

## Change Control and Delegated Authority Processes

### 1. Change Control Definition

Change control is the process through which all requests to change a project baseline are captured, evaluated and then approved, rejected or deferred.

### 2. Definition of changes

Change control is deployed to enable changes requested by a project that deviate beyond the tolerance boundaries that have been set. A clear audit trail must be put in place to ensure that the reason for the change from the baseline is transparent.

The following are instances that would trigger change control / a request for change:

1. A proposal to accelerate funding from a subsequent financial year into the current financial year (when the value of a project exceeds the agreed tolerance);
2. A proposal to passport funding from the current financial year into the subsequent financial year/s when the value exceeds the agreed tolerance;
3. Increases to a Grant Award;
4. Scope creep / change in scope from the baseline. This can sometimes result in changes to costs (including match) and outputs;
5. When the outputs agreed to be delivered by a project change;
6. Material changes to the nature or purpose of the Project;
7. Material changes to the ownership, control and nature of business of the Grantee;
8. Immaterial changes such as a change of Company name.

### 3. Change control process

<b>Table 1: Change control process</b>	
<b>Step</b>	<b>Responsibility</b>
1. Request for Change form completed and submitted to the PMO.	Senior Responsible Officer, triggered as soon as the change is known.
2. Change request considered by PMO, to assess: (a) if change request is reasonable; (b) whether mitigating actions could prevent the change first.	PMO, who will feedback to Senior Responsible Officer.
3. If PMO consider change request can proceed, consider if Technical Appraisal is required.	PMO, who will: (a) feedback to Senior Responsible Officer; (b) Consult with the SAB to confirm budget availability to proceed with Technical Appraisal;

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If not required, move to step 5.	(c) Instruct Technical Advisors if budget available.
4. Technical Advisors carries out Technical Appraisal and provides supporting information to PMO to help advice on the change request recommendations.	Technical Advisors.
5. PMO to consider if the change request will proceed: (a) Where not, inform Senior Responsible Officer; (b) If proceeding, consider the route required (full approval process or Delegated Authority).	PMO.
6. There are two routes for change control: (a) Change Request route via the full approval process (via BCJC) – see section 4 “Full Change request route”; (b) Delegated Authority – See section 5.	PMO.
7. If change request is proceeding through full approval process, PMO will draft report for LEP Funding Sub-group ( <i>please refer to Assurance Framework, 4.13 Project Lifecycle</i> ).	PMO.

#### 4. Full Change request route

4a) Individual project change report: A Request for Change must be submitted to the LEP Board and Black Country Executive Joint Committee for approval (via the PMO) when the following thresholds are passed:

**Table 2: Full change control thresholds**

<p><b>A Thresholds:</b></p> <ul style="list-style-type: none"> <li>• Grant accelerated into current year by &gt;10% of grant value or an increase greater than £300,000;</li> <li>• Grant slipped into subsequent years by &gt; 10% of grant value or by greater than £300,000;</li> <li>• Any decrease of core outputs, or decrease by 10% on all additional outputs;</li> <li>• There is addition or omission from scope;</li> <li>• There is additional funding request (any value).</li> </ul>
<p><b>B. On Completion of the Project Expenditure</b></p> <ul style="list-style-type: none"> <li>• Total project costs (match and grant) change by more than 5%.</li> </ul>

4b) Programme change report: where individual project change requests are below the above thresholds (10% or under), these will be reported via the programme change report to the LEP Board and BCJC for approval. This will be reported annually as a minimum.

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BCJC approval needs to be in place prior to implementing the revised forecast and making any grant payments which are dependent on the programme change report's approval.

## 5. Delegated Authority

### 5a) BC LEP

The BC LEP has delegated authority to the Chair of the BC LEP Funding Sub Group to approve changes in accordance with the thresholds in Table 3 below in exceptional circumstances, but must be made in consultation, and in writing, with the BCC Ltd Chief Executive.

The Chair of the Funding Sub Group will then report the decision at the next available BC LEP Board meeting, which is then recorded in the minutes of that meeting (published on the BC LEP website <http://www.blackcountrylep.co.uk/about-us/our-board/lep-board-meetings/>).

A programme change report on all changes at year-end will be brought to the Black Country Executive Joint Committee, annually as a minimum.

### 5b) BCJC

BCJC Delegated Authority should only be used when:

- the existing approval process is not possible due to impact on delivery times and the need to get spend underway prior to the next available Black Country Executive Joint Committee;
- the existing provisions of Special Urgency and General Exception within the Black Country Executive Joint Committee Protocols are not available.

The Black Country Executive Joint Committee has delegated authority to the Chair of the Heads of Regeneration Working Group to approve changes in accordance with the thresholds in Table 3 below, but must be made in consultation with the BCC Ltd Chief Executive, the SAB S151, Sponsoring Heads of Regeneration Working Group member and the Chair of the BCJC.

The Chair of the Working Group will then report the decision at the next available Black Country Executive Joint Committee meeting, which is then recorded in the minutes of that meeting (published on the BCJC website <https://go.walsall.gov.uk/bcjc-reports-minutes>).

A programme change report on all *changes at year-end* will be brought to the Black Country Executive Joint Committee, annually as a minimum.

Delegation	BC LEP Board - Delegated Authority Change Control	BCJC - Delegated Authority Change Control
In Year Change Control	approve changes up to	approve changes up to <sup>1</sup>

<sup>1</sup>In consultation with the BCC Ltd Chief Executive and the SAB S151 Officer only.

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(all grant changes excluding year end)	<ul style="list-style-type: none"> <li>• a maximum of 10% of individual grant value or</li> <li>• up to £300,000</li> </ul> <p>whichever is lower</p> <p>(e.g. if a project grant allocation is £2m, up to £200k of changes (10%) can be agreed in the current financial year under delegated authority)</p>	<ul style="list-style-type: none"> <li>• a maximum of 10% of individual grant value or</li> <li>• up to £300,000</li> </ul> <p>whichever is lower</p> <p>(e.g. if a project grant allocation is £2m, up to £200k of changes can be agreed in the current financial year under delegated authority)</p>
Year-end Change Control only	<p>approve changes up to</p> <ul style="list-style-type: none"> <li>• a maximum of 15% of individual grant value or</li> <li>• up to £500,000</li> </ul> <p>whichever is lower</p> <p>(e.g. if a project grant allocation is £2m up to £300,00k of changes can be agreed in the current financial year under delegated authority).</p> <p>For multiple year programmes where in year allocation must be fully spent in year (i.e. Growth Deal), the cumulative maximum of projects approved via delegated authority being no more than 10% of the total value of the in year grant (e.g. 2019/20 Growth Deal , 19,044,119 x 10% = £1.904m).</p>	<p>approve changes up to</p> <ul style="list-style-type: none"> <li>• a maximum of 15% of individual grant value or</li> <li>• up to £500,000</li> </ul> <p>whichever is lower</p> <p>(e.g. if a project grant allocation is £2m up to £300,00k of changes can be agreed in the current financial year under delegated authority).</p> <p>For multiple year programmes where in year allocation must be fully spent in year (i.e. Growth Deal), the cumulative maximum of projects approved via delegated authority being no more than 10% of the total value of the in year grant (e.g. 2019/20 Growth Deal, 19,044,119 x 10% = £1.904m).</p>
Immaterial change	Approve an immaterial change to the grantee or an administrative error within a report recommendation under delegated authority.	Approve an immaterial change to the grantee or an administrative error within a report recommendation under delegated authority.

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