

## Climate and Strategy Business Case January 2023

To:	Cambridgeshire and Peterborough Combined Authority Board
Meeting Date:	25 January 2023
Public report:	Yes
Lead Member:	Councillor Bridget Smith, Lead Member for the Environment and Climate Change
From:	Mark Parkinson, Director of Corporate Services
Key decision:	Yes
Forward Plan ref:	KD2022/082
Recommendation:	<p>The Combined Authority Board is recommended to:</p> <p>Approve the Business Case for Meanwhile at Core Site, North East Cambridge project and approve £1.0m from capital and £120k revenue from the subject to approval line in the Medium term financial plan (MTFP).</p>
Voting arrangements:	<p>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 To seek approval for the Business Case and approve funding allocation from the subject to approval line of the medium-term financial plan (MTFP).
- 1.2 The Full Business Case and supporting documents are in Appendix 1.
- 1.3 If approved, the project will have approved funding to move into the delivery phase. Monitoring and evaluation will continue throughout the delivery phase.

# 2. Background

- 2.1 The below sets out the process this project has been through to get to this stage.
- 2.2 **Prioritisation and Business case development**
  - 2.2.1 Bids for inclusion in the CPCA budget were submitted by 31 December 2021 in response to the MTFP consultation.
  - 2.2.2 Projects that passed through this stage were included within the MTFP as subject to approval allocations following Board approvals in early 2022.
  - 2.2.3 An HMT Green Book compliant Business Case template was issued that included guidance to support project managers.
  - 2.2.4 The aim of the process has been to ensure the Business Cases evidence value for money whilst also ensuring the document is proportionate to the size of the project and not overly burdensome to complete.
- 2.3 **Project Summary**
  - 2.3.1 **Meanwhile at Core Site, North East Cambridge**
  - 2.3.2 Capital funding is sought for building costs for a community and purpose-driven project at Core Site in North East Cambridge. This includes the delivery of much needed affordable and tailored space which will allow local organisations to grow, marking the start of the regeneration of the NEC area with early jobs, community consultation and cohesion.
  - 2.3.3 The project is a 15 year + meanwhile project, making use of an otherwise redundant 1.5 ha area of land that will eventually become developed for residential uses as part of the wider Core Site masterplan. The project envisages a campus of diverse and innovative initiatives, unified by a shared commitment to social and environmental purpose, around themes of developing sustainable food systems, tackling climate change, and reducing inequality.

### 3. Assessing Value for Money

- 3.1 The CA Programme Office reviewed the Combined Authority Assurance Framework, HMT Green Book (2020) and National Audit Office (NAO) guidance and met with the Chief Finance Officer when deciding on the guidance for evidencing Value for Money.
- 3.2 The Assurance Framework states that to achieve value for money in spending public funds is through ensuring that all projects contribute to the objectives of the Combined Authority via adherence to the Green Book principles, specifically that unless fulfilling a statutory requirement, all business cases must demonstrate a strong fit with the strategic objectives of the relevant Board.
- 3.3 NAO uses three criteria to assess the value for money of government spending i.e., the optimal use of resources to achieve the intended outcomes:
- Economy: minimising the cost of resources used or required (inputs) – spending less.
  - Efficiency: the relationship between the output from goods or services and the resources to produce them – spending well; and
  - Effectiveness: the relationship between the intended and actual results of public spending (outcomes) – spending wisely.
- 3.4 The NAO guidance states that there must be a balance of inputs, outputs & outcomes, that 'optimal' is the most desirable possible given restrictions or constraints, and that the question of 'what does good look like?' has been answered.
- 3.5 Within the Strategic Case of the Business Case the scope of the project has been fully developed and there is a case for change section which assesses what do nothing looks like and what good looks like, linking to CPCA strategic objectives.
- 3.6 Within the Economic Case a Green Book Project Profile Tool was adapted for each project to link outputs to outcomes to impacts and to CPCA strategic objectives and metrics.
- A logic model has also been developed. Also included in the Business Cases is a Monitoring and Evaluation section that includes an evaluation plan and how progress against these inputs, outputs and outcomes will be measured.
- 3.7 Within the Economic Case there is also an assessment of options against costs and benefits including do nothing and do minimum which aims to assess which is the optimal use of resources.
- 3.8 The Chief Finance Officer has reviewed this Business Case and an assessment on Value for Money against the above criteria has been used and is noted in the Economic Case.

## 4. Timescales and next steps

- 4.1 If approved the above projects will have funding to move into the delivery phase of the project. Monitoring and evaluation will continue throughout the delivery phase.

## 5. Financial Implications

- 5.1 The Combined Authority Board approved, as part of the 2022/23 revenue budget, Capital Programme 2022/23 to 2025/26 and Medium-Term Financial Plan (MTFP) 2022/23 to 2025/26, a list of climate and strategy related projects, presented on 26 January 2022.
- 5.2 The initial allocation of subject to approval budgets within the MTFP was agreed at this Board, ensuring that funding would be available for these projects, should they be approved via the gateway stages and provide evidence as value for money.
- 5.3 There are no additional financial implications arising from the recommendations in this report.

## 6. Legal Implications

- 6.1 None

## 7. Public Health Implications

- 7.1 Please refer to individual business cases.

## 8. Environmental and Climate Change Implications

- 8.1 Please refer to individual business cases.

## 9. Other Significant Implications

- 9.1 There are no other significant implications.

## 10. Appendices

- 10.1 [4.1 Appendix 1 - Core Site - CPCA Business Case - Final Draft](#)

## 11. Background Papers

- 11.1 [Combined Authority reports January 2022 - Sustainable Growth Ambition Statement, 2022/23 Budget and Medium-Term Financial Plan 2022 to 2026](#)

## 11.2 [Combined Authority Board March 2022](#)