 The Board is requested to delegate authority to the Director of Business and Skills to enter into grant funding agreements for delivery of the two approved projects.
- 1.3 To facilitate immediate commencement and delivery of the projects confirmed in the funding award the Board delegation is sought to mobilise through a Grant Funding Agreement to the Cambridgeshire and Peterborough Growth Company to enable variation of existing contract to be signed with the delivery partner.

## 2. Background

- 2.1 On the 3<sup>rd</sup> November 2021 Government announced nationally the outcome of the Community Renewal Fund competition with the Combined Authority securing approval of two projects with a grant value of £3,393,851 from the seven that were submitted in June 2021. Award offer letter from the joint Government Departments is at Appendix 1. The full list of successful projects can be viewed on the .Gov webpage:  
<https://www.gov.uk/government/publications/uk-community-renewal-fund-successful-bids>
- 2.2 The Combined Authority in its designated role as Lead Authority for the CRF submitted a shortlist of seven project applications from Cambridgeshire and Peterborough to a value of £6.6million
- 2.3 The two successfully approved projects are below and also brief outline contained at Appendix 2:

Project Name	Project Delivery Organisation	CRF Awarded to Project
Start & Grow	Cambridgeshire and Peterborough Combined Authority	£2,480,000
Turning Point	Cambridgeshire and Peterborough Combined Authority	£847,305

- 2.4 A 2% management fee will be retained by the Combined Authority to provide the Lead Authority role in the oversight, reporting and monitoring function as per the Local Assurance Framework. This Lead Authority Management Fee equates to £66,546. The project business plan has the majority of this work being outsourced to the Growth Co with only high level review and monitoring retained by the Combined Authority.
- 2.5 As outlined in the UKCRF prospectus the Lead Authority of each of the 100 priority places will also receive capacity funding to have completed the local process inviting and appraising bids, then preparing and submitting a shortlist. Each Lead Authority is receiving a fixed amount of £20,000 per priority place. As the Lead Authority for Fenland and Peterborough the Combined Authority will receive £40,000.
- 2.6 The project delivery window for all projects has also been extended from the original

proposed end date of 31 March 2022 until 30 June 2022, this to accommodate the later announcement from Government and its impact on a timely start date.

- 2.7 Given the short window for delivery of the programme the Combined Authority is asked to approve mobilisation of the two projects and delegate authority to the Director of Business and Skills to enable contracting with the delivery partners through the Cambridgeshire and Peterborough Growth Company.
- 2.8 It is understood that the funding provided will be via a revenue grant and therefore can be awarded to the Cambridgeshire & Peterborough Business Growth Company Limited.
- 2.9 The payment of the grant from DLUHC has been confirmed to be in two tranches, the first in December 2021 and then the final payment in July 2022 after successful completion of the projects. This means the final grant payment is retrospective against delivery and does require the projects to be cash-flowed by the Combined Authority. The Combined Authority will seek to mitigate the risk associated with this payment profile by mirroring any conditions within the grant agreement (such as payments being based on outcomes, or ringfenced to specific areas of the projects) in its onward agreement with the Growth Company.
- 2.10 The Grant Funding Agreement for the two selected projects is expected from DLUHC to the Combined Authority imminently and once satisfactorily reviewed by Legal and Finance teams, the Chief Finance Officer will accept the grant within his delegated capacity within the Constitution to accept grant funding into the Combined Authority.
- 2.11 The five projects from the Combined Authority submission which were unsuccessful at getting approved for funding are listed below. Each have been notified of the outcome and more detailed feedback on each bid is awaited from DLUHC to be relayed to each bidding organisation to aid learning and improvement ahead of launch of the Shared Prosperity Fund.

Project name	Project Organisation
Cambridgeshire and Peterborough Region of Learning (CPRoL)	Cambridge City Council
Unleashing Fenland's Potential	Cambridgeshire ACRE
The Place – Connect, Create, Grow	Peterborough City College
Innovate-2-Zero	Opportunity Peterborough
Fenland Sustainable Futures	West Suffolk College

- 2.12 Updates on this CRF grant award offer was given to the Business Board on 8th November 2021 and the Skills Committee on 10th November 2021.

## Significant Implications

### 3. Financial Implications

- 3.1 Due to the delays in the decision from DLUHC and the CPCA having not yet received the official Grant Funding Agreement, the exact financial details of the grant award are not yet known. The first payment, which is expected in December, may be delayed dependant on

when the Funding Agreement is received and may also be impacted by the Christmas holiday period.

- 3.2 As the funding agreement has not been received, and the work not yet procured, the profile of the income and expenditure for the Combined Authority's budgets is not currently known. When this becomes clear the budget will be updated to reflect the approved schemes and reported to the Board within their regular budget update reports.
- 3.3 The 2% management fee has been included in the business plan to cover the costs of project management both within the Growth Company and within the Combined Authority. The work within the Combined Authority is anticipated to be relatively light touch and thus have a minimal financial resource requirement.
- 3.4 As referred to earlier, the second tranche of funding will be received after project implementation, should there be conditions attached to this second tranche – such as payment based on actual outputs – then the Combined Authority will seek to mirror these conditions in its agreement with the Growth Co, to mitigate and share any funding risks. The delayed payment structure will create a pressure on the Combined Authority's cashflow but this is manageable within the Combined Authority's resources.

## 4. Legal Implications

- 4.1 The Combined Authority will be required to comply with the conditions within the Grant Funding Agreement from DLUHC and DWP
- 4.2 The Combined Authority will be required to ensure projects are managed through flow down Grant Funding Agreements in line with the Local Assurance Framework.

## 5. Other Significant Implications

- 5.1 None

## 6. Appendices

- 6.1 Appendix 1 – Letter of award from DLUHC and DWP
- 6.2 Appendix 2 - Community Renewal Fund Successful Projects outline

## 7. Background Papers

- 7.1 Community Renewal Fund Final Submission Approval  
[Combined Authority Board 30 June 2021 Item 7.3](#)