



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

## **COMBINED AUTHORITY BOARD**

**Date: Wednesday, 27 November 2019**

**10:30 AM**

**Democratic Services**  
Dermot Pearson  
Interim Monitoring Officer

The Incubator  
Alconbury Weald  
Cambridgeshire  
PE28 4WX

**Open Area, CPCA, Incubator 2, The Boulevard, Alconbury  
Weald Enterprise Campus, Huntingdon, Cambridgeshire,  
PE28 4XA  
[Venue Address]**

## **AGENDA**

**Open to Public and Press**

### **Part 1 - Governance**

#### **1.1 Announcements, Apologies and Declarations of Interest**

#### **1.2 Minutes of the meeting on 30 October 2019**

**5 - 10**

#### **1.3 Petitions**

## **1.4 Public Questions**

Arrangements for public questions can be viewed in Chapter 5, Paragraphs 18 to 18.16 of the Constitution which can be viewed here - [Cambridgeshire and Peterborough Combined Authority: Constitution](#)

**1.5 Forward Plan** 11 - 24

**1.6 Performance Report** 25 - 30

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## **Part 2 - Finance**

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## **Part 3 - Combined Authority Decisions**

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**3.2 Appointment of the Chair of Angle Holdings Ltd and Angle Developments (East) Ltd** 133 - 136

**3.3 Climate Change** 137 - 142

## **By recommendation to the Combined Authority**

## **Part 4 - Business Board recommendations to the Combined Authority**

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## **Part 5 - Transport and Infrastructure Committee recommendations to the Combined Authority**

The Combined Authority Board comprises the following members:

Mayor James Palmer

Councillor Anna Bailey

Councillor Chris Boden

Councillor Graham Bull

Councillor Steve Count

Councillor Lewis Herbert

Councillor John Holdich

Councillor Bridget Smith

Austen Adams

Jess Bawden

Councillor David Over

*For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact*

Clerk Name: Richenda Greenhill

Clerk Telephone: 01223 699171

Clerk Email: [Richenda.Greenhill@cambridgeshire.gov.uk](mailto:Richenda.Greenhill@cambridgeshire.gov.uk)

The Combined Authority is committed to open government and members of the public are welcome to attend Committee meetings. It supports the principle of transparency and encourages filming, recording and taking photographs at meetings that are open to the public. It also welcomes the use of social networking and micro-blogging websites (such as Twitter and Facebook) to communicate with people about what is happening, as it happens.

Public speaking on the agenda items above is encouraged. Speakers must register their wish to speak by making a request in writing to the Monitoring Officer (Dermot Pearson) no later than 12.00 noon three working days before the day of the meeting at [dermot.pearson@cambridgeshirepeterborough-ca.gov.uk](mailto:dermot.pearson@cambridgeshirepeterborough-ca.gov.uk). The request must include the name, address and contact details of the person wishing to speak, together with the full text of the question to be asked.

For more information about this meeting, please contact Richenda Greenhill at [Richenda.Greenhill@cambridgeshire.gov.uk](mailto:Richenda.Greenhill@cambridgeshire.gov.uk) or on 01223 699171.



**Agenda Item No: 1.2**

**CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY: MINUTES**

**Date:** Wednesday 30 October 2019

**Time:** 10.30am – 11.13am

**Venue:** Council Chamber, Peterborough City Council, Peterborough

**Present:** J Palmer (Mayor)

Councillors A Bailey – East Cambridgeshire District Council, C Boden – Fenland District Council, S Count - Cambridgeshire County Council, R Fuller – Huntingdonshire District Council, J Holdich – Peterborough City Council and B Smith – South Cambridgeshire District Council

A Adams – Interim Chair of the Business Board

**Co-opted Members:** J Bawden (Clinical Commissioning Group) and Councillor D Over (Vice Chairman, Cambridgeshire and Peterborough Fire Authority)

**Also in Attendance:** Councillor Kevin Price, Vice Chair, Overview and Scrutiny Committee

**427. ANNOUNCEMENTS, APOLOGIES AND DECLARATIONS OF INTEREST**

The Mayor stated that he was continuing to work alongside the Deputy Mayor to ensure that former employees of Thomas Cook should have the best opportunities to find new jobs.

Apologies were received from Councillor G Bull (Substituted by Councillor R Fuller) and Councillor L Herbert.

There were no declarations of interest.

**428. MINUTES – 25 SEPTEMBER 2019**

The minutes of the meeting on 25 September 2019 were agreed as a correct record and signed by the Mayor.

**429. PETITIONS**

No petitions were received.

## 430. PUBLIC QUESTIONS

There were no questions from members of the public, but a number of questions had been received from the Overview and Scrutiny Committee. These were asked by Councillor Kevin Price, Vice Chair of the Overview and Scrutiny Committee:

### 2.1 Budget Monitor Update

The Budget Monitoring report indicated that a lot of projects were slipping. What were the reasons for this?

The Mayor stated that the report indicated there was a limited amount of slippage. Of the £124.44m capital programme budget for 2019/20, which included 47 project lines, the Combined Authority was currently showing a total forecast underspend of £2.43m for the year against five of them. Half of that sum resulted from a decision by the previous Secretary of State for Transport which caused a rescheduling of work on a Network Rail project which the Combined Authority was part funding. The aim was to complete projects as stated and the Mayor monitored this personally.

### 3.1 100k Homes and Community Land Trusts (CLTs)

With only 935 Community Land Trust homes built so far in the whole country and the 56 affordable homes funded through the £40m revolving fund, was too much emphasis being put on Community Land Trusts rather than the more tried and tested use of housing associations, when there was a crisis of affordable housing in parts of the Combined Authority area?

The Mayor stated that around 130 of the 935 Community Land Trust (CLT) homes built so far were located in Cambridgeshire. He believed that there was a strong basis for using CLTs via the land value capture model to provide social housing at below market rent for those in need. The Combined Authority was working hard to make sure that each constituent area would have the opportunity to engage. There was no 'one size fits all' solution to housing need in Cambridgeshire and traditional schemes and models were not fully meeting that need. The role of the Combined Authority was to bring forward as many options as possible to the market. The CLT model was proving popular as it placed the local community at the heart of the development. The market was not offering £100k homes so there was a significant part of the population who could not currently afford to buy their home freehold. This opportunity should be open to all.

Councillor Price further asked how the Combined Authority intended to encourage Constituent Councils to promote CCLTs. The Mayor stated that CLTs were already in existence in South Cambridgeshire, Peterborough, Fenland and Huntingdonshire and were supported by the Combined Authority as part of a multi-faceted approach to meeting housing need.

### Transport Plan

What funding options are being looked at as part of the Outline Business Case for the CAM Metro?

The Mayor stated that the Strategic Outline Business Case, which the Board approved in March 2019, set out the financial business case. That included an assessment of a range of funding options. The Outline Business Case would build on that work. He judged that it was right that the Combined Authority looked at innovative funding ideas like land value capture and the building of garden villages rather than always looking to the Treasury for funding.

### Transport levy

Given the financial difficulties both the County Council and Peterborough City Council had been facing, clarification was sought on whether transport levy funding passed to those councils was ring-fenced for transport functions.

The Mayor stated that the Transport Levy funded transport functions only.

### Employment and departure of the former CEO and CFO

The Audit and Governance Committee had been asked to carry out a review of the employment and dismissal procedures relating to the departures of the former Chief Executive and Chief Finance Officer. Confirmation was sought of what progress had been made or whether this has now been completed.

The Mayor stated that the Audit and Governance Committee undertook its own review of the departure of the former Chief Executive, but this review did not extend to the departure of the Chief Finance Officer. The review was completed on 30 November 2018 when the Committee considered a report on the resignation of the former Chief Executive. As part of that report it was confirmed that the details of the settlement had been considered by the Authority's external auditors and they had not identified any issue which would cause them to issue any adverse report or comment in the Authority's accounts. A representative of the external auditors attended the meeting and confirmed that, based on the information provided, the Combined Authority had acted lawfully and reasonably and that the severance package provided was reasonable.

### Climate Emergency

Does the Combined Authority intend to declare a Climate Emergency, given that some constituent councils have already done so?

The Mayor stated that the Combined Authority (CA) had commissioned an independent climate review which it expected to be of the same calibre as the Cambridgeshire and Peterborough Independent Economic Review (CPIER) report. The findings of that review would be placed at the heart of all CA policies to meet the best interests of Cambridgeshire and Peterborough. The CA was not a council, which allowed it to look with a wider perspective across the whole of the CA area. Individual councils could feed into this work to inform best practice.

## **431. FORWARD PLAN – SEPTEMBER 2019**

The introduction of revised governance arrangements from 1 November 2019 would see some decision-making powers devolved to Executive Committees. In anticipation of this change, the Forward Plan had been expanded to include decisions going to each of those Executive Committees. The front page had also been revised to make the purpose of the Forward Plan more clear.

It was resolved to:

note and approve the Forward Plan of Executive Decisions published on 22 October 2019.

#### **432. DESIGNATION OF SCRUTINY OFFICER**

Following the resignation of the previous Interim Scrutiny Officer the Board was invited to designate Katarina O'Dell as Interim Scrutiny Officer for the remainder of the Scrutiny Officer's maternity leave.

On being proposed by the Mayor, seconded by Councillor Boden, it was resolved unanimously to:

Designate Katarina O'Dell as the Combined Authority's Interim Scrutiny Officer for the remainder of the maternity leave of the Scrutiny Officer.

#### **433. APPOINTMENTS TO EXECUTIVE COMMITTEES AND APPOINTMENT OF CHAIRS AND LEAD MEMBERS**

Following the Board's decision on 25 September 2019 to approve new executive arrangements it was necessary to appoint Lead Members, Executive Committee members and Executive Committee Chairs. At the September 2019 meeting the Board had amended the recommendations on the adoption of the revised Constitution to state that, in principle, neither the Mayor nor the Board would seek to veto nominations from constituent councils.

On being proposed by the Mayor, seconded by Councillor Bailey, it was resolved unanimously to:

- a) Note and agree the nominations for membership of the Executive Committees, Chairs and Lead Members for the remainder of the 2019/20 municipal year, as set out in Appendix 1.
- b) Approve the Monitoring Officer to accept any consequential changes to membership and confirm that on receipt such changes would be immediately in effect.

#### **434. BUDGET MONITOR UPDATE**

The revised Medium Term Financial Plan approved by the Board in September 2019 showed total revenue expenditure for the year of around £36.4M against grant income receivable in-year. The Forecast Outturn variance showed an improved revenue position of £829.2k. Within this, Business and Skills showed a £29.2k variance which was largely due to re-profiling of the Work Readiness Programme. The unspent balance would need to be carried forward to 2020/21. Housing was showing £500k slippage in planned spend on Garden Villages in 2019/20 due to a delay in contract negotiation. This expenditure was now expected in early 2020/21. The Combined Authority's external auditors, Ernst and Young LLP, had completed their audit of the 2018/19 accounts and issued an unqualified audit opinion regarding arrangements to secure economy, efficiency and effectiveness in the use of resources. Work was continuing in relation to the Treasury Management Strategy to explore more creative use of cash balances to support the Combined Authority's aims.

On being proposed by Councillor Count, seconded by Councillor Boden, it was resolved unanimously to:

Note the updated financial position of the Combined Authority for the year.



#### **444. £100K HOMES AND COMMUNITY LAND TRUSTS**

On 25 September 2019 the Board had approved the inclusion of £100k Homes and Community Land Trusts (CLTs) in the 2019/20 Business Plan with a budget allocation of £250k. Approval was now sought for the immediate expenditure required to develop the formal business case.

Councillor Smith requested regular updates on progress and asked that Leaders should be given early updates on any projects within their areas. The Director of Housing and Development stated that update reports were scheduled to be taken to the Housing and Communities Committee on a bi-meeting basis. If a Board member felt that this report should be considered at every meeting of the Housing and Communities Committee this should be raised with the Chair of the Committee.

Councillor Boden welcomed the proposals, but reiterated his previously expressed view that the title '£100k Homes' was not an inclusive title across the whole of the Combined Authority area. He suggested it might be revised to either '≤£100k Homes' or 'Up to £100k Homes' to better reflect the varying position in different parts of the area. Councillor Count expressed support for Councillor Boden's comments. Ms Sawyer, Joint Chief Executive, stated that the '£100k Homes' title was a brand and suggested that this branding should be reviewed at the same time the business case was brought to the Board. Councillor Boden was content with this approach, but commented that if the '£100k Homes' branding remained unchanged it would exclude much of Fenland.

Councillor Count commented that the discussion did not reflect how exciting the proposals were. There was a gap in provision at the starter point on the housing ladder which delivery of these homes could begin to address. Councillor Bailey endorsed this view, commenting that CLTs in East Cambridgeshire had enabled people to buy homes in areas where they could not otherwise afford to do so and to remain within their local communities.

The Mayor stated that there was a housing crisis both locally and nationally. The role of the Mayor and the Combined Authority was to find solutions that worked locally. CLTs were working in East Cambridgeshire and could in his judgement work throughout the Combined Authority area to create housing in perpetuity. £100k Homes would help meet the same need and would be consistent with the housing policies of all of the constituent councils.

On being proposed by the Mayor, seconded by Councillor Bailey, it was resolved unanimously to:

- a) Delegate to the Chief Executive, in consultation with the Chair of the Housing and Communities Committee, authority to draw down the £250,000 allocated from the non-transport feasibility budget for the creation of community land trusts and for the operational costs of delivering the £100k Housing project, subject to the phasing set out in the Medium Term Financial Plan (MTFP); and
- b) Confirm that the monitoring of spend on the development of the business cases for Community Land Trusts and £100k Homes will be reported to the Housing & Communities Committee; and

- c) Confirm that the business cases for Community Land Trusts and £100k Homes will be reported to the Combined Authority Board for approval in due course, subject to consultation with the Housing & Communities Committee.

(Mayor)

# **CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY'S FORWARD PLAN OF EXECUTIVE DECISIONS**

PUBLISHED FRIDAY 15 NOVEMBER 2019  
UPDATED 19 NOVEMBER 2019

## FORWARD PLAN

### PURPOSE

The Forward Plan sets out all of the key decisions which the Combined Authority Board and Executive Committees will be taking in the coming months. This makes sure that local residents and organisations know what key decisions are due to be taken and when.

The Forward Plan is a live document which is updated regularly and published on the [Combined Authority website](#) (click the Forward Plan' button to view). At least 28 clear days' notice will be given of any key decisions to be taken.

### WHAT IS A KEY DECISION?

A key decision is one which, in the view of the Overview and Scrutiny Committee, is likely to:

- i. result in the Combined Authority spending or saving a significant amount, compared with the budget for the service or function the decision relates to (usually £500,000 or more); or
- ii. have a significant effect on communities living or working in an area made up of two or more wards or electoral divisions in the area.

### NON-KEY DECISIONS

For transparency, the Forward Plan also includes all non-key decisions to be taken by the Combined Authority Board and Executive Committees.

### ACCESS TO REPORTS

A report will be available to view online one week before a decision is taken. You are entitled to view any documents listed on the Forward Plan after publication, or obtain extracts from any documents listed, subject to any restrictions on disclosure. There is no charge for viewing the documents, although charges may be made for photocopying or postage. Documents listed on this notice can be requested from Dermot Pearson, Interim Monitoring Officer for the Combined Authority at [Dermot.Pearson@cambridgeshirepeterborough-ca.gov.uk](mailto:Dermot.Pearson@cambridgeshirepeterborough-ca.gov.uk)

The Forward Plan will state if any reports or appendices are likely to be exempt from publication or confidential and may be discussed in private. If you want to make representations that a decision which it is proposed will be taken in private should instead be taken in public please contact Dermot Pearson, Interim Monitoring Officer at [Dermot.Pearson@cambridgeshirepeterborough-ca.gov.uk](mailto:Dermot.Pearson@cambridgeshirepeterborough-ca.gov.uk) at least five working days before the decision is due to be made. A definition of exempt and confidential information is set out at the end of this document.

### NOTICE OF DECISIONS

Notice of the Combined Authority Board's decisions and Executive Committee decisions will be published online within three days of a public meeting taking place.

### STANDARD ITEMS TO COMMITTEES

The following reports are standing items and will be considered by at each meeting of the relevant committee. The most recently published Forward Plan will also be included on the agenda for each Executive Committee meeting:

#### Housing and Communities Committee

1. £100m Affordable Housing Programme Update
2. £70m Cambridge City Council Affordable Housing Programme: Update
3. Community Land Trusts and £100k Homes: Update
4. £100k Homes and Community Land Trusts Update

#### Skills Committee

1. Budget Monitor Update
2. Performance Report
3. Employment and Skills Board Update

#### Transport and Infrastructure Committee

1. Budget Monitor Update
2. Performance Report

DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	KEY DECISION OR DECISION	PURPOSE OF REPORT	CONSULTATION	CONTACT DETAILS/ REPORT AUTHOR	LEAD MEMBER	DOCUMENTS RELEVANT TO THE DECISION SUBMITTED TO THE DECISION MAKER (INCLUDING EXEMPT APPENDICES)
Combined Authority Board Governance and Finance Items									
1.	Minutes of the meeting on 31 October 2019	Cambridgeshire and Peterborough Combined Authority Board	27 November 2019	Decision	To agree the minutes of the previous meeting.	Relevant internal and external stakeholders	Richenda Greenhill, Democratic Services Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices.
2.	Forward Plan	Cambridgeshire and Peterborough Combined Authority Board	27 November 2019	Decision	To note the latest version of the forward plan.	Relevant internal and external stakeholders	Richenda Greenhill, Democratic Services Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices.
3.	Draft Budget 2020/21 and Medium Term Financial Plan 2020 – 2024	Cambridgeshire and Peterborough Combined Authority Board	27 November 2019	Decision	To provide the Board with a draft budget and Medium Term Financial Plan for consultation purposes.	Relevant internal and external stakeholders	Jon Alsop Section 73 Chief Finance Officer	Councillor Steve Count Lead Member for Finance	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
4.	Assurance Framework	Cambridgeshire and Peterborough Combined Authority Board	27 November 2019	Decision	To approve any revisions to the Assurance Framework recommended by the Business Board following final checks against Government guidance.	Relevant internal and external stakeholders	Dermot Pearson, Interim Monitoring Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
5.	Performance Report	Cambridgeshire and Peterborough Combined Authority Board	27 November 2019	Decision	To consider and approve proposed changes to the Performance Reporting update.	Relevant internal and external stakeholders	Paul Raynes Director of Delivery and Strategy	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices.
Combined Authority Board Decisions									
6.	£100m Affordable Housing Programme Scheme Approvals (Non Grant) November 2019: Linton Road, Great Abingdon	Cambridgeshire and Peterborough Combined Authority Board	27 November 2019	Key Decision 2019/052	To consider and approve allocations to new schemes within the £100m Affordable House Programme	Relevant internal and external stakeholders	Roger Thompson, Director of Housing and Development	Councillor Graham Bull Lead Member for Housing	It is not anticipated that there will be any documents other than the report and relevant appendices to be published

DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	KEY DECISION OR DECISION	PURPOSE OF REPORT	CONSULTATION	CONTACT DETAILS/ REPORT AUTHOR	LEAD MEMBER	DOCUMENTS RELEVANT TO THE DECISION SUBMITTED TO THE DECISION MAKER (INCLUDING EXEMPT APPENDICES)
	[May include exempt appendices]								
7.	Appointments of the Chairs of Angle Holdings Ltd and Angle Developments (East) Ltd  [May include exempt appendices]	Cambridgeshire and Peterborough Combined Authority Board	27 November 2019	Decision	To appoint the Chairs of Angle Holdings Ltd and Angle Developments Ltd	Relevant internal and external stakeholders	Roger Thompson, Director of Housing and Development	Councillor Graham Bull Lead Member for Housing	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
8.	Climate Change	Cambridgeshire and Peterborough Combined Authority Board	27 November 2019	Non-Key	To consider proposals for Combined Authority action on Climate Change and meeting net zero carbon ambitions.	Relevant internal and external stakeholders	Paul Raynes Director of Delivery and Strategy	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
<b>BY RECOMMENDATION TO THE COMBINED AUTHORITY BOARD</b>									
<b>Recommendation/s from the Business Board</b>									
9.	For approval as Accountable Body:  Local Growth Fund Project Proposals November 2019	Cambridgeshire and Peterborough Combined Authority Board	27 November 2019	Key Decision 2019/067	To review and approve the recommendations from the Business Board for individual project funding.	Relevant internal and external stakeholders	John T Hill, Director of Business & Skills	Austen Adams, Interim Chair of the Business Board  Councillor John Holdich Lead Member for Economic Growth	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
10.	For approval as Accountable Body:  Local Growth Fund Update: November 2019	Cambridgeshire and Peterborough Combined Authority Board	27 November 2019	Decision	To review the Local Growth Fund Budget.	Relevant internal and external stakeholders	John T Hill, Director of Business & Skills	Austen Adams, Interim Chair of the Business Board  Councillor John Holdich Lead Member for Economic Growth	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
11.	Local Industrial Strategy Delivery Plans – Business Growth Service Outline Business Case	Cambridgeshire and Peterborough Combined Authority Board	27 November 2019	Key Decision 2019/064	To recommend the Outline Business Case for the Business Growth Service, as a key element of the Local Industrial Strategy Delivery Plans.	Relevant internal and external stakeholders	John T Hill, Director of Business & Skills	Austen Adams, Interim Chair of the Business Board	It is not anticipated that there will be any documents other than the report and relevant appendices to be published

DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	KEY DECISION OR DECISION	PURPOSE OF REPORT	CONSULTATION	CONTACT DETAILS/ REPORT AUTHOR	LEAD MEMBER	DOCUMENTS RELEVANT TO THE DECISION SUBMITTED TO THE DECISION MAKER (INCLUDING EXEMPT APPENDICES)
	[May contain exempt appendices]							Councillor John Holdich Lead Member for Economic Growth	
12.	Enterprise Zones	Cambridgeshire and Peterborough Combined Authority Board	27 November 2019	Decision	To provide an update on Enterprise Zones and associated National Non-Domestic National Non Domestic Rates (NNDR) financial profiles.	Relevant internal and external stakeholders	John T Hill, Director of Business & Skills	Austen Adams, Interim Chair of the Business Board  Councillor John Holdich Lead Member for Economic Growth	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
<b>Recommendation/s from the Transport and Infrastructure Committee</b>									
13.	A605 Alwalton to Lynchwood	Cambridgeshire and Peterborough Combined Authority Board	27 November 2019	Key Decision 2019/069	To request an increase in budget and an extension in programme in order to enable the scheme to proceed to construction.	Relevant internal and external stakeholders	Paul Raynes Director of Delivery and Strategy	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
<b>Combined Authority Board Governance and Finance Items</b>									
14.	Minutes of the meeting on 27 November 2019	Cambridgeshire and Peterborough Combined Authority Board	18 December 2019 <i>[Reserve meeting date]</i>	Decision	To agree the minutes of the previous meeting.	Relevant internal and external stakeholders	Richenda Greenhill, Democratic Services Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices.
15.	Forward Plan	Cambridgeshire and Peterborough Combined Authority Board	18 December 2019 <i>[Reserve meeting date]</i>	Decision	To note the latest version of the forward plan.	Relevant internal and external stakeholders	Richenda Greenhill, Democratic Services Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices.
16.	Budget Monitor Update	Cambridgeshire and Peterborough Combined Authority Board	18 December 2019 <i>[Reserve meeting date]</i>	Decision	To provide an update on the revenue and capital budgets for the year to date	Relevant internal and external stakeholders	Jon Alsop Section 73 Chief Finance Officer	Councillor Steve Count Lead Member for Finance	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.

DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	KEY DECISION OR DECISION	PURPOSE OF REPORT	CONSULTATION	CONTACT DETAILS/ REPORT AUTHOR	LEAD MEMBER	DOCUMENTS RELEVANT TO THE DECISION SUBMITTED TO THE DECISION MAKER (INCLUDING EXEMPT APPENDICES)
<b>Skills Committee</b>									
17.	Adult Education Budget Commissioning Strategy 2020/21 and Redistribution System	Skills Committee	8 January 2020	Key Decision 2019/055	To consider proposals for the Adult Education Budget Commissioning Strategy 2020/21 and Redistribution System.	Relevant internal and external stakeholders	John T Hill Director of Business and Skills	Councillor John Holdich Lead Member for Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
18.	University of Peterborough Outline Business Case	Skills Committee	8 January 2020	Decision	To recommend the Outline Business Case for the new University of Peterborough to the Combined Authority Board for approval.	Relevant internal and external stakeholders	John T Hill Director of Business and Skills	Councillor John Holdich Lead Member for Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
19.	Adult Education Budget - Data to Payments System Business Case	Skills Committee	8 January 2020	Decision	To propose options for a data to payment system for the Adult Education Budget and a recommendation to provide a system in the future.	Relevant internal and external stakeholders	John T Hill Director of Business and Skills	Councillor John Holdich Lead Member for Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
20.	Careers Progression and Work Readiness (Hampton Academies Trust pilot) – Update Paper	Skills Committee	8 January 2020	Decision	To receive an update on the Careers Progression and Work Readiness (Hampton Academies Trust pilot)	Relevant internal and external stakeholders	John T Hill Director of Business and Skills	Councillor John Holdich Lead Member for Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
21.	Contract Extension for the Skills Brokerage Contract	Skills Committee	8 January 2020	Decision	To seek approval for an extension of the Skills Brokerage Contract from March to July 2020. This will support the continuation of the Brokerage Service to schools and businesses, while the CPCA await the decision on funding being approved via European Social Fund (ESF).	Relevant internal and external stakeholders	John T Hill Director of Business and Skills	Councillor John Holdich Lead Member for Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
<b>Transport and Infrastructure Committee</b>									
22.	Local Transport Plan	Transport and Infrastructure Committee	9 January 2020	Decision	To consider the draft Local Transport Plan and make recommendations to the Combined Authority Board.	Relevant internal and external stakeholders	Paul Raynes, Director of Delivery and Strategy	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.



DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	KEY DECISION OR DECISION	PURPOSE OF REPORT	CONSULTATION	CONTACT DETAILS/ REPORT AUTHOR	LEAD MEMBER	DOCUMENTS RELEVANT TO THE DECISION SUBMITTED TO THE DECISION MAKER (INCLUDING EXEMPT APPENDICES)
23.	Coldhams Lane Roundabout	Transport and Infrastructure Committee	9 January 2020	Key Decision 2019/063	To seek approval for the release of allocated funding for the detailed design and construction of Coldhams Lane Roundabout improvements.	Relevant internal and external stakeholders	Paul Raynes, Director of Delivery and Strategy	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
<b>Housing and Communities Committee</b>									
24.	£100m Affordable Housing Programme Scheme Approvals – January 2020  [May include exempt appendices]	Housing and Communities Committee	13 January 2020	Key Decision 2020/001	To consider and approve allocations to new schemes within the £100m Affordable House Programme	Relevant internal and external stakeholders	Roger Thompson, Director of Housing and Development	Councillor Graham Bull Lead Member for Housing	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
25.	Housing and Communities Committee Terms of Reference – Update	Housing and Communities Committee	8 January 2020	Decision	To receive an update on the Committee Terms of Reference as requested at the previous meeting.	Relevant internal and external stakeholders	Dermot Pearson Interim Monitoring Officer	Councillor John Holdich Lead Member for Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
<b>Combined Authority Board Governance and Finance Items</b>									
26.	Minutes of the meeting on 18 December 2019	Cambridgeshire and Peterborough Combined Authority Board	29 January 2020	Decision	To agree the minutes of the previous meeting.	Relevant internal and external stakeholders	Richenda Greenhill, Democratic Services Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices.
27.	Forward Plan	Cambridgeshire and Peterborough Combined Authority Board	29 January 2020	Decision	To note the latest version of the forward plan.	Relevant internal and external stakeholders	Richenda Greenhill, Democratic Services Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices.
28.	Revenue and Capital Budgets for 2020/21 and the Medium Term Financial Plan for 2020-2024	Cambridgeshire and Peterborough Combined Authority Board	29 January 2020	Key Decision 2020/009	To recommend the revenue and capital budgets for 2020/21 and the Medium Term Financial Plan for 2020-2024 for approval.	Relevant internal and external stakeholders	Jon Alsop Section 73 Chief Finance Officer	Councillor Steve Count Lead Member for Finance	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
29.	Mayor's Budget 2020/21	Cambridgeshire and Peterborough Combined Authority Board	29 January 2020	Key Decision 2020/010	To recommend the 2020/21 Mayor's budget for approval.	Relevant internal and external stakeholders	Jon Alsop Section 73 Chief Finance Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant

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									appendices to be published.
30.	Combined Authority Business Plan 2020/21	Cambridgeshire and Peterborough Combined Authority Board	29 January 2020	Decision	To secure Board agreement to the 2020/21 Combined Authority business plan.	Relevant internal and external stakeholders	Paul Raynes, Director of Strategy and Assurance	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices.
31.	Performance Monitoring Report	Cambridgeshire and Peterborough Combined Authority Board	29 January 2020	Decision	To note performance reporting updates.	Relevant internal and external stakeholders	Paul Raynes, Director of Strategy and Assurance	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices.
<b>Combined Authority Board Decisions</b>									
32.	£100m Affordable Housing Programme (Non-Grant)	Cambridgeshire and Peterborough Combined Authority Board	29 January 2020	Key Decision 2020/011	Requesting Board approval of a scheme that forms a part of and will require an investment from the £40m revolving fund.	Relevant internal and external stakeholders	Roger Thompson, Director of Housing and Development	Councillor Graham Bull Lead Member for Housing	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
<b>BY RECOMMENDATION TO THE COMBINED AUTHORITY BOARD</b>									
<b>Recommendation/s from the Transport and Infrastructure Committee</b>									
33.	Local Transport Plan	Cambridgeshire and Peterborough Combined Authority Board	29 January 2020	Key Decision 2020/008	To approve the Local Transport Plan.	Relevant internal and external stakeholders	Paul Raynes, Director of Delivery and Strategy	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
<b>Recommendations from the Skills Committee</b>									
34.	University of Peterborough Outline Business Case	Cambridgeshire and Peterborough Combined Authority Board	29 January 2020	Key Decision 2020/013	To approve the Outline Business Case for the new University of Peterborough.	Relevant internal and external stakeholders	John T Hill, Director of Business & Skills	Councillor John Holdich Lead Member for Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
<b>Recommendation/s from the Business Board</b>									
35.	For approval as Accountable Body:	Cambridgeshire and Peterborough Combined Authority Board	29 January 2020	Key Decision 2020/005	To review and approve the recommendations from the Business Board for individual project funding. Page 18 of 180	Relevant internal and external stakeholders	John T Hill, Director of Business & Skills	Austen Adams, Interim Chair of the Business Board	It is not anticipated that there will be any documents other than the report and relevant

DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	KEY DECISION OR DECISION	PURPOSE OF REPORT	CONSULTATION	CONTACT DETAILS/ REPORT AUTHOR	LEAD MEMBER	DOCUMENTS RELEVANT TO THE DECISION SUBMITTED TO THE DECISION MAKER (INCLUDING EXEMPT APPENDICES)
	Local Growth Fund Project Proposals January 2020							Councillor John Holdich Lead Member for Economic Growth	appendices to be published
36.	For approval as Accountable Body:  Local Growth Fund Update: January 2020	Cambridgeshire and Peterborough Combined Authority Board	29 January 2020	Decision	To review the Local Growth Fund Budget.	Relevant internal and external stakeholders	John T Hill, Director of Business & Skills	Austen Adams, Interim Chair of the Business Board  Councillor John Holdich Lead Member for Economic Growth	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
37.	Market Towns Programme Update and Approval of Masterplans for Fenland and Littleport	Cambridgeshire and Peterborough Combined Authority Board	29 January 2019	Key Decision 2019/068	To note progress made with the Market Towns Masterplans Programme; approve Growing Fenland Masterplans & Strategy Paper for March, Wisbech, Chatteris and Whittlesey and approve Littleport Vision 2030 Masterplan & Action Plan	Relevant internal and external stakeholders	John T Hill, Director of Business & Skills	Austen Adams, Interim Chair of the Business Board  Councillor John Holdich Lead Member for Economic Growth	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
38.	Business Support Services Promotional Campaign	Cambridgeshire and Peterborough Combined Authority Board	29 January 2020	Decision	To approve the planned activities within the 2020/2021 Business Support Services Promotional Campaign.	Relevant internal and external stakeholders	John T Hill, Director of Business & Skills	Austen Adams, Interim Chair of the Business Board  Councillor John Holdich Lead Member for Economic Growth	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
<b>Combined Authority Board Governance and Finance Items</b>									
39.	Minutes of the meeting on 29 January 2020	Cambridgeshire and Peterborough	26 February 2020	Decision	To agree the minutes of the previous meeting.  Page 19 of 180	Relevant internal and external stakeholders	Richenda Greenhill, Democratic	Mayor James Palmer	It is not anticipated that there will be any documents other than the

DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	KEY DECISION OR DECISION	PURPOSE OF REPORT	CONSULTATION	CONTACT DETAILS/ REPORT AUTHOR	LEAD MEMBER	DOCUMENTS RELEVANT TO THE DECISION SUBMITTED TO THE DECISION MAKER (INCLUDING EXEMPT APPENDICES)
		Combined Authority Board	<i>[Reserve meeting date]</i>				Services Officer		report and relevant appendices.
40.	Forward Plan	Cambridgeshire and Peterborough Combined Authority Board	26 February 2020 <i>[Reserve meeting date]</i>	Decision	To note the latest version of the forward plan.	Relevant internal and external stakeholders	Richenda Greenhill, Democratic Services Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices.
41.	Budget Monitor Update	Cambridgeshire and Peterborough Combined Authority Board	26 February 2020 <i>[Reserve meeting date]</i>	Decision	To provide an update on the revenue and capital budgets for the year to date	Relevant internal and external stakeholders	Jon Alsop Section 73 Chief Finance Officer	Councillor Steve Count Lead Member for Finance	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
<b>Housing and Communities Committee</b>									
42.	£100m Affordable Housing Programme Scheme Approvals – March 2020  [May include exempt appendices]	Housing and Communities Committee	9 March 2019	Key Decision 2020/003	To consider and approve allocations to new schemes within the £100m Affordable House Programme	Relevant internal and external stakeholders	Roger Thompson, Director of Housing and Development	Councillor Graham Bull Lead Member for Housing	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
<b>Skills Committee</b>									
43.	Adult Education Budget Allocations for Academic Year 2020/21	Skills Committee	9 March 2019	2020/007	To outline and recommend approval of Grant and Procured Funding to Providers operating within the CPCA area for the provision of Adult Education Budget for academic year 2020/21.	Relevant internal and external stakeholders	John T Hill, Director of Business and Skills	Councillor John Holdich Lead Member for Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
<b>Combined Authority Board Governance and Finance Items</b>									
44.	Minutes of the meeting on 26 February 2020	Cambridgeshire and Peterborough	25 March 2020	Decision	To agree the minutes of the previous meeting. Page 20 of 180	Relevant internal and	Richenda Greenhill, Democratic	Mayor James Palmer	It is not anticipated that there will be any documents other than the

DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	KEY DECISION OR DECISION	PURPOSE OF REPORT	CONSULTATION	CONTACT DETAILS/ REPORT AUTHOR	LEAD MEMBER	DOCUMENTS RELEVANT TO THE DECISION SUBMITTED TO THE DECISION MAKER (INCLUDING EXEMPT APPENDICES)
		Combined Authority Board				external stakeholders	Services Officer		report and relevant appendices.
45.	Forward Plan	Cambridgeshire and Peterborough Combined Authority Board	25 March 2020	Decision	To note the latest version of the forward plan.	Relevant internal and external stakeholders	Richenda Greenhill, Democratic Services Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices.
46.	Budget Monitor Update	Cambridgeshire and Peterborough Combined Authority Board	25 March 2020	Decision	To provide an update on the revenue and capital budgets for the year to date	Relevant internal and external stakeholders	Jon Alsop Section 73 Chief Finance Officer	Councillor Steve Count Lead Member for Finance	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
47.	Performance Monitoring Report	Cambridgeshire and Peterborough Combined Authority Board	25 March 2020	Decision	To note performance reporting updates.	Relevant internal and external stakeholders	Paul Raynes, Director of Strategy and Assurance	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices.
<b>Combined Authority Decisions</b>									
48.	£100m Affordable Housing Programme (Non-Grant)	Cambridgeshire and Peterborough Combined Authority Board	25 March 2020	Key Decision 2020/012	Requesting Board approval of a scheme that forms a part of and will require an investment from the £40m revolving fund.	Relevant internal and external stakeholders	Roger Thompson Director of Housing and Development	Councillor Graham Bull Lead member for Housing	It is not anticipated that there will be any documents other than the report and relevant appendices.
<b>BY RECOMMENDATION TO THE COMBINED AUTHORITY BOARD</b>									
<b>Recommendation/s from the Business Board</b>									
49.	For approval as Accountable Body:  Local Growth Fund Project Proposals March 2020	Cambridgeshire and Peterborough Combined Authority Board	25 March 2020	Key Decision 2020/006	To review and approve the recommendations from the Business Board for individual project funding.	Relevant internal and external stakeholders	John T Hill, Director of Business & Skills	Austen Adams, Interim Chair of the Business Board  Councillor John Holdich Lead Member for Economic Growth	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
50.	For approval as Accountable Body:  Local Growth Fund Update: March 2020	Cambridgeshire and Peterborough Combined Authority Board	25 March 2020	Decision	To review the Local Growth Fund Budget.	Relevant internal and external stakeholders	John T Hill, Director of Business & Skills	Austen Adams, Interim Chair of the Business Board	It is not anticipated that there will be any documents other than the report and relevant appendices to be published

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								Councillor John Holdich Lead Member for Economic Growth	
51.	Local Enterprise Partnership Partnering Strategy	Cambridgeshire and Peterborough Combined Authority Board	25 March 2020	Decision	To approve the Local Enterprise Partnership Partnering Strategy	Relevant internal and external stakeholders	John T Hill, Director of Business & Skills	Austen Adams, Interim Chair of the Business Board  Councillor John Holdich Lead Member for Economic Growth	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
52.	Strategic Partnership Agreements: March 2020	Cambridgeshire and Peterborough Combined Authority Board	25 March 2020	Decision	To recommend Memorandums of Understanding with the remaining seven neighbouring Local Enterprise Partnerships.	Relevant internal and external stakeholders	John T Hill, Director of Business & Skills	Austen Adams, Interim Chair of the Business Board  Councillor John Holdich Lead Member for Economic Growth	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
<b>Housing and Communities Committee</b>									
53.	£100m Affordable Housing Programme Scheme Approvals – April 2020  [May include exempt appendices]	Housing and Communities Committee	27 April 2020	Key Decision 2020/004	To consider and approve allocations to new schemes within the £100m Affordable House Programme	Relevant internal and external stakeholders	Roger Thompson, Director of Housing and Development	Councillor Graham Bull Lead Member for Housing	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
54.	Housing Needs Analysis Update	Housing and Communities Committee	27 April 2020	Non-Key	To receive an update on the study into the Housing Needs of Specific Groups commissioned by the local authorities.	Relevant internal and external stakeholders	Roger Thompson, Director of Housing and Development	Councillor Graham Bull Lead Member for Housing	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
<b>Combined Authority Board Governance and Finance Items</b>									
55.	Minutes of the meeting on 25 March 2020	Cambridgeshire and Peterborough	29 April 2020	Decision	To agree the minutes of the previous meeting. Page 22 of 180	Relevant internal and	Richenda Greenhill, Democratic	Mayor James Palmer	It is not anticipated that there will be any documents other than the

DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	KEY DECISION OR DECISION	PURPOSE OF REPORT	CONSULTATION	CONTACT DETAILS/ REPORT AUTHOR	LEAD MEMBER	DOCUMENTS RELEVANT TO THE DECISION SUBMITTED TO THE DECISION MAKER (INCLUDING EXEMPT APPENDICES)
		Combined Authority Board	<i>[Reserve meeting date]</i>			external stakeholders	Services Officer		report and relevant appendices.
56.	Forward Plan	Cambridgeshire and Peterborough Combined Authority Board	29 April 2020 <i>[Reserve meeting date]</i>	Decision	To note the latest version of the forward plan.	Relevant internal and external stakeholders	Richenda Greenhill, Democratic Services Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices.
57.	Budget Monitor Update	Cambridgeshire and Peterborough Combined Authority Board	29 April 2020 <i>[Reserve meeting date]</i>	Decision	To provide an update on the revenue and capital budgets for the year to date	Relevant internal and external stakeholders	Jon Alsop Section 73 Chief Finance Officer	Councillor Steve Count Lead Member for Finance	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.

**SUBMIT YOUR COMMENTS OR QUERIES TO  
CAMBRIDGESHIRE AND PETERBOROUGH COMBINED  
AUTHORITY**

Please send your comments or queries to Dermot Pearson, Interim Monitoring Officer at  
[Demot.Pearson@cambridgeshirepeterborough-ca.gov.uk](mailto:Demot.Pearson@cambridgeshirepeterborough-ca.gov.uk)

Your comment or query:

How can we contact you with a response?  
(please include a telephone number, postal and/or e-mail address)

Name .....

Address .....

Tel: .....

Email: .....

Who would you like to respond?





<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 1.6</b>
<b>DATE OF MEETING 27 NOVEMBER 2019</b>	<b>PUBLIC REPORT</b>

## PERFORMANCE REPORTING

### 1.0 PURPOSE

- 1.1. This report proposes an amendment to the performance reporting update that is received by the Combined Authority Board.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Mayor James Palmer</b>
<b>Lead Officer:</b>	<b>Paul Raynes, Director of Delivery and Strategy</b>
<b>Forward Plan Ref: N/A</b>	<b>Key Decision: No</b>
To note and approve proposed changes to the Performance Reporting process.	<b>Voting arrangements</b>  Simple majority of all Members

### 2.0 BACKGROUND

- 2.1. At the November 2018 Combined Authority Board meeting, an updated performance reporting process was presented and approved by Members.
- 2.2. Members have subsequently asked officers to consider further improvements to the Board performance dashboard.

### 3.0 Reporting arrangements

- 3.1. The original Performance Dashboard included a range of metrics, along with a report of the status of the Combined Authority's key projects on a Red/Amber/Green (RAG) scale, and detail on the movement, and number of red rated projects across the remainder of the project portfolio.

- 3.2. In response to member feedback, it is now proposed that performance reporting should focus on the three key metrics at the heart of the Devolution Deal, by looking at the performance of the Combined Authority's projects in the context of growth in:
- Prosperity (measured by Gross Value Added or GVA)
  - Housing
  - Jobs.
- 3.3. Members challenged the relevance of the original six-headline metrics used in performance reports over the last year and it is therefore proposed that the Combined Authority Board no longer receive updates on delivery against these metrics, which included number of apprenticeships and the average commute to work. This new proposal is that the performance reports should be based on the key growth outcomes at the heart of the Devolution Deal, where outcomes are embodied in the business cases which the Board and Committees consider when deciding to progress projects. There will therefore be a "golden thread" directly identifying the contribution each CA project subject to a business case is making to the outcomes the Board is monitoring.
- 3.4. It is proposed that the Board continue to receive RAG rating data on the key projects as identified in the half-year business plan refresh; an overview of RAG rating movement across the remainder of the portfolio; and the total number of projects rated red.
- 3.5. Board Members will also continue to receive a confidential exception report (which provides a break-down of the projects rated Red or Amber). The format of this will reflect improvements being made to the monthly highlight report template.
- 3.6. Project performance will continue to be monitored by officers using monthly highlight reports which are scrutinised monthly at a meeting of Directors.
- 3.7. Each project has its own monitoring and evaluation arrangements which tend to involve project specific outcomes. It is proposed that more granular and detailed performance information suited to each Committee portfolio should be reported to the Committees in line with requirements set by the Committees themselves.
- 3.8. The Board asked for quarterly performance reporting. The move to bi-monthly Board meetings notwithstanding, the municipal calendar for the coming year allows us to bring performance reports in the same months as last, apart from replacing last year's February report date with January and we would propose to retain those dates over the next year.

## **4.0 FINANCIAL IMPLICATIONS**

4.1. None

## **5.0 LEGAL IMPLICATIONS**

4.1 It is a condition of the Devolution Deal that we have proportionate performance monitoring arrangements in place.

## **6.0 SIGNIFICANT IMPLICATIONS**

5.1 None not mentioned above.

## **7.0 APPENDICES**

7.1. Appendix 1 – Performance Dashboard example

<b><u>Source Documents</u></b>	<b><u>Location</u></b>
Cambridgeshire & Peterborough Independent Economic Review	<a href="https://www.cpier.org.uk/final-report/">https://www.cpier.org.uk/final-report/</a>
Combined Authority Board	<a href="#">CA Board 28 November 2018</a>



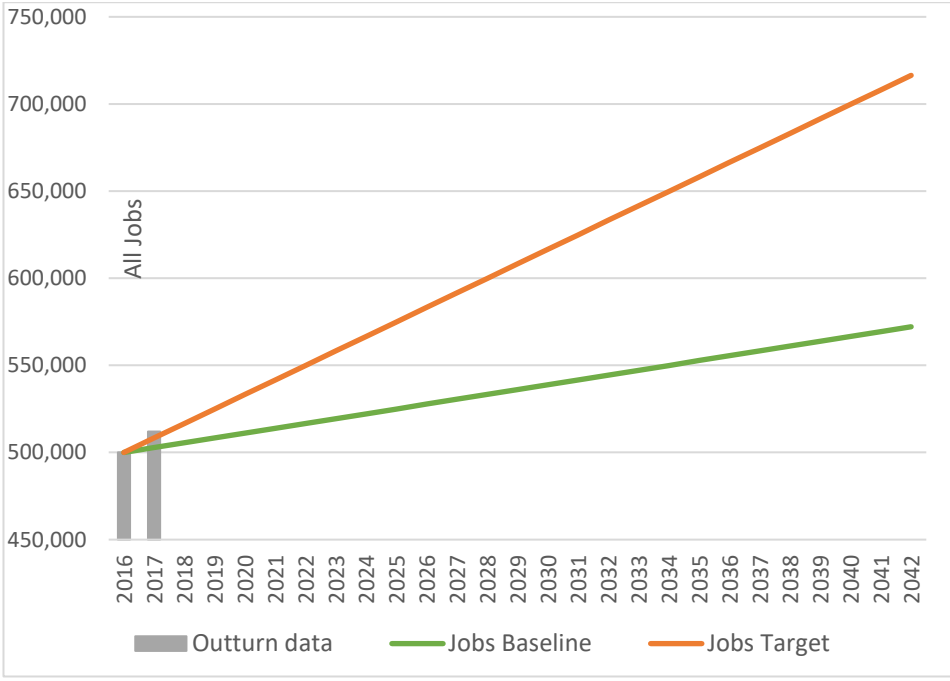
- CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

PERFORMANCE DASHBOARD  
Combined Authority Devolution Deal Trajectory

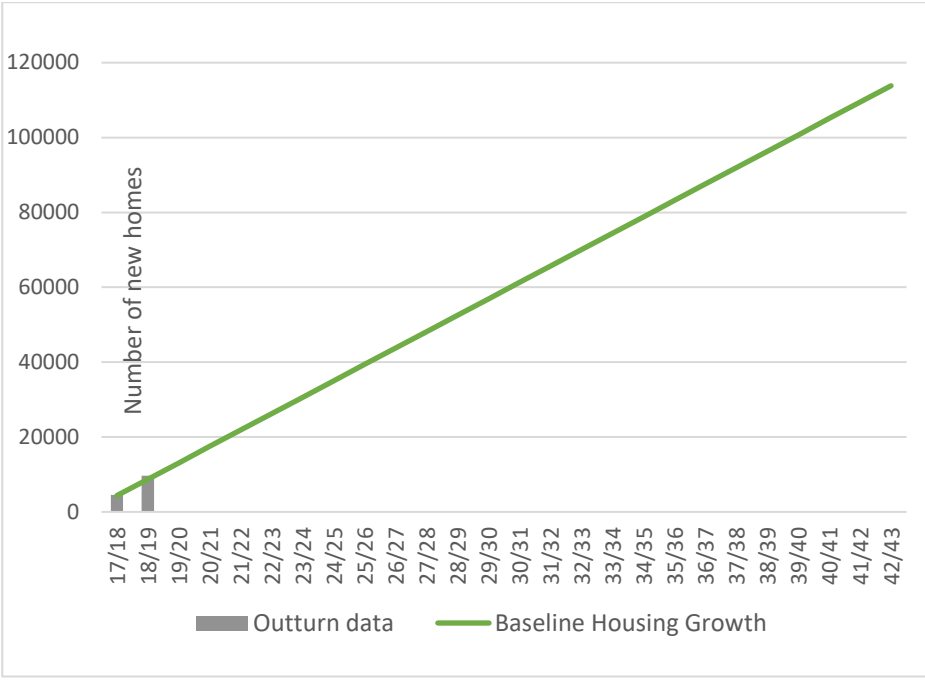
GVA TRAJECTORY V BASELINE



JOBS TRAJECTORY V BASELINE

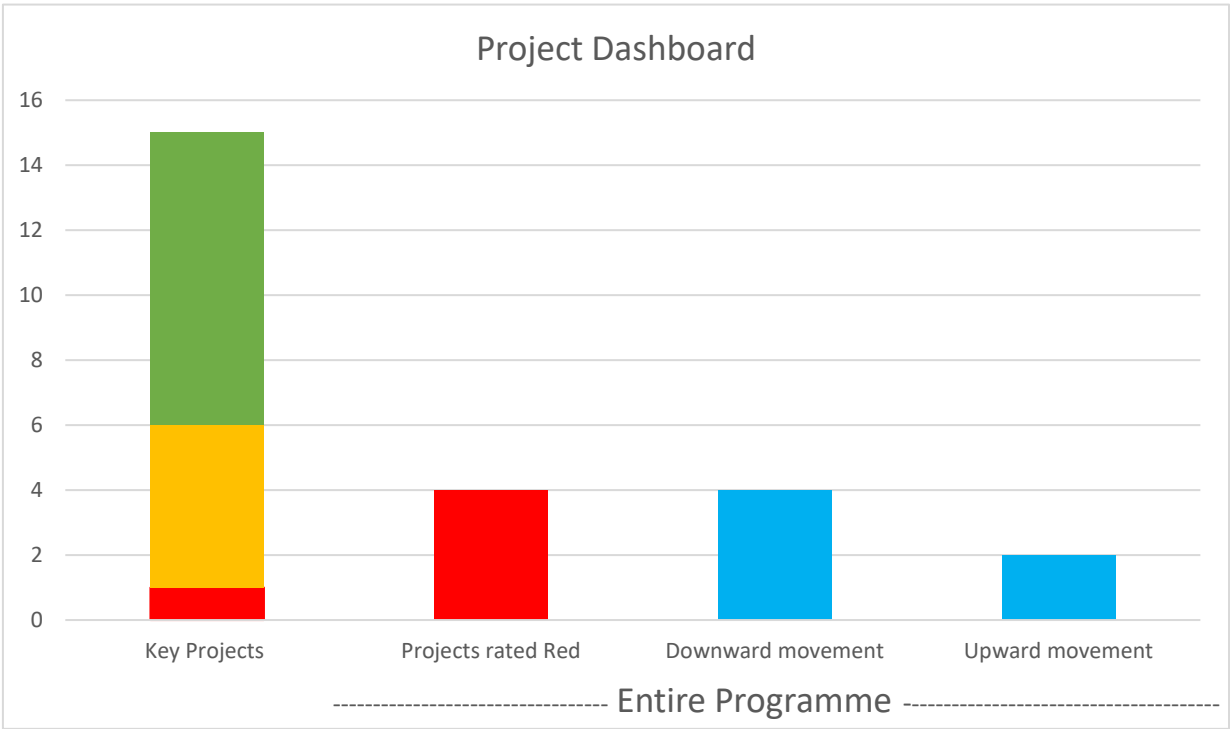


HOUSING PERFORMANCE (\*cumulative figures)



Trajectory: CPIER/Devolution Deal doubling GVA and housing/jobs implications  
Baseline: Current trend without Devolution Deal interventions  
Outturn data: Source – GVA and Job: Office of National Statistics (ONS); Housing: Council Annual Monitoring Reports/CambridgeshireInsights.

Combined Authority Key Project Profile:



Key projects	
Name of project	RAG status
£70m Affordable Housing	Green
A10	Green
Adult Education Budget	Green
A47 Dualling	Green
Bus Reform Task Force	Green
Cambridge South Station (interim)	Green
Peterborough University	Green
Regeneration of Market Towns	Green
Soham Station	Green
£100m Affordable Housing	Amber
CAM	Amber
Huntingdon Third River Crossing	Amber
Regeneration of Fenland Stations	Amber
Wisbech Rail	Amber
Kings Dyke	Red

Additional key projects which do not deliver highlight reports: £100k Homes, Community Land Trusts, Business Board





<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 1.7</b>
<b>27 NOVEMBER 2019</b>	<b>PUBLIC REPORT</b>

## **ASSURANCE FRAMEWORK**

### **1.0 PURPOSE**

- 1.1. In May 2019, the Business Board and Combined Authority Board approved a revised single Assurance Framework following the Ministry of Housing, Communities & Local Government's revised National Local Growth Assurance Framework for Mayoral Combined Authorities with a Single Pot and Local Enterprise Partnerships.
- 1.2. Following both Boards' approval, the Assurance Framework was submitted to the Ministry of Housing, Communities and Local Government for final sign off as required by the Government Guidance.
- 1.3. The Ministry has asked for further amendments and, subject to the Business Board and the Combined Authority Board approving the final amended version, the Ministry have given their final approval to the single framework

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>James Palmer, Mayor</b>
<b>Lead Officer:</b>	<b>Dermot Pearson, Interim Legal Counsel and Monitoring Officer</b>
<b>Forward Plan Ref: n/a</b>	<b>Key Decision: No</b>
<p>The Combined Authority Board is recommended to:</p> <p>(a) Agree the adoption of the single Assurance Framework as amended to meet the requirements of the Ministry of Housing, Communities &amp; Local Government. (The amended Assurance Framework forms the Appendix to this report - amendments are highlighted in bold)</p>	<p><b>Voting arrangements</b></p> <p>Simple majority of all Members</p>

## 2.0 BACKGROUND

- 2.1 As reported to the Business Board and Combined Authority Board in May 2019, the Ministry of Housing, Communities & Local Government published revised Assurance Framework guidelines for Mayoral Combined Authorities in January 2019.
- 2.2 A single Assurance Framework for both the Business Board and the Cambridgeshire and Peterborough Combined Authority was developed in line with the revised Government guidance. The single Assurance Framework was agreed by the Business Board and the Combined Authority in May 2019. The agreed Assurance Framework was then submitted to the Ministry of Housing, Communities and Local Government who are responsible for signing off the Assurance Framework following consultation with other relevant Government Departments.
- 2.3 Ministry of Housing, Communities and Local Government (MHCLG) and the Department for Transport [DfT] requested some further amendments to the Assurance Framework. The revised version is attached at Appendix 1 and the changes are highlighted in bold. The changes are set out below:
- a) Clarification that where potential changes result in significant divergence from approved local assurance frameworks, adjustments must be agreed by MHCLG as set out in the National Local Growth Assurance Framework guidance. (1.1.6)
  - b) Clarification that the Combined Authority will act in a manner that is lawful, transparent, evidence based, consistent and proportionate (3.2.1)
  - c) Inclusion of paragraph on the role of the Mayor in allocating funding, especially the additional Investment Fund allocations. (3.2.10-11)
  - d) Paragraph expanded to explicitly explain how the Combined Authority will ensure rigour and data quality and projects are identified on need/opportunity and clear application of best practice. (3.4.9)
  - e) Inclusion of additional information on achieving best practice, (5.1) and section on ensuring value for money for transport projects (5.8)
  - f) Increased flexibility on Benefit Cost Ratios for transport schemes (5.1.1)
  - g) Further detail on value for money for transport schemes (5.8.2)
  - h) Additional detail regards the monitoring and evaluation agreed at inception of projects appropriate to the value and complexity (7.3.3)
- 2.4 By creating a single Assurance Framework, the Combined Authority and the Business Board will have a robust, singular framework that brings cohesion to the work of the single officer team, ensuring clarity, transparency and openness for Government, partners and members of the public around governance and compliance processes, and a singular approach to the recommendation and decision-making processes of both Boards.



### 3.0 FINANCIAL IMPLICATIONS

- 3.1. All of the work has been carried out in-house, therefore there are no additional financial implications to this activity.

### 4.0 LEGAL IMPLICATIONS

- 4.1. The approval of this document will ensure the Business Board and Combined Authority Board are compliant with the requirements of Government.

### 5.0 APPENDICES

- 5.1. Appendix 1 – Assurance Framework [as amended]

<b><u>Background Papers</u></b>	<b><u>Location</u></b>
Revised National Local Growth Assurance Framework - Guidelines for Mayoral Combined Authorities with a Single Pot and Local Enterprise Partnerships	<a href="https://www.gov.uk/government/publications/national-local-growth-assurance-framework">https://www.gov.uk/government/publications/national-local-growth-assurance-framework</a>
Combined Authority Board report and decision summary 29 May 2019	<a href="https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/855/Committee/63/Default.aspx">https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/855/Committee/63/Default.aspx</a>
Business Board report and decision summary 28 May 2019	<a href="https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/871/Committee/69/Default.aspx">https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/871/Committee/69/Default.aspx</a>





**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY



**THE BUSINESS BOARD**

# **Cambridgeshire and Peterborough Combined Authority Assurance Framework**

**November 2019**

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# 1. Purpose of the Assurance Framework

## 1.1 Purpose

1.1.1. The Assurance Framework sets out:

- (a) How the seven principles of public life shape the culture within the Combined Authority in undertaking its roles and responsibilities in relation to the use and administration of the Cambridgeshire and Peterborough Investment, incorporating the Single Pot funding. This culture is developed and underpinned by processes, practices and procedures.
- (b) The respective roles and responsibilities of the Combined Authority, the Local Enterprise Partnership and the Section 73 Officer, in decision-making and ways of working is set out in the terms of reference of the Business Board and forms part of the Combined Authority and the Local Enterprise Partnership constitutions.
- (c) The key processes for ensuring accountability, including public engagement, probity, transparency, legal compliance and value for money.
- (d) How potential investments to be funded through the Cambridgeshire and Peterborough Medium Term Financial Plan, incorporating the Single Pot, will be appraised, prioritised, approved, signed off and delivered.
- (e) The processes for oversight of projects, programmes and portfolios and how the progress and impacts of these investments will be monitored and evaluated.

1.1.2. The Assurance Framework sits alongside a number of other Cambridgeshire and Peterborough Combined Authority documents including:

- the Constitution of the Mayoral Combined Authority;  
<http://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/Final-Constitution-Sept18.pdf>
- the Constitution of the Business Board (Local Enterprise Partnership);  
<http://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/Business-Board-Constitution-24-09-18-final.pdf>
- Cambridgeshire and Peterborough Devolution Deal  
<http://cambridgeshirepeterborough-ca.gov.uk/home/devolution/>
- the Cambridgeshire and Peterborough Independent Economic Review (CPIER); [www.cpier.org.uk](http://www.cpier.org.uk)
- Local Industrial Strategy;  
<https://cambridgeshirepeterborough-ca.gov.uk/business-board/strategies/>
- the Mayor's growth ambition statement;  
<http://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/GROWTH-AMBITION-STATEMENT-.pdf>
- the Cambridgeshire and Peterborough Business Plan 2019-2020;

<http://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/CPCA-Business-Plan-2019-20-dps.pdf>

- the Monitoring and Evaluation Framework;  
<http://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/ME-Framework-Mar-2019.pdf>
- the Combined Authority Medium-Term Financial Plan 2019-2023.  
<http://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/2019-20-Budget-and-Medium-Term-Financial-Plan-2019-2023-FINAL.pdf>

1.1.3. All these documents can be found on the Combined Authority and Business Board websites under

<http://cambridgeshirepeterborough-ca.gov.uk/about-us>

<http://cambridgeshirepeterborough-ca.gov.uk/business-board/governance/>

1.1.4. This Assurance Framework replaces the last published Assurance Framework and takes on board the national guidance published by the Ministry of Housing, Communities and Local Government for National Local Growth Assurance Framework (January 2019).

1.1.5. The Assurance Framework covers all funds within the Cambridgeshire and Peterborough Medium Term Financial Plan, incorporating the Single Pot under the Cambridgeshire and Peterborough Devolution Deal agreed with government, and funds added to the Single Pot since the Devolution Deal, together with other sources of income such as Enterprise Zone business rates and loan repayments.

1.1.6. The Assurance Framework will be reviewed on an annual basis with any revisions in place for April of the following year. Any agreed changes that require amendments to the Combined Authority Constitution will be agreed at the Combined Authority AGM in May each year. The next annual review of this document will take place in December 2019. **Where potential changes result in significant divergence from the approved local assurance frameworks, adjustments must be agreed by Ministry of Housing, Communities and Local Government for Communities and Local Government (MHCLG) as set out in the National Local Growth Assurance Framework guidance.**

1.1.7. The review will examine whether the assurance processes are operating effectively and identify any areas of improvement. Any changes to legal, funding, or other contextual changes that might require a change of assurance process will be taken into account, along with the impact on any other Combined Authority key strategies, policies or processes.

1.1.8. The remainder of this document is structured around the following sections:

- **Section 2** describes the Cambridgeshire and Peterborough CPIER and the Mayor's growth ambition statement, our One Year Business Plan 2019-2020 and clarifies the content of Cambridgeshire and Peterborough Medium Term Financial Plan and the role of the Assurance Framework.
- **Section 3** describes the accountability and transparent decision-making processes and practices that we operate and the roles and responsibilities within it.
- **Section 4** describes the supporting policies and procedures.



- **Section 5** describes how we make robust and evidenced decisions.
- **Section 6** explains the processes once programmes and projects are in the delivery phase.
- **Section 7** explains how we will measure the success of our investments, realise the benefits of that investment and feed the evaluation outcomes back into the investment planning, and strategy and policy development processes.

## 2. Cambridgeshire and Peterborough Independent Economic Review, Mayor's Growth Ambition Statement and Business Plan 2019-2020

### 2.1 Cambridgeshire and Peterborough Growth Ambition Statement and Local Industrial Strategy

- 2.1.1 The Cambridgeshire and Peterborough Mayor's Growth Ambition Statement sets out the area's priorities for achieving ambitious levels of inclusive growth and meeting the commitments of the Devolution Deal. The Statement has been adopted by the Combined Authority Board (November 2018) and is based upon the significant work of the Cambridgeshire and Peterborough Independent Economic Review (CPIER).
- 2.1.2 The CPIER was commissioned by the Combined Authority and other local partners to provide a world-class evidence base, alongside independent and expert analysis, to inform future strategies and investment. It was also informed by two rounds of open public consultation. The CPIER is publicly available at [www.cpier.org.uk](http://www.cpier.org.uk).
- 2.1.3 The [Local Industrial Strategy](#) sets out the economic strategy for Cambridgeshire and Peterborough, taking a lead role in implementing the business growth, productivity, and skills elements of the Growth Ambition Statement as set out below:



- 2.1.4 The Local Industrial Strategy is focussed around the five foundations of productivity established in the UK Industrial Strategy 2018, namely:
- People
  - Ideas
  - Business Environment
  - Infrastructure
  - Place
- 2.1.5 It is a core principle of the Local Industrial Strategy that the fifth foundation of

place reflects the findings of the CPIER. In this area there will be economic strategies which respond to the three sub-economies identified in the region.

- Greater Cambridge
- Greater Peterborough
- The Fens

- 2.1.6 Investments will only be made if they can demonstrate that they will support the delivery of the Growth Ambition Statement and the Local Industrial Strategy, and the more detailed place and sector strategies (where they are in place).

## **2.2 Cambridgeshire and Peterborough Business Plan 2019-2020**

- 2.2.1 With the creation of the Combined Authority in 2017 and the Mayoral election in May 2017, the Devolution Deal with Government provides for the transfer of significant powers for transport, housing, skills and investment. Through the deal, the Combined Authority has the power to create investment, bringing together funding for devolved powers to be used to deliver a 30-year programme of transformational investment in the region. This includes the control of a new £20m a year funding allocation over 30 years. The initial Cambridgeshire and Peterborough Combined Authority Business Plan was agreed in March 2018 and set out the investment priorities for the period to 2020.
- 2.2.2 The Combined Authority has been developing its detailed strategies for key areas of activity including:
- Housing Strategy
  - Local Industrial Strategy
  - Local Transport Plan
  - Non-statutory spatial plan
- 2.2.3 The Combined Authority has **17** priority programmes based upon the CPIER objectives and the strategies highlighted above. These **17** priority programmes are reflected in the Business Plan. On 30<sup>th</sup> January 2019 the Cambridgeshire and Peterborough Combined Authority Board approved a four-year Medium-Term Financial Plan that forms the investment plan for the Combined Authority. This allocates resources to deliver the next stages of these priority programmes.
- 2.2.4 This Business Plan and the Medium-Term Financial Plan sets out at a high level the transformational investments that the Cambridgeshire and Peterborough Combined Authority will commit resources to, subject to the detailed consideration and appraisal of project business cases. Some are project ideas at an early stage and might not be feasible, others are further advanced. The Business Plan and the Medium-Term Financial Plan are not intended to be an exhaustive list of activity as new opportunities will arise during the period, but it identifies the key activities that are transformational and will need investment during the plan period to unlock the opportunities they could bring. Prioritisation has been undertaken to ensure that our investment goes into projects that will unlock transformational anchor projects that will have a significant impact on

growing the whole Cambridgeshire and Peterborough economy.

- 2.2.5 The Combined Authority has a Programme Management regime that reviews the status and performance of projects within the Business Plan. This is reported to the Directors once a month, and to the Cambridgeshire and Peterborough Combined Authority Board quarterly.

## **2.3 Cambridgeshire and Peterborough Financial Strategy**

- 2.3.1 As part of the devolution deal, the Combined Authority has responsibility for a 'Single Pot' of funding, including:

- Gainshare (the devolution deal £20m pa for 30 years).
- Housing Capital Grant (£170m over five years).
- Local Growth Fund (LGF).
- Transforming Cities Fund (TCF) (£94.5m over six years).
- Adult Education Budget (AEB).

- 2.3.2 However, the Combined Authority also has other sources of income, including Enterprise Zone business rates and investment income. The long-term security of the gainshare funds and other income and the devolution deal powers for the Combined Authority means that it is able to borrow against future funds, to enable us to deliver transformational activity sooner rather than delivering smaller scale and less impactful activities based on a smaller annual allocation. This area of activity is incorporated into a Treasury Management Strategy that is overseen by Audit and Governance Committee. Borrowing is not factored into the current four-year plan, but this may change as the feasibility work identified firms up project delivery programmes.

- 2.3.3 The Combined Authority does not distinguish between the different sources of funding for the purpose of investment planning, other than recognising that some sources of funding are restricted in what they can be used for. All funds are within the Cambridgeshire and Peterborough Medium Term Financial Plan not just the funds provided through the devolution deal and are covered within this Assurance Framework.

- 2.3.4 The Combined Authority recognises that the monitoring requirements for different sources of funding will differ and needs to meet the requirements of the funding body. However, the Combined Authority applies the Assurance Framework consistently across all funds within the Plan. The Assurance Framework clearly identifies the processes for securing funds for investment in Cambridgeshire and Peterborough and the requirements placed on delivery partners once their projects have been approved.

- 2.3.5 This means that any organisation seeking funding from the Combined Authority does not need to concern itself with the source of the funding and different rules and processes that will apply. These will be identified in the funding agreement/contract with the delivery partner.

## 3. Accountability and Transparent Decision Making

### 3.1 Roles and Responsibilities

- 3.1.1 Members of the Combined Authority are expected to act in the interests of the Cambridgeshire and Peterborough area, as a whole, when making investment decisions. A variety of controls are in place to ensure that decisions are appropriate and free from bias or perception of bias. Further details are provided in the following sections.

### 3.2 Cambridgeshire and Peterborough Combined Authority

- 3.2.1 The Combined Authority was established to further the sustainable and inclusive growth of the economy of Cambridgeshire and Peterborough. As a statutory local authority our governance, decision-making and financial arrangements are in line with local authority requirements and standard checks and balances. **The Combined Authority will act in a manner that is lawful, transparent, evidence based, consistent and proportionate.**
- 3.2.2 The Combined Authority was established in March 2017 with the Mayoral election held in May 2017.
- 3.2.3 For the purposes of this document all references to the Combined Authority apply to the Cambridgeshire and Peterborough Local Enterprise Partnership (known as the Business Board) unless explicitly referred to separately.
- 3.2.4 The Combined Authority therefore incorporates the role and responsibilities of the Business Board and the roles defined in the devolution deal and the administration of the Adult Education Budget.
- 3.2.5 The Combined Authority is its own accountable body for funding received from Government through the devolution deal and provides the accountable body role for the Business Board and the Greater South East Local Energy Hub and employs the officers that support them.

#### Combined Authority Membership

- 3.2.6 The Combined Authority membership is as follows: Mayor (Chair) - voting
- Leaders of the seven constituent local authorities:
- Cambridge City Council - voting
  - Cambridgeshire County Council - voting
  - East Cambridgeshire District Council - voting
  - Fenland District Council - voting
  - Huntingdonshire District Council - voting
  - Peterborough City Council - voting
  - South Cambridgeshire District Council - voting
  - Local Enterprise Partnership Chair - voting
  - The Police and Crime Commissioner for Cambridgeshire - non-voting
  - Cambridgeshire and Peterborough Fire Authority representative - non-voting

- Clinical Commissioning Group representative - non-voting

## **Role of the Mayor**

- 3.2.7 The Constitution provides for a directly elected Mayor of Cambridgeshire and Peterborough, required by government as a precondition for meaningful devolution, and who is the chair of the Combined Authority. The Mayoral arrangements will only gain the confidence of the electorate if they secure support from across our diverse communities, meet the highest standards of democratic accountability and are subject to robust checks and balances.
- 3.2.8 The Mayor chairs the Combined Authority Board which is made up of the leaders of the seven constituent authorities and the Chair of the Business Board, who together form the Combined Authority's decision-making body (voting members of Board), together with other non-voting partners set out above.
- 3.2.9 The Constitution sets out arrangements to ensure the effective conduct of the Combined Authority's business in this spirit of collaboration, mutual respect and transparency. All members strive to work on the basis of consensus, taking decisions through agreement.
- 3.2.10 **The Mayor has a lead role in allocating gain share funding. Mayor's Growth Ambition Statement sets out the area's priorities for achieving ambitious levels of inclusive growth and meeting the commitments of the Devolution Deal. These priorities also form the basis of the Business Plan and the Medium Term Financial Plan. The Mayor also produces his own budget each year which ensures he has appropriate support and advice on delivering the Devolution Deal commitments.**
- 3.2.11 **The Mayor has general powers as set out in Chapter 3 of the Constitution, including the power to pay a grant to Cambridgeshire County Council and Peterborough City Council to meet expenditure incurred by them as highways authorities**
- 3.2.12 The Mayor's term of office is for four years with the next election in May 2021.

## **Role of the Local Authority Leaders**

- 3.2.13 Leadership of the Combined Authority is driven by the Mayor and the local authority leaders. The local authority leaders represent the views of their constituent authorities at the Combined Authority Board whilst putting the needs and opportunities of Cambridgeshire and Peterborough at the forefront of all decisions. In addition, they may take a portfolio lead covering the growth themes within the CPIER and the Mayor's growth ambition statement and the Cambridgeshire and Peterborough Investment Plan. These portfolio lead roles are reviewed annually and are confirmed at the Combined Authority AGM.

## **3.3 Business Board (LEP)**

- 3.3.1 Local Enterprise Partnerships (LEPs) are private sector led voluntary partnerships between local authorities and businesses set up in 2010 by the Department of Business Innovation and Skills to help determine local economic priorities and lead economic growth and job creation within the local area.
- 3.3.2 The Business Board is a non-statutory body which is the Local Enterprise

Partnership for this area. It is independent of the Cambridgeshire & Peterborough Combined Authority (CPCA) operating as a private-public sector partnership, focusing on the key business sectors to provide strategic leadership and drive growth in the Cambridgeshire and Peterborough and wider Local Enterprise area.

- 3.3.3 The Business Board is committed to transparent and accountable decision-making processes. By bringing together the Business Board and the Combined Authority we combine the best of private sector expertise and public sector knowledge, transparency and accountability.
- 3.3.4 Cambridgeshire and Peterborough has three functioning economic areas. The Business Board was established on 1<sup>st</sup> April 2018, taking over from the former Greater Cambridge Greater Peterborough Local Enterprise Partnership, to drive forward economic growth across its local area. The Business Board is now responsible for all former Local Enterprise Partnership projects and programmes. A joint statement setting out the respective roles of the Business Board and the Cambridgeshire and Peterborough Combined Authority is shown in Appendix 1.
- 3.3.5 The Business Board currently covers 15 local authorities; however, the current geographical area is under review. The Department for Business Enterprise and Industry are considering proposals for a coterminous boundary with the Cambridgeshire and Peterborough Combined Authority. The authorities that are current members are as below:

<b>District</b>	<b>Areas</b>	<b>Council</b>
Cambridgeshire		Cambridgeshire County Council
Cambridge		Cambridge City Council
East Cambridgeshire	Ely, Littleport and Soham	East Cambs District Council
Fenland	Wisbech, March, Whittlesey & Chatteris	Fenland District Council
Huntingdonshire	Huntingdon, St Ives & St Neots	Huntingdonshire District Council
South Cambridgeshire	Cambourne	South Cambs District Council
Peterborough		Peterborough City Council
North Hertfordshire	Royston	North Hertfordshire District Council
South Kesteven (Lincs)	Grantham, Stamford, Bourne and Market Deeping	South Kesteven District Council
Rutland	Oakham	Rutland County Council
West Suffolk	Bury St Edmunds, Haverhill, Newmarket and Mildenhall	West Suffolk Council
Uttlesford (Essex)	Saffron Walden, Great Dunmow, Stansted, Mountfitchet and Thaxted	Uttlesford District Council
West Norfolk & King's Lynn	King's Lynn, Downham Market and Hunstanton	BC of King's Lynn and West Norfolk

South Holland (Lincs)	Spalding, Crowland, Donington, Holbeach, Long Sutton and Sutton Bridge	South Holland District Council

The Business Board's current area is set out below. The red line denotes the area covered by the Cambridgeshire and Peterborough Combined Authority:



- 3.3.6 The Business Board is the principal forum for collaboration between the public and private sectors, for improving the economy of Cambridgeshire and Peterborough. In 2014, the Government announced the first wave of Growth Deals, making investment via its Local Growth Fund. To date, the Business Board (via the former Local Enterprise Partnership) has been awarded £146m via three rounds of Growth Deal funding allocations.
- 3.3.7 In April 2016, the Government reviewed Growth Deal Assurance Frameworks in the context of new Devolution Deals and issued Single Pot Assurance Framework Guidance for devolved areas. In July 2016, Cambridgeshire and Peterborough secured a Devolution Deal and began work to set up a new Combined Authority. Therefore, this new Guidance came into effect for the Business Board area from that date. In November 2016, the Government issued revised national guidance for Local Enterprise Partnership Assurance Frameworks. The Cambridgeshire and Peterborough Combined Authority was formally established on 2 March 2017.
- 3.3.8 The Cambridgeshire and Peterborough Combined Authority acts as the Business Board's Accountable Body to undertake the public funding accountability responsibilities for administering funds and must also review and approve this Framework.



- 3.3.9 The Business Board provides leadership in the arena of economic growth across its area. Comprising business leaders from key industry sectors, it provides expert knowledge and insight into economic growth-related activities in its area and leads the development of the Industrial Strategy.
- 3.3.10 The Business Board is building on the strength of its existing partnership with neighbouring Local Enterprise Partners by collaborating on common issues and is currently leading on multi Local Enterprise Partnership programmes on Energy and Agri-Tech. It will continue to work collaboratively across the wider region and also envisages working more closely with other Local Enterprise Partners that are outside the current Local Enterprise Partnership area potentially through new collaborations and funding agreements.
- 3.3.11 The Business Board comprises a blend of industry leading experts from the private sector, alongside representatives from the public sector and education communities. It is chaired by a private sector representative and brings together some of the brightest entrepreneurial minds in our area.
- 3.3.12 The Chair and Vice Chair of the Business Board are private sector representatives. The Chair will lead on building the reputation and influence of the area at a national and international level and chairs Business Board meetings. The Chair is also a voting member of the Cambridgeshire and Peterborough Combined Authority Board. The Vice Chair will be available to deputise for the Chair as required.
- 3.3.13 The Business Board has a designated a small business (SME) representative, who will lead the engagement with small businesses across the area and represents their views at Board level. Given the makeup of the local business community, this is a vital role on the Board.
- 3.3.14 All of the Board Members operate in an open and transparent manner and conduct themselves in accordance with 'The Seven Principles of Public Life' otherwise known as the Nolan Principles, and the Business Board's Code of Conduct.
- 3.3.15 The Business Board is committed to diversity and has a Diversity Statement in place to help guide Board appointment decisions.
- 3.3.16 The Business Board's Executive Team is provided via the Cambridgeshire and Peterborough Combined Authority officer structure, who operate as a single team for the Combined Authority and the Business Board. This includes an experienced Chief Executive, S73 Officer, Monitoring Officer, Directors, Programmes Managers, Assurance Manager and others to ensure that the organisation is run in a proactive, impact driven and fully compliant manner.
- 3.3.17 The other public and private sector members of the Local Enterprise Partnership support the Combined Authority's work by:
- Supporting and offering advice to the Combined Authority on their responsibilities.
  - Championing and promoting specific initiatives from the perspective of business.

- Influencing the development of the Combined Authority's strategies and policies, including as lead organisation for the development of the Local Industrial Strategy at the invitation of the Combined Authority.
- Representing the Cambridgeshire and Peterborough nationally and internationally.
- Ensuring a strong business influence over decision-making.
- Supporting the development and delivery of the CPIER and the Mayor's growth ambition statement.

3.3.18 Cambridgeshire and Peterborough are an active member of the national Local Enterprise Partnership Network and will continue to be so. This includes participation in both Local Enterprise Partnership Chair and officer level meetings.

3.3.19 **Enterprise Zones:** The Business Board retains strategic oversight and governance of the Enterprise Zones, and delegates programme delivery to the Alconbury Weald Enterprise Zone Programme Board and Project Boards for Cambridge Compass Enterprise Zones. These Boards will drive forward the regeneration and economic growth opportunities of Enterprise Zone sites and will be responsible for reporting to both the Business Board and Combined Authority Board as the accountable body.

3.3.20 These Enterprise Zone Boards comprise of Combined Authority officers, Local Authority representatives and key stakeholders. Each is responsible for delivering the programmes and projects associated with the regeneration and development of the Enterprise Zone site.

3.3.21 **The Eastern Agri-Tech Growth Initiative & Agri-Tech Programme Board:** The Eastern Agri-Tech Growth Initiative is overseen by the Eastern Agri-Tech Programme Board. Membership of the Programme Board includes experts with experience and knowledge of agriculture and the food industry, including research, farming and food processing.

3.3.22 The Programme Board's main task is to consider and make decisions on applications for grant support. All applications are initially appraised by external independent assessors and follow the process that was previously agreed. Copies of the Eastern Agri-Tech Growth Initiative Guidance Notes and Pre-Qualification Questionnaire (the simple eligibility form) can be found on the Combined Authority and Business Board website using the following link:

<http://cambridgeshirepeterborough-ca.gov.uk/business-board/eastern-agri-tech-growth-initiative/>

The Eastern Agri-Tech Growth Initiative has its own monitoring and evaluation arrangements but these do link to the Combined Authority monitoring and evaluation framework.

3.3.23 Agri-Tech is one of our strategic growth sectors identified by the CPIER; our ambition is to use the Local Industrial Strategy to step up our programme to ensure we are the "go to" UK centre for Agri-Tech. Agri-Tech also features within our Skills Strategy.

3.3.24 It was recommended by the Business Board and agreed by the Combined Authority Board at their respective meetings in November 2018 that the Eastern Agri-Tech Programme Board should continue to take decisions about applications for grant funding on behalf of both the Combined Authority and NALP (both organisations are represented on the Programme Board) and that the Programme Board became a sub-Board of the Business Board. A member of the Business Board (nominated by the Business Board) became the Chair of the Programme Board. This strengthened existing governance arrangements and provided continuity between the two Boards. The agenda and decisions of the Programme Board are published on the Combined Authority/Business Board web site (with names of individuals redacted) in accordance with the transparency arrangements set out in the Business Board constitution. This will ensure that the operation of the Agri-Tech programme is consistent with the Assurance Framework for the Business Board and Combined Authority. The Cambridgeshire and Peterborough Combined Authority is the Accountable Body for the Eastern Agri-Tech Growth Initiative.

The Programme Board's Secretariat is provided by the Cambridgeshire and Peterborough Combined Authority's Agri-Tech Project Officer, a very experienced programme manager who ensures that the Programme Board operates effectively, that its decisions are sound and that the Eastern Agri-Tech Growth Initiative is successful and delivers meaningful outcomes.

3.3.25 The Terms of Reference (TOR) for the Eastern Agri-Tech Programme Board have been agreed and appear on the Combined Authority/Business Board web site. The TOR can be seen CA/Business Board website using the following link:

<http://cambridgeshirepeterborough-ca.gov.uk/business-board/eastern-agri-tech-growth-initiative/>

3.3.26 **The Greater South East Energy Hub & Energy Hub Board:** The Energy Hub is funded by the Department for Business, Energy & Industrial Strategy (BEIS) and overseen by the Hub Board. Membership of the Hub Board includes an officer representative from each of the eleven Local Enterprise Partnerships served by the Hub.

3.3.27 The Hub Board is the strategic body responsible for taking decisions on Energy Hub business and programme activity. The Hub Board's main task is to approve the allocation and leverage of funds for the Local Energy Capacity Support Programme. The Hub Board are responsible for oversight of the Rural Community Energy Fund (RCEF) Funding Panel, a Hub Board subordinate body that makes decisions on grant applications. All applications are initially appraised by external independent assessors and follow the process agreed with BEIS. Copies of the RCEF guidance notes and Expression of Interest form can be found on the RCEF website using the following link:

<http://cambridgeshirepeterborough-ca.gov.uk/business-board/energy-hub/>

The Energy Hub has its own project assessment frameworks, monitoring and evaluation arrangements but these do link to the Combined Authority monitoring and evaluation framework.

3.3.28 Clean growth is one of the Grand Challenges in the Industrial Strategy. The

transition to local low carbon energy is set out in the Local Energy East Strategy and the CPIER recognises the need for a roadmap to decentralised smart energy systems.

- 3.3.29 The Business Board and the Cambridgeshire and Peterborough Combined Authority Board have agreed that the Combined Authority would be the Accountable Body for the Energy Hub and that the Energy Hub would assume the RCEF management role and administer the Fund. They also agreed the Hub Board terms of reference recognising it as a decision-making body for the Hub.
- 3.3.30 The agenda and decisions of the Hub Board will be published on the Combined Authority/Hub Board web site (with names of individuals redacted). This will ensure that the operation of the Energy Hub is consistent with the Assurance Framework for the Business Board and Combined Authority. The Cambridgeshire and Peterborough Combined Authority Board is the Accountable Body for the Energy Hub Initiative.
- 3.3.31 The Programme Board's Secretariat is provided by the Cambridgeshire and Peterborough Combined Authority's Regional Energy Hub Manager, who ensures that the Hub Board operates effectively, that its decisions are sound and that the Greater South East Energy Hub is successful and delivers meaningful outcomes.
- 3.3.32 The Terms of Reference (TOR) for the Hub Board have been agreed and appear on the Combined Authority/Energy Hub web site. The TOR can be seen Combined Authority/Energy Hub website using the following link:

<http://cambridgeshirepeterborough-ca.gov.uk/business-board/energy-hub/>

### **Membership of the Business Board**

- 3.3.33 The Business Board has been reviewing its membership in response to the national Local Enterprise Partnership review (Mary Nay, 2017) and government's response "Strengthened Local Enterprise Partnerships" (July 2018). The current membership (September 2018) comprises of nine members, which includes two public sector members and up to seven business representatives as follows:
- The Mayor and the Portfolio for Economic Growth of the Cambridgeshire and Peterborough Combined Authority shall be non-voting members of the Business Board by virtue of their office. Thus ensuring close working relationship between the Combined Authority and the Business Board.
  - Seven private sector members appointed from amongst the key sectors across the Cambridgeshire and Peterborough area.
  - One of the seven private sector members is appointed specifically to represent the interests of the Small and Medium Sized Enterprises (SME) sector, one member represents the education sector and one member is appointed as an international business representative.
- 3.3.34 The Business Board membership meets the requirements for two thirds of the members to be private sector representatives and does not exceed the maximum

of 20 members.<sup>1</sup>

3.3.35 Whilst all appointments to the Business Board have been made on merit, in accordance with Government requirements the Business Board will aim to improve the gender balance and representation of those with protected characteristics on its board with the following aims:

- That women make up at least one third of Business Board by 2020.
- With an expectation for equal representation by 2023.
- Ensure its Board is representative of the businesses and communities they serve.<sup>2</sup>

3.3.36 The Business Board will regularly review its agenda balance on the Business Board and any committees.

3.3.37 The Business Board Constitution sets out its role, the principles of membership and the terms of office.

- The term of office for **private sector representatives** will normally be a maximum of three years, and subject to a maximum of one consecutive term.
- The term of office of **public sector** members appointed by the Combined Authority is at their discretion; the Mayor is a member by virtue of his office.

3.3.38 The Business Board may appoint **up to five** co-opted members as necessary to complement the skills and expertise on the Board or to meet gender balance and protected characteristic requirements. Membership may not exceed 20 members and up to five co-opted members.

3.3.39 Private sector members all have expertise and knowledge of our key sectors. These details together with their biographies are published on the Business Board website. This will include a designated SME representative.

### **Chair and Vice-Chair of Business Board**

3.3.40 The Constitution requires that the Chair and Vice-Chair must be the private sector representatives of the Board.

3.3.41 The terms of office of the Chair will be for two (2) years with one consecutive term permitted upon unanimous vote of the Board members present and voting.

3.3.42 The Chair is a voting member of the Cambridgeshire and Peterborough Combined Authority Board.

3.3.43 “Strengthened Local Enterprise Partnerships” stipulated a maximum membership of 20 members with 2/3<sup>rd</sup>s from the private sector and to aim to have a 50/50 gender balance by 2023. The Business Board aims to have a 50/50 gender balance by 2020 through the advertisement and appointment of new private sector members to sit on the Board and the appointment of co-opted membership. A recruitment campaign will be undertaken in 2019 for three new members to

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<sup>1</sup> Strengthening Local Enterprise Partnerships, MHC&LG, July 2018

<sup>2</sup> Strengthening Local Enterprise Partnerships, MHC&LG, July 2018

ensure gender balance and to ensure all members' term of office does not end at the same time thus ensuring succession planning.

- 3.3.44 Following the revised Assurance Framework Guidance (January 2019), Higher Education and Further Education will represent the private sector on the Local Enterprise Partnership.
- 3.3.45 The Business Board Constitution states that private sector members including the Chair shall be appointed following an open, transparent and non-discriminatory recruitment process which assesses each candidate on merit carried out in accordance with its diversity statement, Government Guidance and the Nolan Principles. This will include a public advertisement and an interview process conducted by the Business Board's appointments panel. The Business Board will consult widely and transparently with the business community before appointing a new Chair. When vacancies become available for private sector Local Enterprise Partnership members, they will be advertised on the Combined Authority website. In addition, social media will be used to raise awareness of the opportunities, particularly among under-represented groups. A recruitment panel (including the Cambridgeshire and Peterborough Mayor and Local Enterprise Partnership Chair) assesses applications received and makes a recommendation to the Combined Authority Board for approval of appointments.
- 3.3.46 All Local Enterprise Partnership members (public and private) are expected to conduct themselves in accordance with the seven principles of public life. This is set out under the Code of Conduct detailed in the Combined Authority Constitution and provided to all new Local Enterprise Partnership members in their induction information. All members sign up to the code of conduct and the Nolan principles. As stated in its constitution, all Business Board and sub-committee and sub-group members will make decisions on merit having taken into account all the relevant information available at the time.
- 3.3.47 New members receive an initial induction, and this is being enhanced during 2019.

### **Wider Business and Public Engagement**

- 3.3.48 The Combined Authority and Business Board recognise that the private sector members cannot represent the views of all business in the Cambridgeshire and Peterborough area. Therefore, a variety of engagement mechanisms are utilised to ensure that the broader business community has the ability to influence strategy and policy development, our investment priorities and to be actively engaged in the delivery of some of our activities, particularly around supporting careers development with schools. This includes, through the business networks and groupings that officers of the executive engage with, as a part of their activity, as well as specific engagement sessions – such as business roundtables to inform strategy and policy development.
- 3.3.49 Strategy and policy documents are developed through engagement with partners and key stakeholders and are subject to consultation. Each consultation will vary depending on the topic but will meet any statutory requirements. However, drafts are formally considered in public at the Combined Authority Board with papers published in advance of the meeting.
- 3.3.50 Evidence of effective public engagement includes the work on the CPIER and

Local Industrial Strategy referred to in section 2. A review of engagement activity and impact will be undertaken annually as part of the annual delivery plan from 2020. The annual delivery plan will be published on the website

### **Secretariat Arrangements**

- 3.3.51 In accordance with Government requirement to have an independent secretariat to support the Chair and Board, the Director of Business and Skills is the chief officer appointed to support the Business Board. The Director is supported by a S73 Chief Finance Officer and Monitoring Officer appointed separately to those officers who support the Combined Authority Board.

### **Local Area Agreement**

- 3.3.52 In accordance with Government requirements for mayoral areas there is a requirement for a Local Agreement between the Business Board and the Cambridgeshire and Peterborough Combined Authority and the Accountable Body setting out the responsibilities of the Chair, Board and Accountable Body. The Accountable Body agreement is embedded in the Business Board's terms of reference and constitution.

## **3.4 Decision Making for the Cambridgeshire and Peterborough Investment**

- 3.4.1 Cambridgeshire and Peterborough Combined Authority is its own Accountable Body for all funds received by Government and is the Accountable Body for the Business Board.
- 3.4.2 The Cambridgeshire and Peterborough Combined Authority and the Business Board Constitution sets out the basis of how decisions will be taken within our Combined Authority, in keeping with principles of democracy and transparency and with effective and efficient decision-making. The Constitution takes on board the changes relating to the Business Board, as a result of the national Local Enterprise Partnership review.
- 3.4.3 In summary, the decision-making process and governance for Cambridgeshire and Peterborough as set out in the Cambridgeshire and Peterborough Business Plan is as follows:
- 3.4.4 Investment decisions using public funds will be made with reference to statutory requirements, conditions of the funding, local transport objectives and through formal LEP involvement. The Monitoring Officer and S73 review all proposed funding decision and their comments are included in all public or delegated power reports.

### ***CPIER and the Mayor's growth ambition statementing and Investment Planning***

- 3.4.5 The Combined Authority Board provides the overall strategic direction for economic growth in Cambridgeshire and Peterborough, approving the CPIER and the Mayor's growth ambition statement and associated thematic strategies and plans.
- 3.4.6 The Combined Authority Board sets out the investment priorities for Cambridgeshire and Peterborough through the Medium-Term Financial Plan and

the Business Plan. This includes named prioritised projects which are allocated against either revenue or capital funds. All projects, revenue or capital, are identified in the current year of the Business Plan and the Medium-Term Financial Plan.

### **Decision process for Business Board and Combined Authority Board projects**

- 3.4.7 For new programmes/projects, the detailed consideration of whether the programme/project represents value for money, has realistic delivery timescales and processes, will deliver the outputs and outcomes that we require etc is undertaken through the development of a Project Initiation Document and Business Case.
- 3.4.8 Work from the Department for Transport Early Assessment and Sifting Tool ('EAST') has created a benchmark and guidance that has been built into the Project initiation Document and Business Case templates, to which all transport projects must adhere to. This forms the evidential basis on which the need for intervention is based and will help ensure programmes and projects are identified based on need and opportunity.
- 3.4.9 A Project Initiation Document is used to identify the expected expenditure, timescales for delivery and proposed outcomes, and to enable more informed financial and output profiling in line with the Medium-Term Financial Plan. This is an internal project management document and will be prepared by the Project Manager
- 3.4.10 This document provides a first view of how, what and when the project will deliver against the Mayor's Growth Ambition Statement, the Local Industrial Strategy and the 2019/20 Business Plan. This Project Initiation Document will include detail such as:
- The identified Project Manager.
  - Project description including objectives and overview.
  - Timescales (high level).
  - Project outputs and outcomes against the CPIER and the Mayor's growth ambition statement.
  - Cost of project (high level), and initial funding required.
- 3.4.11 Project Initiation Documents are appraised and approved during the Combined Authority weekly Director meetings. Following approval, the Project Manager can then arrange for the Business Case to be developed, adapting HM Treasury's Five Case Model.
- 3.4.12 Business cases should be initially appraised and approved at the weekly Combined Authority Director Meetings. In considering the appraisal recommendations (including any conditions) on business cases the following supporting information will be provided to the Directors meeting:
- The business case.
  - The completed appraisal documents.



- 3.4.13 Once approved at the Director meetings, the Business Case will then require final approval to commence to project delivery. This may be via the monthly Combined Authority Board cycle or by Combined Authority Officers. Approval requirements are set out in the Scheme of Delegations.
- 3.4.14 In addition, projects with political sensitivities or a variation to an original Board approval are required to go to Combined Authority Board for approval, even when the Chief Executive has delegated authority to sign off.

### **Decision process for Business Board**

- 3.4.15 The Business Board will review the Business Case for Business Board funded projects and make recommendations to the Combined Authority Board, as Accountable Body, to approve the funding.
- 3.4.16 In order to ensure that the Business Board is able to progress its business in an efficient manner, the Business Board has an urgency decision making procedure which is set out in its constitution. Decisions and actions taken will be retrospectively reported to the next meeting of the Business Board
- 3.4.17 In addition to the delegations in the Combined Authority Constitution, the Business Board and Combined Authority Board has delegated limited authority to the Director of Business and Skills to approve small grants to SMEs between £2,000 and £20,000 subject to Section 73 Officer approval, and regular reporting to the Business Board;
- 3.4.18 Business cases approved at the Business Board and Combined Authority Board are published on the Combined Authority website, as part of the monthly Board papers.
- 3.4.19 Decisions within the Scheme of Delegation and taken under delegated powers are recorded through the Officer Decision Notice process, with supporting business cases available on request. The Officer Decision Notices are published on the Combined Authority website.
- 3.4.20 All reports to the Business Board and any committees, include the application for funding, appraisal of application, legal and finance expert' view and recommendations. The S73 Officer signs off all Business Board expenditure

### **Summary of Scheme of Delegations for Business Board**

The scheme of delegation specific to local enterprise funding is set out in Part 3 and 4 of the Business Board's constitution and is summarised in Appendix 2. The Combined Authority Constitution also applies to all Business Board and officer decisions.

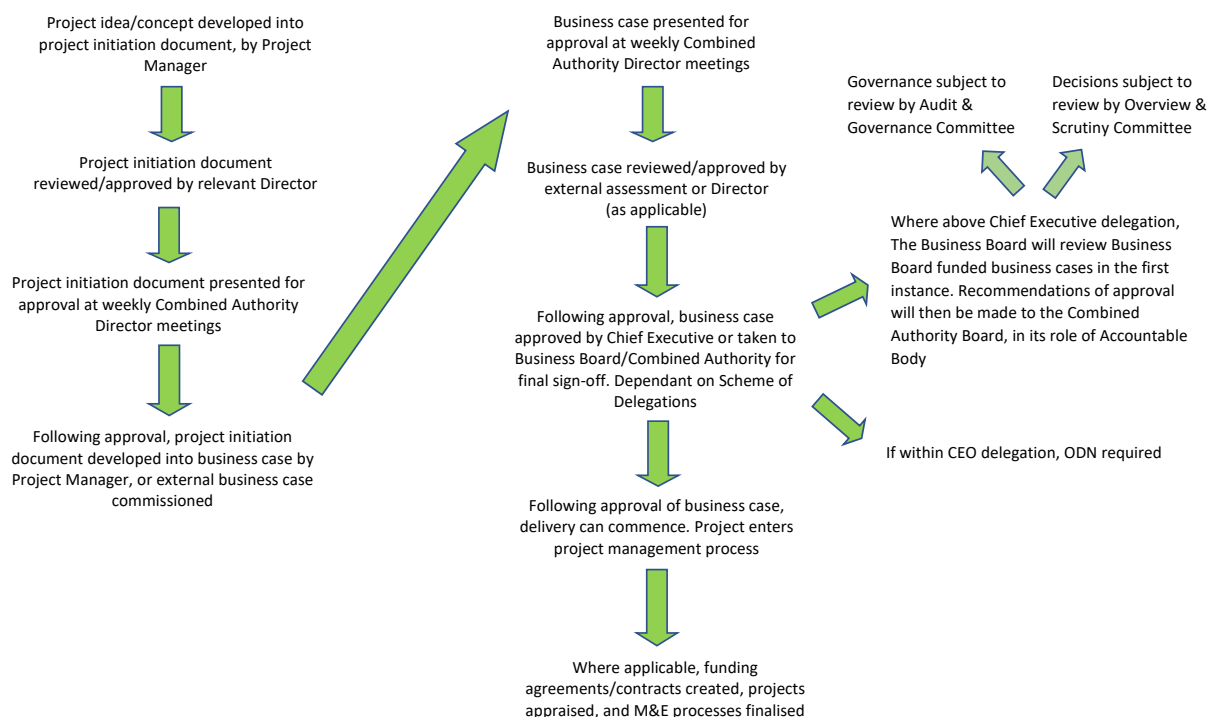
### **Decision process for Combined Authority Board**

- 3.4.21 The Combined Authority Board will approve the Business Cases for Combined Authority funded projects and will approve the Business Case recommended by the Business Board.
- 3.4.22 Business cases and appraisal documentation submitted to the Combined Authority Board will be published on the Combined Authority website with Board papers, subject to any exemptions applied as set out in the transparency rules within the Constitution.
- 3.4.23 Decisions within the Scheme of Delegation and taken under delegated powers

are recorded through the Officer Decision Notice process, with supporting business cases available on request. The Officer Decision Notices are published on the Combined Authority website.

3.4.24 The decision-making process and governance arrangements are illustrated in the diagram below:

## Decision Making Process



### Decision process for new programmes/projects not in the Business Plan and not within a named budget allocation

3.4.25 New opportunities or challenges will arise and programmes/projects that are not currently in the business plan will need to be considered to address them. If these new programmes/projects cannot be accommodated within the current Medium-Term Financial Plan, they will need to be considered by the Combined Authority Board for entry to the Budget and Business Plan and reflected in the six-monthly refreshment cycle for those documents.

3.4.26 The Business Plan and Medium-Term Financial Plan will be reviewed every six months, together with any prioritisation of new projects.

3.4.27 Those that are accepted into the Business Plan would then proceed to follow the Project Initiation Document through to Business Case development and be taken to the Combined Authority Board for decision.

## **Role of the Cambridgeshire and Peterborough Management Team**

3.4.28 The Cambridgeshire and Peterborough Directors Team is made up of members of the Combined Authority's senior officers: Chief Executive and Directors. The Management Team meets fortnightly and has an oversight role of the work of the Combined Authority.

## **3.5 Decision Making for the Adult Education Budget**

- 3.5.1 Investment decisions on the use of the Adult Education Budget will be made with full consideration to the statutory entitlements:
- 3.5.1.1 English and Maths, up to and including level 2, for individuals aged 19 and over, who have not previously attained a GCSE grade A\* to C or grade 4, or higher, and/or.
  - 3.5.1.2 First full qualification at Level 2 for individuals aged 19 to 23, and/or.
  - 3.5.1.3 First full qualification at level 3 for individuals aged 19 to 23.
- 3.5.2 The Combined Authority submitted its Strategic Skills Plan to government in May 2018 as part of the readiness conditions requirements set by the Department for Education. Further iterations have been shared with the Department for Education and form a chapter in the new Skills Strategy 2019.
- 3.5.3 Local and national partners have been fully engaged throughout the development phase for the processes and priorities for the funding award and during the funding award phase. This has included providing regular communications via our website, hosting three strategic events for all local and national providers, and participating in provider network meetings that met regularly during 2018. The Provider Networks comprised local Further Education and local authority providers, the Education and Skills Funding Agency, the Association of Colleges and Independent Training Providers.
- 3.5.4 The Combined Authority Board is the final decision-making body for funding awards. A grant commissioning process was launched on 1st December 2018 and closed in March 2019. Appraisals were carried out on the submitted delivery plans requesting funding by the Combined Authority officers. A moderation panel of internal senior managers consider recommendations and make final recommendations for approval. The Director of Business & Skills in consultation with the Portfolio Holder for Skills to approve funding awards.
- 3.5.5 During the funding award process a web enabled portal has included the ability for all potential providers to submit questions. These have been developed into a Q+A section on the portal so that the same information is available to all potential providers.

## **3.6 Statutory Committees**

- 3.6.1 As a Mayoral Combined Authority, we are constitutionally required to have the following Committees within our Governance structures:
- **Overview & Scrutiny Committee:** Reviews decisions made, to ensure they

meet the needs of the people of the Cambridgeshire and Peterborough and are made in line with our agreed policies, making recommendations where necessary. It has the power to “call in” and delay the implementation of decisions made by Board. The membership of the Committee comprises 14 members, two nominated from each of the Constituent Authorities. Members of the Committee appointed reflect the balance of political parties for the time being prevailing among members of the Constituent Authorities collectively. It also has the power to scrutinise the Business Board.

- **Audit & Governance Committee:** Ensures we are spending public money properly and have the right systems in place to manage our finances correctly and meet our legal and regulatory responsibilities. The Committee also reviews the corporate risk register on a quarterly basis. The membership of the Committee is one member from each Constituent Authority. Members of the Committee appointed reflect the balance of political parties for the time being prevailing among members of the Constituent Authorities collectively. The Committee will also oversee the audit and governance arrangements of the Business Board.

3.6.2 The terms of reference and membership of these Committees is detailed in the Combined Authority Constitution.

### 3.7 Role of the Statutory Officers

3.7.1 The Combined Authority appoints four Statutory Officers who each have a formal role of discharging the duties and obligations on its behalf. The roles are detailed in the Combined Authority Constitution but briefly comprise:

- **Head of Paid Service:** The Chief Executive fulfils the role of the Head of Paid Service. The Head of Paid Service discharges the functions in relation to the Combined Authority as set out in section 4, Local Government and Housing Act 1989 and act as the principal advisor to the Business Board.
- **Section 73 Officer:** The Chief Finance Officer fulfils the role of Section 73 Officer in accordance with the Local Government Act 1985 to administer the financial affairs of the Combined Authority and Business Board. The Section 73 Officer is responsible for providing the final sign off for funding decisions. The Section 73 Officer will provide a letter of assurance to government by 28<sup>th</sup> February each year regarding the appropriate administration of government funds under the Cambridgeshire and Peterborough Investment.
- **Monitoring Officer:** The Monitoring Officer fulfils their role in accordance with the Local Government Act 1972 to administer the legal duties of the Combined Authority and Business Board.
- **Scrutiny Officer:** To promote the role of and provide support to the Overview and Scrutiny Committee.

3.7.2 In addition to these statutory roles the Combined Authority has nominated officers to ensure that we meet our obligations under the Data Protection Act 2018 and information governance. These are:

- **Senior Information Risk Officer (SIRO)** - The Monitoring Officer is the SIRO for Information Governance. The SIRO is responsible for the Strategy, acts as an advocate for good practice and is required to provide a statement of assurance as part of the Combined Authority's Annual Governance Statement.
- **Data Protection Officer** – Deputy Monitoring Officer is the Data Protection Officer responsible for providing advice and guidance on the Data Protection Act 2018.

## 4. Accountability and Transparent - Supporting Policies and Procedures

### 4.1 Working Arrangements, Meeting Frequency and Transparency

4.1.1 The Combined Authority is subject to a robust transparency and local engagement regime. The Combined Authority's Constitution includes how agendas, minutes and papers will be made available to the public and when.

4.1.2 The Combined Authority Board:

- Is subject to the Transparency Code applied to local authorities.
- Will ensure all meetings of the Combined Authority Board and other statutory committees are open to the public and appropriately accessible.
- Will make sure all meeting agendas, papers (when not exempt or confidential as set out in the transparency rules within the Constitution), and minutes are published on the Combined Authority website, within the minimum statutory timescales – an agenda will be published five clear working days before the meeting. A decision notice will be published no later than the third clear working day following the day of the decision was made and any key decisions are subject to call in. Draft minutes will be published within **10** clear working days of the meeting taking place and final minutes within two clear working days of approval where changes are made.
- Will make clear the approach to making investment decisions in the Combined Authority Constitution.
- Will publish (online) all funding decisions, including funding levels through Business Board and Combined Authority agendas and minutes and through the mayoral and officer decision notice register where decisions are taken under delegated powers.
- Growth fund updates are submitted to the Business Board at each meeting. The Combined Authority has a performance management system which includes quarterly reports to the Combined Authority Board on delivery of key priority projects in the Business Plan by exception and monthly budget monitoring updates.
- As the accountable body for the Business Board funding the Combined Authority Board will ratify funding decisions made by the Business Board and will hold a record of all relevant documentation relating to government funding allocated to the area.

4.1.3 For ease of access the Combined Authority website has a transparency section and a separate meetings section which contain all information on the Combined Authority governance arrangements, agendas and papers and the Combined Authority Board Forward Plan.

4.1.4 The Combined Authority Board meets every month. The Combined Authority publishes a Forward Plan on the Combined Authority website, which is legally-required with a statement of all key decisions together with all non-key decisions

we plan to take over the next four months. Confirmed items are published 28 days in advance of a decision being made.

- 4.1.5 In addition to the Combined Authority Board, the Business Board meets bi-monthly. The Business Board shall have at least one meeting a year that will be open to the public to ensure the communities that they represent can understand and influence the economic plans for the area.
- 4.1.6 No business may be transacted at a meeting of the Business Board unless there is a quorum. The quorum requires a majority of the total number of Members of the Board to be present which should include the majority of private sector members and at least one public sector member.
- 4.1.7 All other meetings of the Business Board shall not be open to the public unless determined otherwise by the Chair. This enables commercially confidential items to be discussed and for open and frank exchanges of information and views to be expressed that might not otherwise be expressed in an open forum. This forms an important element within the Combined Authority governance arrangements.
- 4.1.8 Agendas and reports will be published five clear days prior to the meeting and minutes of these meetings will be published on the its website within **10** clear working days of the meeting and the agreed minutes will be published within two clear working days after approval at the subsequent meeting.
- 4.1.9 Information regarding activity being undertaken by the Combined Authority is available on the website. This includes the publication of key documents such as the CPIER and the Mayor's growth ambition statement, the Cambridgeshire and Peterborough Business Plan 2019-2020, and the Combined Authority Local Assurance Framework, as well as details of a regular programme of events to provide ongoing engagement with public and private partners across the Cambridgeshire and Peterborough area. Regular news updates on activity underway are also provided through dedicated pages on social media outlets including LinkedIn, Twitter and Facebook. Additionally, when investment decisions are taken they are published through the use of press releases and social media.

## **4.2 Publication of Financial Information**

- 4.2.1 The Combined Authority is subject to the same financial arrangements as a Local Authority and is legally required to publish its annual accounts, external audit letter and annual governance statement by the end of July each year. The draft statement of accounts is signed by the S73 Officer and published (on the Cambridgeshire and Peterborough Combined Authority website) by 31st May. The final set of financial statements are signed by the S73 Officer and the Chair of the Audit and Governance Committee and published by the 31st July.
- 4.2.2 The Annual Governance Statement will be published in draft by 31st May, and the final version to be signed by the Mayor, the Business Board Chair and the Chief Executive and published by 31st July. The Audit and Governance Committee approves the statement of accounts and reviews the Annual Governance Statement prior to approval, in accordance with their terms of reference.
- 4.2.3 It is also used as part of the Annual Conversation each year, to supplement the information provided and discussed on governance arrangements.

- 4.2.4 All payments made on behalf of the Business Board are published in the monthly transparency report by Cambridgeshire and Peterborough Combined Authority.
- 4.2.5 All approvals for new funding are now published and monitored. The quarterly return to BEIS on Growth Fund projects, spend and performance is reported to Business Board and published in the reports, as part of the Business Board agenda. These have now also been uploaded on the Business Board section of the website and will continue to be published going forward to increase transparency.

### **4.3 Remuneration and Expenses**

- 4.3.1 Allowances or expenses may be payable to the Mayor and any of the Business Board members, in accordance with a scheme approved from time to time by the Cambridgeshire and Peterborough Combined Authority Board upon the recommendations of an Independent Remuneration Panel.
- 4.3.2 The Combined Authority publishes the following information on its website: [Transparency](#)
- Confirmation of the allowance payable to the Mayor and Business Board members.
  - Confirmation of any allowances and expenses paid to the Mayor, Business Board Members and independent Chairs of Committees or Panels (published annually).
  - Salaries of senior officers earning more than £50,000 (published annually); together with the numbers of staff who earn over £50,000, in bands.
- 4.3.3 Any scheme of allowances approved for Business Board members and payments made will also be published.

### **4.4 Freedom of Information**

- 4.4.1 The Combined Authority is subject to the Freedom of Information Act 2000 and the Environmental Impact Regulations 2004. As Accountable Body for the Local Enterprise Partnership the Combined Authority will also fulfil these functions on behalf of the Business Board. The Combined Authority will hold records and will be the focal point for statutory information requests. Applicants are made aware of their right to access information through the Combined Authority, which will deal with the request in accordance with the relevant legislation. As set out in this section, the Combined Authority aims to publish as much information as possible so that Freedom of Information requests are less necessary. A publication scheme is on the website and answers to previous requests are published on the website. [CPCA Freedom of Information Policy](#)

### **4.5 Conflicts of Interest**

- 4.5.1 The Combined Authority has a Code of Conduct which applies to all members of the Combined Authority, the Business Board, all committee members and the officers who form part of any decision-making body eg the Chief Executive. The Code of Conduct requires all those identified to avoid any conflicts of interest.
- 4.5.2 Each member of the Combined Authority is also required to complete a written



declaration of interest for the purposes of their organisations and their individual personal interests covering a broad range of activities/ownership. Individual declarations of interest forms are completed annually following members' appointment at the Combined Authority annual meeting. Declarations of interest are requested at the start of each meeting and declared and recorded within the minutes. The registers of interests are updated, as appropriate, following each Combined Authority meeting.

[Combined Authority Board Membership](#)

[Business Board Membership](#)

## 4.6 Gifts and Hospitality

- 4.6.1 Any gifts and hospitality received by members and officers will be declared under the relevant members name and any declarations declared by members will be published on the website, For example [Mayor Palmer: Declared Gifts and Hospitality](#). The [register of gifts and hospitality](#) declared by Business Board members is published under the governance page of the Business Board section of the website. All offers of gifts and hospitality of £50.00 or more in value, including any offers of sponsorship for training or development, whether or not they are accepted, must be recorded promptly (and by no later than 28 days from the date of the offer) in a register held by the Combined Authority. A six monthly reminder will be send to all members and officers.

## 4.7 Complaints and Whistleblowing

- 4.7.1 If it is alleged that the Combined Authority is (a) acting in breach of the law, (b) failing to adhere to its framework, or (c) failing to safeguard public funds, complaints (from stakeholders, members of the public or internal whistleblowers) are to be directed to the Combined Authority's Chief Executive or Internal Auditor.
- 4.7.2 The Business Board and the Combined Authority have adopted a confidential complaints procedure and whistleblowing procedure, which are both published on its website Any complaints will be dealt with in accordance with its approved complaints process.
- 4.7.3 Where the Combined Authority cannot resolve the issue locally to the complainant's satisfaction, and the matter relates to the Cambridgeshire and Peterborough's Single Pot funding, the issue may be passed to the Ministry of Housing, Communities and Local Government for Communities and Local Government (MHCLG) or other relevant departments, such as the Department for Transport (DfT), as appropriate to the complaint in question. If the complainant is not satisfied with the response, they can raise it with the Local Government Ombudsman.

The above complaints and whistleblowing procedures are set out in detail at:

[CPCA Complaints Policy](#)

[CPCA Whistleblowing Policy](#)

[CPCA Business Board Complaints Procedure](#)

[CPCA Business Board Whistleblowing Procedure](#)

## **4.8 Diversity Statement**

- 4.8.1 As detailed previously the Combined Authority is fully committed to diversity and equality. The Business Board has a published Diversity Statement which explains how it looks to ensure diverse representation at Board.

[CPCA Business Board Diversity Statement](#)

## **4.9 Government Branding**

- 4.9.1 The Combined Authority is committed to meeting Government branding guidelines for projects in its Local Assurance Framework. This includes the branding guidance issued to LEPs for the Local Growth Fund. The correct branding and wording is used on the Business Board and subsidiary websites. Guidance will be produced for signage, social media, press notices and other marketing materials for every Government funded project.
- 4.9.2 **A summary of the Governance framework and checklist is set out in Appendix 3.**

## 5. Robust Decision Making

### 5.1 Principles

5.1.1 This section details the processes and procedures that are in place to ensure we make robust investment decisions. These are in addition to those identified within the Accountability, Openness and Transparency sections above. **The processes and procedures will:**

- **Achieve best value in spending public money through the following -**
  - **proposed investments will offer as a minimum ‘high’ value for money (VfM);**
  - **“high” VfM can be defined as a Benefit Cost Ratio (BCR) that is at least 2.0 for transport schemes (and accounting for significant non-monetised impacts and key uncertainties), schemes with lower VfM however can be considered under circumstances where there is evidenced:**
    - **strategic value of national or regional significance by unlocking a strategic route network bottleneck within the region (for example a strategic road or rail network with significant constraints but unable a BCR due to lower flow increases against disproportionate cost due to historical enhancement under investment (both of which have regional or national growth significance which is challenging to model and are unable to be claimed in TAG terms; or**
    - **allowing greater through flow of strategic passenger or freight traffic, or where there is evidenced strategic value associated with achieving the Devolution Deal ambitions of GVA or housing growth (for example providing main line rail access to support the growth of left behind areas); or**
    - **by unlocking this growth in addition to committed local plan growth, and where this evidence increases this to at least medium value VfM (BCR of at least 1.5 and accounting for significant non-monetised impacts and key uncertainties)**
  - **for non-transport schemes, the appropriate public sector cost per job / Gross Value Added will be reviewed, and in all schemes the benefits will exceed the cost of intervention over the projected timeframe;**
  - **in exceptional circumstances, where the strategic value directly contributes to the ambition of the Devolution Deal ambition as set out in para 6.2.5 of this document; and**
  - **whereby sensitivity testing is undertaken in addition to Transport Analysis Guidance (TAG) standard procedures, schemes do not need to offer ‘high’ value for money as a minimum, if as**

described above there is evidence that the strategic value of significant regional or national importance of unlocking strategic passenger or freight movement through the region or there is evidenced strategic value associated with achieving the Devolution Deal ambitions of GVA or housing growth, by unlocking the growth in addition to committed local growth and where this evidence increases the BCR to 1.5 to 2.

- **Ensure an appropriate separation between project development and project appraisal, with Independent Value for Money (VfM) Assessment and Business Case Assurance, for all Growth Deal funded schemes and Single Pot Transport projects with a project value greater than £5m by our contracted business case assurance contractor. Transport schemes below £5m will be assessed and signed off independently of the scheme promoter by the Chief Finance Officer with support from an experienced transport modeller, where schemes are below £5m at Full Business Case (FBC) are of significant complexity or importance and not expected to achieve high VfM based on initial multi-criteria analysis an independent assessment may be requested by the Chief Finance Officer from our contracted independent assessment supplier prior to sign off as previously stated**
- Appraise projects in a way which is consistent with the Green Book 'five cases' model and proportionate to the funding ask in terms of processes required.
- Ensure that the money spent results in delivery of outputs and outcomes in a timely fashion, and in accordance with the conditions placed on each investment, and by actively managing the investment to respond to changing circumstances (for example, scheme slippage, scheme alteration, cost increases etc).
- Implement effective evaluation to demonstrate where programmes and projects have achieved their stated aims and using feedback appropriately to refine the priorities and the decision-making process.
- Ensure that the use of resources is subject to the usual local authority checks and balances as well as normal local government audit accounting and scrutiny requirements.

## **5.2 Separation of Development and Appraisal Functions**

- 5.2.1 The Combined Authority ensure all funding decisions are based on impartial advice. Project Initiation Documents and Business Cases created by project managers require approval from Combined Authority Board and Directors before commencing to project delivery.

## **5.3 Expressions of Interest/Open Calls**

- 5.3.1 In relation to the Local Growth Fund, expressions of interest are received for potential funding under the Growth Prospectus, which is published on the Combined Authority website. The first call has now closed and the potential projects are going through the Business Board and Combined Authority Board cycle. A new call for funding will be issued in 2019/20, following the publication of the Local Industrial Strategy. The **initial** appraisals **from** these funding calls will

be appraised by an internal panel, that evaluates expressions of interest, with inputs from the appropriate policy lead, legal, procurement and financial officers. When **full** applications are received, external appraisers will carry out detailed appraisals.

## 5.4 Project Initiation Documents

- 5.4.1 Project Initiation Documents are required for all new programmes and projects and are used to identify the expected expenditure, outputs and outcomes of project delivery.
- 5.4.2 Once approved during the weekly Director meetings, the Project Manager is required to develop the Project Initiation Document into the business case.

## 5.5 Business Cases

- 5.5.1 All programmes and projects with approved allocations within the Business Plan and that have been approved through the Project Initiation Document process are required to complete a detailed Business Case.
- 5.4.3 Business case templates are a continuation of the Project Initiation Documents, but require more detail evidenced on the delivery and outcomes of the project, along with value for money information, project risks and governance arrangements.
- 5.4.4 Business cases would normally use the Combined Authority's template; however, some categories of projects may have specific business case templates (**such as Transport schemes using Transport Analysis Guidance (TAG): <https://www.gov.uk/guidance/transport-analysis-guidance-webtag>**). These should still comply with the Combined Authority requirements.
- 5.4.5 The Combined Authority has adopted HM Treasury's Five Case Model, and business cases need to be prepared according to the following elements:

Five Cases	Detail
Strategic Case	The strategic case sets out the rationale for the proposal; it makes the case for change at a strategic level. It should set out the background to the proposal and explain the objective that is to be achieved.
Economic Case	The economic case is the essential core of the business case and should be prepared according to Treasury's Green Book guidance. This section of the business case assesses the economic costs and benefits of the proposal to society as a whole, and spans the entire period covered by the proposal.
Commercial Case	The commercial case is concerned with issues of commercial feasibility and sets out to answer the question "can the proposed solution be effectively delivered through a workable commercial deal or deals?" The first question, therefore, is what procurement does the proposal require, is it crucial to delivery and what is the procurement strategy?
Financial Case	The financial case is concerned with issues of affordability, and sources of budget funding. It covers the lifespan of the scheme and all attributable costs. The case needs to demonstrate that funding has been secured and that it falls within appropriate spending and settlement limits.

Management Case	The management case is concerned with the deliverability of the proposal and is sometimes referred to as programme management or project management case. The management case must clearly set out management responsibilities, governance and reporting arrangements, if it does not then the business case is not yet complete. The Senior Responsible Owner should be identified.
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- 5.4.6 Reputational due diligence assessment will also be carried out to enable the combine authority to gain a comprehensive assessment of possible reputational risk attached to business partner.
- 5.4.7 External business cases are submitted to the Combined Authority, who review the funding source and provide an initial check as to which element of funding within the single pot would be most appropriate. The purpose of this is to ensure that the funding requirements of the component elements of the Single Pot are being met, and to enable the effects and outcomes of the component elements of funding within the Single Pot to be tracked.
- 5.4.8 Appraisals will be proportionate to either the estimated scale of budget and/or the level of innovation/risk associated with the programme and in line with established guidance, where appropriate, as set out by HM Government, including:
- HM Treasury Green Book.
  - MHCLG Appraisal Guide.
  - HM Treasury Magenta Book.
- 5.4.9 Where a conflict of interest exists, full independent due diligence will be sought. Additionally, the Combined Authority will appoint an independent organisation, through appropriate procurement, to undertake external due diligence when required. The independent organisation works directly with the project applicant to undertake due diligence which then follows the decision-making process.
- 5.4.10 In cases where the investment is to match central government funding, and that government department has undertaken due diligence, the Combined Authority would not need to undertake its own due diligence.
- 5.4.11 The Combined Authority will include reputational checks on organisations (and their group structure including parent organisations), when considering making loans and grants.
- 5.4.12 The 10-point guide on Project Management (**Appendix 4**) provides detail on this decision-making process.

## 5.6 Relationship with Project Managers – Development to Decision

- 5.6.1 Throughout the development of Project Initiation Documents and Business Cases through the appraisal process, the Combined Authority will keep in regular contact with external project managers.
- 5.6.2 An internally named project manager will be assigned to each programme/project where the Combined Authority are not the delivery body. The internal project manager will establish close working relationships with external contacts.

## 5.7 Ensuring Value for Money

- 5.7.1 As an investor of public funds, the Combined Authority has a responsibility to ensure that its decisions deliver best value for the tax payer, and therefore all investment opportunities and business cases must include an assessment of their Value for Money. The Assurance Framework has been developed in line with HM Treasury Green and Magenta Book Guidelines, which require project managers to build in Value for Money processes throughout the approval stages. In addition, the Combined Authority requires all business cases be developed in line with HM Treasury's Five Case Model.
- 5.7.2 The delivery, and costs, of outputs must be quantified within all applications for funding. Where there are clear guidelines set out by Government for assessing Value for Money these will be taken into account; for example, for all Transport and Infrastructure schemes, the use of the benefit cost ratio (BRC) indicator is implemented in line with DfT guidance.
- 5.7.3 The Director responsible for project delivery should document they are satisfied with Value for Money requirements.
- 5.7.4 The key objective of the Assurance Framework is to support the Combined Authority to make judgements about the value for money of potential investments and to accept or reject investments accordingly. However, it is just one of a range of complementary strategic guidance documents developed by the Combined Authority to inform decision making. The following table sets out the relevant assessments for all complementary strategic guidance:

Document Name	Function	Date Published
CPIER and the Mayor's growth ambition statement 2016-2026. The Industrial Strategy for Cambridgeshire and Peterborough	<ul style="list-style-type: none"><li>• Key strategy document for the region.</li><li>• Sets high level targets (jobs and GVA) for the Combined Authority and develops the rationale for intervention across the region (six themes and seven priority sectors)</li></ul>	November 2018
Local Industrial Strategy	<ul style="list-style-type: none"><li>• With a particular focus on productivity the Local Industrial Strategy articulates how the region and its priority industries will contribute to the successful delivery of the UK Industrial Strategy and the key interventions necessary to enable productivity growth in Cambridgeshire and Peterborough.</li></ul>	May 2019 (pending)
Business Plan	<ul style="list-style-type: none"><li>• Sets output targets both in terms of spend</li></ul>	January 2019
Monitoring and Evaluation Plan	<ul style="list-style-type: none"><li>• Provides for each theme a capital and revenue logic model including key market failures to be addressed, and a range of indicative activities, outputs, outcomes and impacts, tied back to the achievement of the key performance indicators specified in the SEP.</li></ul>	March 2019 (updated annually)

## 5.8 Value for Money for Transport Schemes

- 5.8.1 For transport infrastructure schemes, the Cambridgeshire & Peterborough Combined Authority will ensure that modelling and appraisal is sufficiently robust

and fit for purpose for the scheme under consideration, and that modelling, and appraisal meets the guidance set out in TAG.

5.8.2 Furthermore, the Cambridgeshire & Peterborough Combined Authority will ensure value for money and transparency of transport scheme through the following:

- Transport Projects Business case assessments [Strategic Outline Business Cases (SOBC), Outline Business Cases (OBC) and Full Business Cases (FBC)] will be based on forecasts which are consistent with the definitive version of NTEM (DfT's planning dataset). We will also consider alternative planning assumptions, **in line with our devolution ambition in addition to committed local plan developments**, as sensitivity tests in coming to a decision about whether to approve a scheme.
- The appraisal and modelling will **initially** be scrutinised by our external Highways Authority delivery partner planning lead to ensure it has been developed in accordance with the TAG. Independent Value for Money (VfM) Assessment and Business Case Assurance, for all Growth Deal funded schemes and Single Pot Transport projects with a project value greater than £5m will be carried out by our contracted business case assurance contractor. **Single Pot funded transport projects with a value below £5m will be considered on a case by case basis and in cases of strategic impact or project complexity, an independent value for money statement will be undertaken on a proportionate and appropriate basis.**
- **The Combined Authority will make proportionate and appropriate assessments of all business cases to ensure that any scheme below High VfM (BCR below 2, and accounting for significant non-monetised and key uncertainties), has evidenced strategic value, either to the benefit of achieving advancement of the devolution ambition, economically or housing, or national or wider regional importance for unlocking strategic passenger or freight movement through the combined authority region.**
- **The Combined Authority's Chief Finance Officer will assess and either approve or reject all Value for Money statements undertaken whether in the form of a business case or an independent assessment. Decisions will be taken appropriate to scheme phase and greater scrutiny and emphasis on High VfM will be undertaken as schemes progress through the SOBC, OBC and FBC process, with greater scrutiny of FBC VfM.**
- Business case publication is notified up to 3 months in advance within the Forward Plan, published on the Combined Authority website and then published as part of submission for decision approval at the Business Board and subsequent Combined Authority Board, before a decision to approve funding is made so that external comment is possible. Opinions expressed by the public and stakeholders are made available to relevant members or boards of either Business or Combined Authority Boards when decisions are being taken. The Forward Plan is formally approved at each monthly meeting of the Combined Authority Board and Business Board.



## **5.9 Project Approval – Funding Agreement**

- 5.9.1 For projects being delivered by an external organisation, funding agreements or formal legal contracts will need to be put in place before delivery commences. These are important in setting out project monitoring and evaluation requirements, claims/invoice profile and key conditions of the funding. Agreements/contracts also set out the clawback arrangements in the event of underperformance. Any variations to these funding agreements/contracts must be signed off and approved by the Combined Authority.
- 5.9.2 All Growth Fund schemes will have a funding agreement that sets out the outputs that are required and the schedule of payments that are to be paid. These are examined at each point in the claim.
- 5.9.3 Following approval of a Business Case it may be necessary to complete a range of statutory processes to ensure the project is ready to start. For example, planning permission or a Compulsory Purchase Orders. It may also be necessary to satisfy a number of conditions agreed as part of the Business Case. Due diligence of such processes/conditions will then be carried out as required prior to the Combined Authority issuing a formal legal contract.

## 6. DELIVERY PHASE

### 6.1 Release of Funding, Cost Control and Contract Management

- 6.1.1 Once a formal funding agreement/contract is in place the programme/project enters the delivery phase.
- 6.1.2 The Combined Authority's Section 73 Officer must certify that funding can be released under the appropriate conditions.
- 6.1.3 Funding claims submitted to the Combined Authority are checked against the approved project baseline information, which is included within the original funding agreement/contract. Payments will be released quarterly in arrears unless otherwise agreed.
- 6.1.4 A mechanism for 'claw-back' provision is to be included within the funding agreements/contract to ensure funding is only to be spent on the specified scheme and linked to delivery of outputs and outcomes. Payment milestones are agreed between the project manager and the Combined Authority based upon the complexity, cost and timescales of the scheme. This forms part of the programme management role of the Combined Authority.

### 6.2 Performance Reporting

- 6.2.1 Projects funded by the Combined Authority (regardless of size) will incorporate the Monitoring and Evaluation Framework and will have a basic monitoring plan in place as part of the business case. Further information on this can be found in the 10-point guide on Project Management. (**Appendix 4**)
- 6.2.2 A monthly highlight report cycle has been created and embedded across the organisation. Projects which fall under the Business Board and Combined Authority Board are required to have monthly reports completed, updating on budget spend and performance against key milestones and outputs/outcomes.
- 6.2.3 Highlight reports also contain risk registers for each project, where project managers track and monitor key risks (and assign a named individual of appropriate seniority against each).
- 6.2.4 Using information from these monthly highlight reports, a monthly dashboard report is created, pulling together the key information from all projects across the Combined Authority Directorates. This is scrutinised on a monthly basis by the Directors and the PMO team.
- 6.2.5 Once a quarter, an exception report is created and includes information on the amber and red rated projects. This report is shared with Combined Authority Board Members, along with a Quarterly Performance Update on how the Combined Authority is performing against the following key metrics and targets:
  - Doubling GVA over the next 25 years
  - 72,000 homes to be built by 2032
  - 2,500 affordable homes to be built
  - Jobs growth
  - Apprenticeships

- Good job within 30 minute commute of home
  - RAG status of key projects
- 6.2.6 Growth fund and investment update reports are also submitted to every meeting of the Business Board and will be published on the Business Board section of the website.
- 6.2.7 Aligning with the quarterly updates to Combined Authority Board, 'Critical Friend' clinic sessions are arranged by the PMO team, where project managers and Directors are invited along to review the status and performance of projects.
- 6.2.8 All funding agreements/contracts with external bodies will include reporting guidelines as specified in the Monitoring and Evaluation Framework.

## 6.3 Risk Management

- 6.3.1 The Combined Authority has developed a risk management approach to corporate and project in our strategy, with risk identification, mitigation, escalation and reporting templates guidance.
- 6.3.2 It is important that the level of risk taken on any project and programme is understood from an early stage alongside the associated cost implications. Project managers are required to include risk as part of funding requests
- 6.3.3 The corporate risk register which incorporates the risks will be reviewed monthly by the Combined Authority Director team and will be considered by the Audit and Governance Committee quarterly. We corporate risk register and a project register, and a risk strategy
- 6.3.4 Senior Officers of the Combined Authority (Chief Executive and S73 Officer) are responsible for the identification and management of risk. The Combined Authority has an Assurance Manager, to support this activity.
- 6.3.5 At the project level, all projects are expected to outline, in detail, any identified risks during the business case development and due diligence processes. Once in delivery, ongoing risk registers are maintained and incorporated into the monthly highlight reports.

## 6.4 Change requests

- 6.4.1 All project change requests must be clearly documented, with evidence of approvals and notifications saved where applicable and recorded within the performance highlight reports.
- 6.4.2 Project change request forms should be used when approval is higher than that of a Director and for changes which include the following:
- Changes to timescales (ie delay to completion date)
  - Amendments to budget
  - Variations to outputs delivered
  - Withdrawal of project
  - Agreed mitigation/action arising from RAG
- 6.4.3 Directors are responsible for agreeing change requests within delegation and promoting change requests outside their delegation. Where there is a project board on which the Director sits, the Project Board also agree change requests

within delegations.

- 6.4.4 Clawback and recovery processes for projects need are addressed in the funding agreement/contract. Agreements are being reviewed to make it clearer what the recovery action will be.
- 6.4.5 The Business Board's role in recovering funding where there has been non-compliance, misrepresentation or underperformance is being developed.

## 7. Measuring Success – Realising the Benefits

### 7.1 The Importance of Monitoring and Evaluation

- 7.1.1 The Combined Authority and the Business Board (LEP) is committed to implementing effective monitoring and evaluation so that it is able to:
- **Provide local accountability to the public** by demonstrating the impact of locally devolved funding and the associated benefits being achieved.
  - **Comply with external scrutiny requirements** ie to satisfy conditions of the Devolution Deal. Specifically, the Monitoring and Evaluation Framework will be used to demonstrate local progress and delivery to senior government officials and Ministers who are ultimately accountable to parliament for devolved funds.
  - **Understand the effectiveness of policies or investments** and to justify reinvestment or modify or seek alternative policy. The Monitoring and Evaluation Framework provides a feedback loop for the Authority and relevant stakeholders.
  - **Develop an evidence base for input into future business cases** and for developing future funding submissions. The Monitoring and Evaluation Framework will collect, collate and analyse data which can be utilised for future work.
- 7.1.2 The Combined Authority Monitoring and Evaluation Framework was initially prepared in relation to the Combined Authority's devolution deal monitoring and evaluation requirements. However, the approach set out in the Framework will be utilised for all sources of funding within the Cambridgeshire and Peterborough Business Plan, accepting that some government departments will have slightly different requirements which will be met. The Framework builds on the National Evaluation Framework for devolution funds, prepared by SQW and agreed with devolution areas and government.
- 7.1.3 The Business Board will be asked to co-adopt this Monitoring and Evaluation framework, as the Governments published guidance requires the Business Board to reference their monitoring and evaluation arrangements as well.
- 7.1.4 The overall responsibility for monitoring and evaluation (the Monitoring and Evaluation framework) and execution of the activity associated with it is held at director level at the Combined Authority, within the post of Strategy & Assurance Director. The Combined Authority has agreed a contract with Cambridgeshire County Council (part of the wider Cambridgeshire Insight partnership) to provide an appropriate level of officer support on Monitoring and Evaluation, including local knowledge, expertise and supporting capacity.
- 7.1.5 The Combined Authority's approach uses the Magenta Book definition of monitoring and evaluation and makes use of the wider guidance within this document as complementary guidance to the HM Treasury Green Book.
- 7.1.6 The Combined Authority major projects will have logic models.
- 7.1.7 Lessons learnt from evaluations will be reported to the Business Board and Combined Authority Board as appropriate.

## 7.2 Programme and Project Monitoring

- 7.2.1 Funding agreement/contracts set out the programme or project spend and output profile together with the monitoring arrangements (financial, benefits and risk).
- 7.2.2 Monthly highlight reports are completed by project managers on all live projects and provide updates on the performance of projects. These reports are reviewed by directors at their monthly Director meetings and quarterly, during the 'Critical Friend' clinic sessions.
- 7.2.3 Any changes or variances to the spend profiles or key milestones will need to be reported by the Project Manager and approved by the Combined Authority. On approval a variation letter to the Funding Agreement/contract will be issued.

## 7.3 Project Evaluation

- 7.3.1 The business case clearly defines those outputs which may be captured through routine monitoring.
- 7.3.2 The Monitoring and Evaluation framework sets out when and how programmes and projects are reported.
- 7.3.3 Evaluation forms are a requirement of the project closure process, and project managers are responsible for identifying **at the inception stage** what their project **is to deliver**. Detailed evaluation requirements are also a requirement of the project closure form.
- 7.3.4 **Evaluation plans will be proportionate and in line with the latest government department guidance where relevant. All transport schemes irrespective of value will follow Monitoring and Evaluation Guidance, with an appropriate approach to monitoring and evaluation agreed, at scheme inception as part of the project initiation document, based on complexity and value.**
- 7.3.5 The Combined Authority will identify the projects that will be subject to a more detailed evaluation. The level of evaluation will depend on the following:
  - Project funded through *growth funding* (in the Combined Authority's case the core agreement with central government to devolve £20m per year over 30 years). Therefore, subject to the agreed national evaluation framework, independent evaluation led by SQW Ltd.
  - Projects funded through other streams and identified as being '*major*' in terms of the relative size of the funding and/or the expected benefits to be achieved. Therefore, subject to full independent evaluation commissioned by the Combined Authority (an example would be evaluating the effectiveness of projects commissioned under the £100m affordable housing fund).
  - Project identified locally as one where *significant learning* could be available that would help to inform future policy making either locally or nationally. This will include projects that are innovative or considered 'pilots'. Evaluation work in this case would be either be commissioned independently or carried out locally by the Research Team for Cambridgeshire County Council.
- 7.3.6 Other projects not included above subject to proportionate '*self-evaluation*' based on submitted business cases.

## **7.4 Adult Education Budget Monitoring and Evaluation**

- 7.4.1 The Adult Education Budget reporting will be included within the Combined Authority monitoring and evaluation submissions as required under the devolution agreement. The Combined Authority has already submitted our policies for adult education as part of the readiness conditions and they were published as part of the commissioning process. They will continue to be updated and will be published more broadly during the academic year 2019/20.
- 7.4.2 The Combined Authority's Monitoring and Evaluation Framework (detailed above) will be used for the Adult Education Budget activity including the use of logic models. The first formal annual evaluation will be undertaken after year 1 academic year 2019/20 delivery and completed by December 2020. It will meet the national requirements as set out in the National Assurance Framework, together with locally determined requirements so that it can be used to inform and shape the criteria for future funding awards.
- 7.4.3 The Combined Authority has agreed with the Education & Skills Funding Agency a formalised approach for Audit, Assurance, Fraud and Investigations for 2019/20. This agreement provides support for both parties in ensuring AEB service provision post devolution.

## 8. Appendix 1 - Cambridgeshire and Peterborough Combined Authority and Business Board Joint Statement

### **Advisory and challenge function:**

The Business Board is a non-statutory body which is the Local Enterprise Partnership for this area. It is independent of the Cambridgeshire & Peterborough Combined Authority (CPCA) operating as a private-public sector partnership, focusing on the key business sectors to provide strategic leadership and drive growth in the Cambridgeshire and Peterborough and wider Local Enterprise area.

The Business Board comprises a blend of industry leading experts from the private sector, alongside representatives from the public sector and education communities. It is chaired by a private sector representative and brings together some of the brightest entrepreneurial minds in our area.

The Chair is a voting member of the Cambridgeshire and Peterborough Combined Authority Board ensuring that the business view is at the centre of regional decision making.

The role of the Business Board as stated within its terms of reference is:

### **Strategy:**

- (a) In collaboration with the Cambridgeshire and Peterborough Combined Authority, develop and deliver an evidence-based Local Industrial Strategy that identifies local strengths and challenges, future opportunities and the action needed to boost productivity, earning power and competitiveness across their area.
- (b) Set strategy and commission interventions to drive growth, jobs and private sector investment to deliver the strategy.

### **Allocation of funds**

- (c) Identify and develop investment opportunities; prioritising the award of local growth funding; and monitoring and evaluating the impacts of its activities to improve productivity across the local economy.
- (d) ensure that bids for public funding made available by government for LEPs support economic growth.
- (e) ensure any decisions which are made in contravention of the process will be invalid.



## Co-ordination

- (f) Use its Business convening power, for example to co-ordinate responses to economic shocks; and bringing together partners from the private, public and third sectors.
- (g) ensure Business Board and Combined Authority policy and decisions receive the input and views of key business leaders and take account of the views of the wider business community
- (h) engage with local businesses to understand the needs of different sectors and markets

## Advocacy

- (i) Collaborate with a wide-range of local partners to act as an informed and independent voice for business across their area.
- (j) engage business, opinion formers and policy makers at a national and international level in promoting economic growth in the region.

### **(Business Board constitution)**

By bringing together the Business Board and the Combined Authority we combine the best of private sector expertise and public sector knowledge, transparency and accountability.

### **Alignment of decision-making across a clear geography:**

The Mayoral Cambridgeshire and Peterborough Combined Authority was formally established on 2 March 2017 (with Mayoral election held in May 2017) to further the sustainable and inclusive growth of the economy of Cambridgeshire and Peterborough. Its geographical boundary covers seven constituent local authorities in the Cambridgeshire and Peterborough area.

The Business Board was established on 1<sup>st</sup> April 2018, taking over from the former Greater Cambridge Greater Peterborough Local Enterprise Partnership, to drive forward economic growth across its local area. The Business Board is now responsible for all former Local Enterprise Partnership projects and programmes. The Business Board currently covers 15 local authorities;

As part of a full regional governance review, the Department for Business Enterprise and Industry are considering proposals to align the Business Board boundaries with the Cambridgeshire and Peterborough Combined Authority to ensure close working and delivery of economic growth projects across Cambridgeshire and Peterborough.

The integrated officer structure ensures that the relationship between the Combined Authority and Business Board is strong and effective. All governance policies and procedures are aligned ensuring transparency and open and accountable decision making.

**Accountability:**

The accountable body for all Local Enterprise Partnership funding is the Cambridgeshire and Peterborough Combined Authority. It provides the accountable body role for the both Business Board, the multi LEP Agri-Tech programme and the Greater South East Local Energy Hub and employs the officers that support them. The Combined Authority will ensure the effective use of public money and have responsibility for the proper administration of funding received and its expenditure, and must also review and approve the financial framework.

The Combined Authority Board approves funding decisions upon the recommendation of the Business Board except where delegations have been approved. The S73 Officer signs off all funding decisions.

**Efficiency and corporate identity:**

The Combined Authority and Business Board operate under a single officer team. In order to ensure the independence of each Board, the senior management team has separate duties assigned to officers within that team. The senior management team is headed up by the joint Chief Executives.

The Combined Authority Board and Business Board are supported by a Chief Officer who is the Director for Business & Skills, and further supported by key statutory officers within the single team and through a dedicated S151 Officer and Monitoring Officer to provide an independent secretariat to each Board.

In addition to the above, the Boards also benefit from specialist support within the wider structure. This includes experienced Directors, Programmes Managers, Assurance Manager and others to ensure that the organisation is run in a proactive, impact driven and fully compliant manner.

The Combined Authority and the Business Board have their own branding and identity recognising that some work of the Business Board is separate from and extends beyond the Combined Authority.

**Overview and Scrutiny:**

The role of the Cambridgeshire and Peterborough Combined Authority's Overview and Scrutiny Committee is primarily to scrutinise the work and decisions made by the Cambridgeshire and Peterborough Combined Authority. In so far as the business of the Business Board, the Overview and Scrutiny Committee may review or scrutinise any Combined Authority decision in its role as accountable body for the Business Board. The Combined Authority's Scrutiny Officer shall ensure this includes appropriate scrutiny of the Business Board decision making and achievements. Any Business Board member may be asked to attend, or otherwise contribute to a meeting of the Combined Authority's Overview and Scrutiny Committee.

The Cambridgeshire and Peterborough Combined Authority's Audit and Governance Committee shall also oversee the audit and governance arrangements of the Business Board.

## 9. Appendix 2 – Summary of Scheme of Delegation for Business Board funding

The schemes of delegations are set out in the Business Board and Combined Authority Constitutions and summarised below

Function	Approved by	Recommendation by	Supported by
<b>Strategy</b>			
CPIER and the Mayor's growth ambition statement and associated thematic strategies	Combined Authority Board		Chief Executive, Monitoring Officer and S73 Officer
Business Plan and the Medium-Term Financial Plan	Combined Authority Board	Overseen by Audit and Governance Committee	Chief Executive, Monitoring Officer and S73 Officer
Business Board to lead on development and deliver an evidence-based Local Industrial Strategy	Combined Authority Board	Business Board	Chief Executive, Director of Business and Skills, Monitoring Officer and S73 Officer
Digital Sector Strategy	Combined Authority Board	Business Board	Chief Executive, Directors, Monitoring Officer and S73 Officer
OxCam Arc	Combined Authority Board	Business Board	Director of Business and Skills Monitoring Officer and S73 Officer
Influencing the development of the other Combined Authority's strategies and policies	Combined Authority Board	Business Board	Chief Executive, Monitoring Officer and S73 Officer
<b>Allocation of LEP funding</b>			
Budget approval	Combined Authority Board		Chief Executive, Monitoring Officer and S73 Officer
Sign off all funding decisions relating to funding allocated to the Business Board and sub-committee expenditure	S73 Officer		
Business Board funded project approvals	Combined Authority Board as accountable	Business Board review the Business Case	S73 Officer signs off all Business Board expenditure

Function	Approved by	Recommendation by	Supported by
	body	for Business Board funded projects and make recommendations to the Combined Authority Board	
Allocation of Small Grants between £2,000 and £20,000	Director of Business & Skill		Delegation subject to Section 73 Officer approval and report all approvals to the next schedule meeting of the Business Board. Decision recorded through the Officer Decision Notice process
Wisbech Access Strategy at key gateway stages to deliver the agreed Wisbech Access Strategy Package works	Head of Transport in consultation with the Chair of the Transport Committee  Section 73 Officer		Decision recorded through the Officer Decision Notice process
Eastern Agri-Tech Programme (Multi-LEP Programme) to make decisions about applications for grant funding on behalf of both the CA/BB and NALP (New Anglia Local Enterprise Partnership).	Eastern Agri-Tech Programme Board		Agri-Tech Project Officer, Director of Business and Skills, Monitoring Officer and S73 Officer
Energy Hub funding (Multi-LEP Programme) (a) to assume the Rural Community Energy Fund management role  (b) oversight of the Rural Community Energy Fund (RCEF) Funding Panel	Greater South East Energy Hub		Regional Energy Hub Manager, Director of Business and Skills, Monitoring Officer and S73 Officer
Makes decisions on Energy Hub grant	Community Energy Fund		Regional Energy Hub Manager, Director of

Function	Approved by	Recommendation by	Supported by
applications.	(RCEF) Funding Panel		Business and Skills, Monitoring Officer and S73 Officer
Strategic oversight and governance of the Enterprise Zones	Business Board		Director of Business and Skills, Monitoring Officer and S73 Officer
Programme delivery of Enterprise Zone projects	Enterprise Zone Alconbury Weald Programme Board and Cambridge Compass Enterprise Zone Project Boards  S73 Officer  Chief Executive	Director of Business and Skills	Individual Enterprise Zone Project Boards for each site, set-up at officer level and responsible for delivering the programmes and projects associated with the regeneration and development of each Enterprise Zone site.
<b>Governance</b>			
Accountable Body Business Board and the Greater South East Local Energy Hub	Combined Authority Board  S73 Officer	Director of Business and Skills	
Assurance Framework	Joint approval by Combined Authority Board and Business Board	Monitoring Officer and S73 Officer	Director of Business and Skills responsible for the delivery of Business Board functions within the assurance framework
Submission of Growth Deal monitoring report to Government	Combined Authority Board	Business Board	Director of Business and Skills S73 Officer
Annual Delivery Plan	Business Board		Director of Business and Skills responsible for the delivery of annual delivery plan within agreed budgets
Business Board Constitution and delegations to other bodies or Officers	Combined Authority Board	Business Board	Director of Business and Skills. Monitoring Officer and S73 Officer
Membership of the Business Board – Private Sector members	Board's appointments panel		Director of Business and Skills
Diversity Statement	Business Board		Director of

Function	Approved by	Recommendation by	Supported by
			Business and Skills
Contract Standing orders and financial regulations	Combined Authority Board		Monitoring Officer and S73 Officer
Urgent Decisions	Business Board urgency procedure and reported to next Meeting of Business Board		Director of Business and Skills Monitoring Officer and S73 Officer
Risk Management for Business Board Projects	Business Board		Director of Business and Skills Senior Information Risk Officer (SIRO) - The Monitoring Officer is the SIRO for Information Governance
Final accounts	S73 Officer and Audit and Governance Committee		
Annual Governance Statement	Mayor, the Business Board Chair and the Chief Executive	Audit and Governance Committee	
Growth Company	Combined Authority Board	Business Board	Director of Business and Skills. Monitoring Officer and S73 Officer

## 10. Appendix 3 – Governance Framework and Publication Checklist

	Chapter	Link to scheme	Documents that must be published under National Framework
<b>1</b>	<b>Assurance framework</b>		
		<a href="#">National Assurance Framework</a>	✓
		<a href="#">Cambridgeshire and Peterborough Assurance Framework</a>	✓
<b>2</b>	<b>Strategic Documents</b>		
		<a href="#">Cambridgeshire and Peterborough Devolution Deal</a>	✓
		<a href="#">Cambridgeshire and Peterborough Independent Economic Review</a>	✓
		<a href="#">Local Industrial Strategy</a>	✓
2.1		<a href="#">Mayor's growth ambition statement</a>	✓
2.2		<a href="#">Cambridgeshire and Peterborough Business Plan 2019-2020</a>	✓
2.3		<a href="#">Combined Authority Medium-Term Financial Plan 2019-2023</a>	✓
<b>3</b>	<b>Accountability and Transparent Decision making</b>		
3.2	Combined Authority	<a href="#">Constitution of the Mayoral Combined Authority</a>	✓
		<a href="#">Combined Authority Members</a>	✓
3.3	Business Board	<a href="#">Constitution of the Business Board</a>	✓
		<a href="#">Business Board Members</a>	✓
		Cambridgeshire and Peterborough Combined Authority and Business Board Joint Statement ( <b>See Appendix 1</b> )	✓
		<a href="#">Eastern Agri-Tech Growth Initiative &amp; Agri-Tech Programme Board</a>	✓
		<a href="#">Eastern Agri-Tech Growth Initiative Guidance Notes and</a>	✓

		<a href="#">Pre-Qualification Questionnaire</a>	
		<a href="#">Enterprise Zones</a> <a href="#">Alconbury Weald</a> and <a href="#">Cambridge Compass Enterprise Zones</a>	✓
		<a href="#">Greater South East Energy Hub &amp; Energy Hub Board</a>	✓
		RCEF guidance notes and Expression of Interest form (to be published)	✓
3.4			
		<a href="#">Officer Decision Notices</a>	
3.6	Statutory Committees		
	Overview & Scrutiny Committee	<a href="#">Terms of reference (Constitution)</a>	
	Audit & Governance Committee	<a href="#">Terms of reference (Constitution)</a>	
		Audit Reports 2019 - <a href="#">Business Board</a> - <a href="#">Internal Audit annual internal</a> Audit letter	✓
3.7	Data Protection	<a href="#">Data Protection Policy</a>	✓
<b>4</b>	<b>Accountability and Transparency – Supporting Policies and Procedures</b>		
		<a href="#">Combined Authority Agendas and minutes</a>	✓
		<a href="#">Business Board Agendas and minutes</a>	✓
		<a href="#">Annual report and delivery plan</a>	✓
4.2	Financial information	<a href="#">Annual accounts, external audit letter and annual governance statement 2017/18</a>	✓
		<a href="#">Quarterly return to BEIS on Growth Fund projects, spend and performance</a>	✓
		<a href="#">Funding programme with description of the scheme, promoter and funding award</a>	✓
4.3	Remuneration and Expenses	<a href="#">Interim Business Board Expenses Scheme</a>	✓
		<a href="#">Allowances and Expenses paid 2018/19</a>	✓
		Salaries of senior officers earning more than £50,000 (published annually); together with the numbers of staff who earn over £50,000, in bands	
4.4	Freedom of Information	<a href="#">CACP Freedom of Information Policy, publication scheme and published FOI requests and responses</a>	✓
4.5	Conflicts of Interest	<a href="#">Code of Conduct for Business Board Members</a>	✓
		<a href="#">Code of Conduct for staff</a>	✓



		Declarations of Interest forms	✓
		<a href="#">Register of interest for Chief Executives</a>	✓
4.6	Gifts and Hospitality	The <a href="#">register of gifts and hospitality</a> declared by Business Board	✓
4.7	Complaints and Whistleblowing	<a href="#">CACP Complaints Policy</a>	✓
		<a href="#">CACP Whistleblowing Policy</a>	✓
		<a href="#">CA Business Board Complaints Policy</a>	✓
		<a href="#">CA Business Board Whistleblowing Policy</a>	✓
		<a href="#">CA Business Board Confidential reporting of complaints</a>	✓
		<a href="#">Making a complaint</a>	✓
		<a href="#">Fraud and Corruption Policy</a>	
4.8	Diversity Statement	<a href="#">CA Business Board Diversity Statement</a>	✓
4.9	Government Branding	Guidance for signage, social media, press notices and other marketing materials for every Government funded project (to be published)	
<b>5</b>	<b>Robust Decision making</b>		
5.3	Expressions of Interest/Open Calls	Local Growth Fund, expressions of interest under the Growth Prospectus	✓
5.5	Business Cases	10-point guide on Project Management – See Appendix 3	✓
5.7	Ensuring Value for Money	<a href="#">Monitoring and Evaluation Framework</a>	
<b>6</b>	<b>Delivery Phase</b>		
		Growth fund and investment update reports	✓
		Risk Management	

## 11. Appendix 4 - 10 Point Guide to Project Management



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 2.1</b>
<b>27 NOVEMBER 2019</b>	<b>PUBLIC REPORT</b>

## **2020/21 DRAFT BUDGET AND MEDIUM-TERM FINANCIAL PLAN 2020 TO 2024**

### **1. PURPOSE**

- 1.1. According to the Constitution, functions reserved to the Combined Authority Board include the adoption of the non-mayoral Combined Authority budgets, the Medium-Term Financial Plan and the Capital Programme.
- 1.2. The process for the approval of the Mayoral budget is set out in 'The Combined Authorities (Finance) Order 2017'.
- 1.3. This paper sets out the proposed Combined Authority draft Budget for 2020/21 and the Medium-Term Financial Plan (MTFP) and Capital Programme for the period 2020/21 to 2023/24. The paper also sets out the proposed timetable for the consultation and approval of the draft budget and MTFP, and the suggested consultees.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Councillor Steve Count</b>
<b>Lead Officer:</b>	<b>Jon Alsop, Head of Finance (S73)</b>
<b>Forward Plan Ref: Not Applicable</b>	<b>Key Decision: No</b>
The Combined Authority Board is recommended to:  a) Approve the Draft Budget for 2020/21 and the Medium Term Financial Plan 2020/21 to 2023/24 for consultation purposes.  b) Approve the timetable for consultation and those to be consulted.	<b>Voting arrangements</b>  Simple majority of all Members

## 2. **BACKGROUND**

- 2.1. According to the Constitution, “The draft Budget shall be submitted to the Combined Authority Board for consideration and approval for consultation purposes only, before the end of December each year. The Combined Authority Board will also agree the timetable for consultation and those to be consulted. The consultation period shall not be less than four weeks, and the consultees shall include Constituent Authorities, the Local Enterprise Partnership and the Overview and Scrutiny Committee.”

### **Budget Development Timetable**

- 2.2. The proposed budget setting timetable for the draft budget and MTFP is as follows:

<b>Proposed Budget Setting Timetable Draft 2020/21 Budget and MTFP</b>	<b>Day</b>	<b>Date</b>
Leaders Strategy Meeting – 2020/21 Budget and MTFP Draft Paper	Wed	13/11/19
Overview and Scrutiny Committee Meeting (to receive the draft Budget and MTFP)	Mon	25/11/19
CPCA Board Meeting (to receive and approve the draft Budget and MTFP for consultation)	Wed	27/11/19
Budget Consultation Period Starts	Thu	28/11/19
Overview and Scrutiny Committee Meeting (Consultation)	Mon	16/12/19
Budget Consultation Ends	Tue	31/12/19
Overview and Scrutiny Committee Meeting	Mon	27/01/20
CPCA Board Meeting to Approve 2020/21 Budget and MTFP	Wed	29/01/20

- 2.3. This is in accordance with the key dates and statutory deadlines as set out in the Constitution (Budget framework) and the Finance Order:

<b>Date</b>	<b>Activity</b>
Tuesday 31 <sup>st</sup> December 2019	Deadline for Draft CA budget to the CA for consideration and approval for consultation (Budget Framework).
Not less than 4 weeks Duration	Consultation period (Budget Framework)
Friday 31 <sup>st</sup> January 2020	Deadline for the Mayor to notify the CA of the Mayor’s draft budget for 2020/21 (Finance Order)
Friday 31 <sup>st</sup> January 2020	Deadline for proposed CA budget to be submitted to the CA Board, including consultation responses and the Mayor’s budget (Budget Framework)
Within five working days of above	CA Board shall meet to consider the budget and may agree a report (Budget Framework)
At least five working days of report published if amendments to the Mayor’s Budget are proposed	CA Board shall meet to re-consider the budget (Budget Framework)
Thursday 6 <sup>th</sup> February 2020	Deadline for CA to report on the Mayor’s draft budget (Finance Order)

At least five days from receipt of report	Deadline for the Mayor to respond to the CA report (Finance Order)
5 Days after end of deadline period above	Deadline CA to veto or approve Mayor's draft budget (Finance Order)
Friday 28 <sup>th</sup> February 2020	Deadline for the issue of any precept to a billing authority in accordance with s40 of the Local Government Finance Act 1992

## 2.4. **Consultees**

The suggested list of those to be consulted on the draft budget and MTFP are as follows:

- Cambridge City Council
- Cambridgeshire County Council
- East Cambridgeshire District Council
- Fenland District Council
- Huntingdonshire District Council
- Peterborough City Council
- South Cambridgeshire District Council
- The Business Board
- CPCA Overview and Scrutiny Committee

The budget proposals will also be set out on the Combined Authority website with an invitation for feedback from residents and businesses.

## 2.5. **Budget Setting Objective**

The overarching objective is to set an affordable and balanced budget that supports delivery of the ambitions and priorities of the Mayor and the Combined Authority.

### 2.5.1. Other objectives and principles adopted in the development of the proposed draft budget and MTFP are as follows:

- The 2020/21 Budget preparation builds on the 2019/20 Budget and MTFP 'refresh' as approved by the Board in September 2019, incorporating any subsequent budget decisions taken up to the end of October 2019.
- Budget preparation has taken account of the level of reserves brought forward from previous financial years, and of expected annual funding streams from 2020/21 onwards to ensure that spending plans continue to be affordable.
- The 2020/21 Budget and MTFP provides a clear presentation of capital and revenue budgets on a Directorate basis, strengthening the link between spending plans and funding sources.
- The CA staffing structure and budgets will continue to be managed at a corporate level by the Chief Executive(s) as Head(s) of Paid Service.
- The Budget and MTFP identifies staffing costs and other contributions to 'overheads' associated with grant funded programmes.
- The Budget and MTFP provides a clear presentation of projects where budget lines have already been approved by the Board, and of those projects which are 'Subject to Approval'.

### 2.5.2. In accordance with the Constitution, all expenditure lines which are indicated 'subject to approval' will need to be approved by the Board before any expenditure can be incurred against them.

- 2.5.3. All Revenue and Capital expenditure lines included within the 2020/21 budget envelope and the MTFP, including both 'approved expenditure' and 'subject to approval' expenditure, are affordable and provide a balanced budget.
- 2.5.4. There is no proposal to precept constituent authorities under Section 40 of the Local Government Finance Act 1992 for the 2020/21 financial year.
- 2.5.5. The attached appendices provide the summary positions and detailed supporting schedules for both Revenue Expenditure (**Appendix 1**) and the Capital Programme (**Appendix 2**).
- 2.5.6. Items listed within the Revenue and Capital Leveraged Funded Schemes (**Appendix 3**) sit outside the budget and MTFP, as they would require external funding. Potential sources of external funding for these schemes will be identified and assessed as part of the development of Strategic and Outline Business Cases.

### 3. DRAFT BUDGET FOR 2020/21 AND MTFP FOR THE PERIOD 2020/21 TO 2023/24

- 3.1. This report presents draft Revenue and Capital Budgets, reflecting decisions taken by the Combined Authority Board up to the end of October 2019, in line with agreed accounting policies. Overall affordability remains the key factor in agreeing a balanced budget and this paper refreshes presentation to clearly align Directorate Budgets with funding sources. The paper also differentiates between budgets which can be committed without further Board approval ('approved' projects and non-discretionary operational costs) and those that are 'subject to approval' by the Board.

## 4. FUNDING

- 4.1. Funding summaries for planned and projected 'Revenue' expenditure and 'Capital' expenditure over the lifetime of the MTFP are shown in Tables 1 and 2 below. These show the expected fund balances available in each year of the MTFP and are made up of reserves brought forward and expected in year funding. These tables show the movement against these funds for both 'approved' and 'subject to approval' expenditure profiles. The positive overall balance for Revenue at the end of each year and at the end of the MTFP period (2023/24 - £9,856.5k), and for Capital (2023/24 - £58,572.3k), indicate that the budget is balanced and affordable.

**Table 1 CPCA Revenue Funding Summary**

Source of Funding	2020/21				2021/22				2022/23				2023/24			
	Available Funds	Approved Expenditure	Subject to Approval Expenditure	Balance at Year End	Available Funds	Approved Expenditure	Subject to Approval Expenditure	Balance at Year End	Available Funds	Approved Expenditure	Subject to Approval Expenditure	Balance at Year End	Available Funds	Approved Expenditure	Subject to Approval Expenditure	Balance at Year End
	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000
Revenue Single Pot	(18,220.7)	10,323.4	3,392.9	(4,504.4)	(12,504.4)	8,336.7	200.0	(3,967.7)	(11,707.7)	7,607.2	136.0	(3,964.5)	(11,704.5)	8,475.4	70.0	(3,159.1)
Earmarked Reserves	(3,342.1)	500.0	-	(2,842.1)	(2,842.1)	1,280.0	-	(1,562.1)	(1,822.1)	500.0	-	(1,322.1)	(1,582.1)	62.0	-	(1,520.1)
Enterprise Zone Receipts	(957.6)	408.2	-	(549.4)	(1,548.6)	408.2	-	(1,140.4)	(2,597.6)	530.6	-	(2,067.0)	(3,524.2)	530.6	-	(2,993.6)
Adult Education Budget (AEB)	(11,513.1)	11,513.1	-	-	(11,513.1)	11,513.1	-	-	(11,513.1)	11,513.1	-	-	(11,513.1)	11,513.1	-	-
Transport Levy	(12,616.4)	12,616.4	-	-	(12,868.7)	12,868.7	-	-	(13,126.2)	13,126.2	-	-	(13,388.8)	13,388.8	-	-
Other Funding	(6,056.3)	2,777.6	-	(3,278.7)	(4,229.7)	2,046.0	-	(2,183.7)	(2,929.7)	746.0	-	(2,183.7)	(2,929.7)	746.0	-	(2,183.7)
<b>Total</b>	<b>(52,706.2)</b>	<b>38,138.7</b>	<b>3,392.9</b>	<b>(11,174.6)</b>	<b>(45,506.6)</b>	<b>36,452.7</b>	<b>200.0</b>	<b>(8,853.9)</b>	<b>(43,696.4)</b>	<b>34,023.1</b>	<b>136.0</b>	<b>(9,537.3)</b>	<b>(44,642.4)</b>	<b>34,715.9</b>	<b>70.0</b>	<b>(9,856.5)</b>

4.2. 'Earmarked Reserves' lines are made up of the following:

- The £1m Contingency reserve
- The election reserve
- The Growth Fund Top-Slice reserve

4.3. The 'Other Funding' line is made up of the following sources of income:

- EU Exit Funding
- Energy Hub Grant
- Health and Care Sector Work Academy Grant
- Commercial Support Grant
- Careers and Enterprise Company Funding
- Rural Community Energy Funding (RCEF)
- Growth Hub (BEIS)
- LEP Core Funding (BEIS)

**Table 2 CPCA Capital Funding Summary**

Source of Funding	2020/21				2021/22				2022/23				2023/24			
	Available Funds in Year	Approved Expenditure	Subject to Approval Expenditure	Balance at Year End	Available Funds in Year	Approved Expenditure	Subject to Approval Expenditure	Balance at Year End	Available Funds in Year	Approved Expenditure	Subject to Approval Expenditure	Balance at Year End	Available Funds in Year	Approved Expenditure	Subject to Approval Expenditure	Balance at Year End
	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000
Capital Gainshare	(53,029.9)	18,172.9	11,886.6	(22,970.4)	(34,970.4)	9,837.0	25,618.5	485.1	(11,514.9)	-	4,753.5	(6,761.4)	(18,761.4)	-	5,720.9	(13,040.5)
Transforming Cities Fund	(24,476.6)	7,612.0	16,864.6	-	(30,000.0)	13,103.5	16,896.5	-	(21,000.0)	896.8	20,103.2	-	-	-	-	-
Cambridge City £70m	(35,254.1)	27,954.0	-	(7,300.1)	(7,300.1)	7,300.1	-	0.0	-	-	-	-	-	-	-	-
Housing Infrastructure £60m	(50,362.8)	3,941.1	8,711.8	(37,709.9)	(37,709.9)	3,429.2	15,806.8	(18,473.9)	(18,473.9)	-	6,759.6	(11,714.3)	(11,714.3)	-	11,714.3	-
Housing Loans £40m	(34,395.0)	5,605.0	-	(28,790.0)	(34,560.0)	-	-	(34,560.0)	(34,560.0)	-	-	(34,560.0)	(34,560.0)	-	-	(34,560.0)
Local Growth Fund	(71,383.3)	60,892.6	1,000.0	(9,490.7)	(9,803.3)	-	-	(9,803.3)	(10,704.9)	-	-	(10,704.9)	(10,971.8)	-	-	(10,971.8)
Highways Maintenance Grant	(23,080.0)	23,080.0	-	-	(23,080.0)	23,080.0	-	-	(23,080.0)	23,080.0	-	-	(23,080.0)	23,080.0	-	-
<b>Total</b>	<b>(291,981.7)</b>	<b>147,257.6</b>	<b>38,463.0</b>	<b>(106,261.1)</b>	<b>(177,423.7)</b>	<b>56,749.8</b>	<b>58,321.8</b>	<b>(62,352.1)</b>	<b>(119,333.7)</b>	<b>23,976.8</b>	<b>31,616.3</b>	<b>(63,740.6)</b>	<b>(99,087.5)</b>	<b>23,080.0</b>	<b>17,435.2</b>	<b>(58,572.3)</b>

4.4. These tables indicate that all 'Revenue' and 'Capital' expenditure lines included within the 2020/21 budget envelope and the MTFP, including both 'approved expenditure' and 'subject to approval' expenditure, are affordable and provide a balanced budget.

## 5. REVENUE BUDGET

5.1. The revenue budget covers the operational costs of the Combined Authority including staffing and staff related costs, corporate overheads and externally commissioned costs. Other 'revenue' costs include:

- Business Board funding and activities.
- Ongoing devolution of the Adult Education Budget (AEB) which commenced in the 2019/20 academic year.
- Provision for Non-Transport project feasibility studies which is allocated with CA Board approval.
- Allowance for Mayoral Elections on a four-year cycle with the next election falling in 2021/22.
- Allowance for interest charged on (potential) capital borrowing.

- 5.2. Overall affordability is a key principle in creating a lawful budget and for ensuring financial control over the period of the MTFP. The budget has also been presented to highlight the governance processes for budget lines which are described as 'Approved' and 'Subject to Approval' Schemes.
- An **Approved Budget** line is one that the Board has already approved. Spending against budget lines is permitted without further approval.
  - A **Subject to Approval** budget line is noted within the overall budget affordability envelope, but further approval will be required from the CA Board to approve the spending.
- 5.3. Table 3 presents a summary of Approved budget totals by Directorate and year, and provides an indication of funding streams available to support these activities. A summary of Subject to Approval budget lines is included in each year, illustrating that both the Approved and Subject to Approval budget lines are affordable across the lifetime of the MTFP.

A more detailed breakdown of Directorate 'revenue' budgets and anticipated MTFP expenditure is shown at Appendix 1. Please note that where a budget line is not specified, this is deemed to be an Approved Budget line.



**Table 3 Summary Draft Revenue Budget 2020/21 and MTFP**

Financial Year	Total Directorate Expenditure	Revenue Single Pot	Earmarked Reserves	Enterprise Zone Receipts	Adult Education Budget (AEB)	Transport Levy	Other Funding	Total
	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000
<b>Opening Bal @ 01/04/20</b>		<b>(9,480.7)</b>	<b>(2,367.3)</b>	<b>(468.5)</b>	-	-	<b>(3,858.3)</b>	<b>(16,174.8)</b>
<b>2020/21</b> Funds Received in Year		(9,000.0)	-	(489.1)	(11,513.1)	(12,616.4)	(2,198.0)	<b>(35,816.6)</b>
Transfer Between Reserves		260.0	(974.8)	-	-	-	-	<b>(714.8)</b>
<b>Available Funds</b>		<b>(18,220.7)</b>	<b>(3,342.1)</b>	<b>(957.6)</b>	<b>(11,513.1)</b>	<b>(12,616.4)</b>	<b>(6,056.3)</b>	<b>(52,706.2)</b>
Mayor	456.8	456.8	-	-	-	-	-	456.8
Corporate	6,882.6	6,724.4000	-	158.2000	-	-	-	6,882.6000
Business & Skills	16,869.3	1,828.6	500.0	250.0	11,513.1	-	2,777.6	16,869.3
Delivery & Strategy	13,846.6	1,230.2	-	-	-	12,616.4	-	13,846.6
Housing	83.4	83.4	-	-	-	-	-	83.4
<b>Subject to Approval</b>	<b>3,392.9</b>	<b>3,392.9</b>	-	-	-	-	-	<b>3,392.9</b>
<b>Closing/Opening Balance</b>		<b>(4,504.4)</b>	<b>(2,842.1)</b>	<b>(549.4)</b>	-	-	<b>(3,278.7)</b>	<b>(11,174.6)</b>
<b>2021/22</b> Funds Received in Year		(8,000.0)	-	(999.2)	(11,513.1)	(12,868.7)	(951.0)	<b>(34,332.0)</b>
Transfer Between Reserves		-	-	-	-	-	-	-
<b>Available Funds</b>		<b>(12,504.4)</b>	<b>(2,842.1)</b>	<b>(1,548.6)</b>	<b>(11,513.1)</b>	<b>(12,868.7)</b>	<b>(4,229.7)</b>	<b>(45,506.6)</b>
Mayor	472.5	472.5	-	-	-	-	-	472.5
Corporate	8,455.0	7,516.8	780.0	158.2	-	-	-	8,455.0
Business & Skills	14,506.4	197.3	500.0	250.0	11,513.1	-	2,046.0	14,506.4
Delivery & Strategy	13,018.8	150.1	-	-	-	12,868.7	-	13,018.8
Housing	-	-	-	-	-	-	-	-
<b>Subject to Approval</b>	<b>200.0</b>	<b>200.0</b>	-	-	-	-	-	<b>200.0</b>
<b>Closing/Opening Balance</b>		<b>(3,967.7)</b>	<b>(1,562.1)</b>	<b>(1,140.4)</b>	-	-	<b>(2,183.7)</b>	<b>(8,853.9)</b>
<b>2022/23</b> Funds Received in Year		(8,000.0)	-	(1,457.2)	(11,513.1)	(13,126.2)	(746.0)	<b>(34,842.5)</b>
Transfer Between Reserves		260.0	(260.0)	-	-	-	-	-
<b>Available Funds</b>		<b>(11,707.7)</b>	<b>(1,822.1)</b>	<b>(2,597.6)</b>	<b>(11,513.1)</b>	<b>(13,126.2)</b>	<b>(2,929.7)</b>	<b>(43,696.4)</b>
Mayor	479.6	479.6	-	-	-	-	-	479.6
Corporate	7,574.3	7,293.7	-	280.6	-	-	-	7,574.3
Business & Skills	12,809.0	(200.1)	500.0	250.0	11,513.1	-	746.0	12,809.0
Delivery & Strategy	13,160.2	34.0	-	-	-	13,126.2	-	13,160.2
Housing	-	-	-	-	-	-	-	-
<b>Subject to Approval</b>	<b>136.0</b>	<b>136.0</b>	-	-	-	-	-	<b>136.0</b>
<b>Closing/Opening Balance</b>		<b>(3,964.5)</b>	<b>(1,322.1)</b>	<b>(2,067.0)</b>	-	-	<b>(2,183.7)</b>	<b>(9,537.3)</b>
<b>2023/24</b> Funds Received in Year		(8,000.0)	-	(1,457.2)	(11,513.1)	(13,388.8)	(746.0)	<b>(35,105.1)</b>
Transfer Between Reserves		260.0	(260.0)	-	-	-	-	-
<b>Available Funds</b>		<b>(11,704.5)</b>	<b>(1,582.1)</b>	<b>(3,524.2)</b>	<b>(11,513.1)</b>	<b>(13,388.8)</b>	<b>(2,929.7)</b>	<b>(44,642.4)</b>
Mayor	486.9	486.9	-	-	-	-	-	486.9
Corporate	8,031.2	7,750.6	-	280.6	-	-	-	8,031.2
Business & Skills	12,809.0	237.9	62.0	250.0	11,513.1	-	746.0	12,809.0
Delivery & Strategy	13,388.8	-	-	-	-	13,388.8	-	13,388.8
Housing	-	-	-	-	-	-	-	-
<b>Subject to Approval</b>	<b>70.0</b>	<b>70.0</b>	-	-	-	-	-	<b>70.0</b>
<b>Closing Balance</b>		<b>(3,159.1)</b>	<b>(1,520.1)</b>	<b>(2,993.6)</b>	-	-	<b>(2,183.7)</b>	<b>(9,856.5)</b>

#### 5.4. Mayor's Budget

The Mayor's Office budget is included within this report for completeness as it draws on CPCA funding sources. However, the mayoral budget has a different approval process to the non-Mayoral Combined Authority budget. The process for determining the mayoral budget is set out in the Combined Authorities (Finance) Order 2017.

## **6. CORPORATE SERVICES DIRECTORATE**

6.1. Given the 'non-discretionary' nature of Corporate costs, which are driven by policy and operational requirements, all costs are classified as 'Approved'.

### **6.2. Salaries and Other Employee Costs**

The last 12 months has seen the Combined Authority move towards its new approved establishment structure. This process identified significant savings which were reported in the 2019/20 Budget and MTFP Refresh.

This budget reflects refinement of the staff costs already reported, showing a stabilised position and some limited cost reduction over the life of the MTFP.

The Staffing budget reflects:

- An anticipated annual pay award of 2%.
- Changes approved by the Chief Executive required to appoint appropriate staff to the structure on a harmonised pay structure.
- Positions funded by specific funding streams e.g. Energy Hub and Rural Community Energy Funding. The staffing structure now aligns operational teams to funding.

The Corporate Services budget includes recharges of staff and overheads funded by specific funding streams to reflect the full cost of each programme within Directorate budgets.

### **6.3. Support Services**

The CPCA continues to operate a lean structure. To enable that efficiency some support services are provided by constituent authorities such as democratic services from Cambridgeshire County Council, finance support from Peterborough City Council and procurement support from Cambridge City Council.

### **6.4. Corporate Overheads**

Corporate Overheads includes the costs of running an office as well as the specific costs of being in business (e.g. audit). These costs are expected to remain stable in future years.

### **6.5. Governance**

This section identifies the costs of holding meetings and the allowances and expenses of the Business Board, independent panels and the independent Chair of the Audit and Governance Committee.

### **6.6. Election Costs**

The CPCA makes a contribution of £260k per year to a reserve which provides for the costs of the Mayoral election every four years. The budget provides for this and the drawdown of £1.04m in 2021/22 is to finance this cost.

### **6.7. Capacity Funding**

The Capacity fund was established in 2019/20 to enable the organisation to react to emerging ideas, concepts and central Government policy. Use of this funding requires the approval of the Chief Executive.

### **6.8. Financing Costs**

CPCA currently has an agreed cap with the Treasury that enables it to borrow up to £84.61m to finance capital related schemes. The revenue budget makes provision for financing

interest on any borrowing up to this limit. The total borrowing cost is offset by interest receivable on cash balances and investments held by the Combined Authority.

## 6.9. Workstream Budgets

### 6.9.1. Contribution to A14 Upgrade (DfT)

As part of the current A14 upgrade works, an agreement was reached in October 2014 with all the Local Authorities in the area, and the Local Enterprise Partnership (LEP), that local contributions totalling £100m would be made towards the project. The LEP's contribution to this agreement was set at 30% of the LEP's share of the Enterprise Zone receipts from the Alconbury Weald site received in each financial year from 2019-20 onwards. This commitment was taken over by the CPCA and the Business Board when the CPCA took over the activities and business of the LEP in April 2018. This budget line represents 30% of the forecast receipts receivable by the CPCA from Alconbury Weald in each financial year.

### 6.9.2. Non-Transport Feasibility Funding

The CA Board approved an annual budget of £1m to fund 'non-transport feasibility projects when it set the 2019/20 budget. A Board decision is required to make allocations against this budget. The impact of Board decisions made to date leave £749.6k in this fund in 2020/21, £917k in 2021/22 and £1m in following years.

## 7. BUSINESS AND SKILLS DIRECTORATE

### 7.1. Overview

The Business and Skills Directorate and the Business Board, for which it supplies the executive support, is focused on the Combined Authority's vision to double our economy. Its **strategic approach** in achieving this is to:

- **Improve the long-term capacity for growth in Greater Cambridge** to support the expansion of this innovation powerhouse and, crucially, reduce the risk of any stalling in the long-term high growth rates that have been enjoyed for several decades.
- **Increase sustainability and broaden the base of local economic growth**, by identifying opportunities for high growth companies to accelerate business growth where there is greater absorptive capacity, beyond the current bottlenecks to growth in Greater Cambridge.
- **Do this by expanding and building upon the clusters and networks** that have enabled Cambridge to become a global leader in innovative growth, creating an economy-wide business support eco-system to promote inclusive business growth.

Business and Skills Projects and Programmes are described in the sections below.

### 7.2. Adult Education Budget (AEB)

The devolved Adult Education Budget funds a service providing improved adult education to raise mid-level skills in the north and east of the economy, to increase productivity and support business growth in these areas. Following on from the previous year of devolution planning, the provision of service delivery began in August/September 2019. The budget is divided into two distinct areas:

- AEB Devolution Programme – the full allocation of the grant that is due for receipt, less the programme costs, as detailed below.
- AEB Programme Costs – provision of staffing and services to ensure delivery of the programme. This is the 4.9% top-slice of the AEB grant. As part of introducing clarity for

corporate staffing costs and funded programmes, all staffing costs are included within this project. The staffing recharge will ensure that there is a net zero effect on the budget.

**7.3. Careers & Enterprise Company (CEC)**

The Careers & Enterprise Company (CEC) is the national vehicle used to drive the Skills Agenda and deliver the National Careers Strategy within education. The programme is linked to the Skills Brokerage service and is key to the success of delivering the Skills Strategy.

As with the AEB budget all staffing relating costs are included here as a recharge from the Corporate staffing budget.

**7.4. Energy Hub**

The Board has agreed to transfer this activity out of the control of the Combined Authority. Until the transfer happens, related costs are included in the Combined Authority's MTFP. Expenditure has been profiled to match the revised spending profile which is fully funded by the grant.

**7.5. Growth Hub including EU Exit Funding and Thomas Cook Task Force**

The Growth Hub is a telephone based signposting service to local organisations providing advice and growth support. An Outline Business Case presented in November 2019 and Full Business Case in March 2020, will propose the outsourcing of this service from April 2020. The revenue from Business, Energy and Industrial Strategy (BEIS), the sponsors of the service, and the outflow of costs to a contractor will continue to be included in the MTFP.

Additional services provided under sub-contract, have been provided to businesses and individuals regarding the EU Exit to ensure continuity of trade and the stability of European National Workers as well as to support employees of Thomas Cook to secure new jobs. EU Exit activities are being supported by top-up funding within this financial year from MHCLG, which will carry forward into 2020/21. Thomas Cook employee support is funded through a budget allocated from BEIS, for LEP Capacity Building.

**7.6. Health and Care Sector Work Academy**

The Health and Care Sector Work Academy provides additional education and work-based training for employees both in, and looking to enter, the health and social care work field. Traditionally a low-skill, low-pay area of work, the intention is to up-skill employees to improve outcomes.

**7.7. Local Industrial Strategy (LIS) Implementation**

The LIS Implementation budget is a cost provision for the development and launch of business support interventions, defined in the LIS as being required to meet the CPCA's economic growth ambitions. The Local Economic Commission has been included within this expenditure line.

**7.8. Local Growth Fund Costs**

This line was not shown in previous versions of the budget or MTFP as the costs for running the Local Growth Fund (LGF), were included within the Corporate revenue budget. By showing these costs separately, we can ensure that all relevant costs are recognised and charged against the Local Growth Fund top-slice reserve.

**7.9. Market Town Implementation of Strategies**

This budget line supports growth in our 11 market towns through the production of a Masterplan for each and funding to co-invest in the implementation of those plans. All

masterplans will be completed by March 2020. The St. Neots plan is shown separately in Section 7.14 of this report .

#### **7.10. Marketing**

Provision has been made for a Business and Skills Marketing budget to ensure that the CPCA business and skills support interventions are well publicised. This new expenditure line is funded from the Local Growth Fund top-slice reserve.

#### **7.11. Regional Community Energy Fund (RCEF)**

As with the Energy Hub, this activity has been agreed to be transferred out of the Combined Authority. Until this happens, related costs are included in the MTFP. Expenditure is in line with the funding received for the project.

#### **7.12. Skills Brokerage, including Apprenticeship Levy**

The CPCA currently funds several pilot projects to establish the feasibility of a levy marketplace and skills brokerage to recover and scale apprenticeship levels to better meet business needs. The funding and provision of this service is under review with an enhanced proposal currently in development. To enable this review to be conducted with adequate depth and scope, part of the current contract will need to be extended to cover the 2019-20 academic year. The additional costs of this are £98k, which will require additional funding.

An Outline Business Case in November 2019 and Full Business Case (FBC) in March 2020, will propose the outsourcing of these separate place-specific interventions into a single integrated, whole economy Business Growth Service from April 2020.

#### **7.13. Skills Strategy Implementation**

The Skills Strategy Implementation budget is a provision for the development and launch of skills support interventions, defined in the Skills Strategy and carried into the LIS as being required to meet the CPCA's economic growth ambitions.

#### **7.14. St. Neots Masterplan**

The funding for this project had previously been included in the Market Town Implementation of Strategies line as referred to above.

#### **7.15. Trade and Investment Programme**

This is a pilot programme to test the ideas developed in the LIS for a larger scale inward investment service. An Outline Business Case in November 2019 and FBC in March 2020, will propose the outsourcing of these separate place-specific interventions into a single integrated, whole economy Business Growth Service from April 2020.

### **8. DELIVERY AND STRATEGY DIRECTORATE**

8.1. The Delivery and Strategy Directorate promotes the Mayor and Combined Authority's growth ambition by:

- Supporting their role as the Transport Authority, developing and overseeing the delivery of new transport schemes, developing the Local Transport Plan, and ensuring the provision of subsidised public transport by delivery partners;
- Supporting Local Planning Authorities by developing an overall spatial framework for the area;
- Providing programme and performance management to ensure successful delivery of Combined Authority projects; and
- Supporting the Mayor and Combined Authority's role in public service reform.

Delivery and Strategy revenue projects in the MTFP period include:

**8.2. Bus Review Implementation.**

This project is taking forward the Mayor's Strategic Bus Review under the guidance of the Bus Reform Task Force. It will recommend both short-term improvements to bus services and longer-term options for better delivery models, including considering the scope for enhanced partnerships with bus operators, and potentially franchising.

**8.3. Cambridgeshire Autonomous Metro (CAM).**

The budget identified here will fund the development of an Outline Business Case for the CAM metro, building on the work reported in the Strategic Outline Business Case.

**8.4. Cambridge South**

This budget makes provision for a Combined Authority contribution to constructing an accelerated new station at Cambridge South to serve the Cambridge Biomedical Campus.

**8.5. Climate Change**

This budget will fund research and other support for an Independent Commission on Climate Change

**8.6. Huntingdon Third River Crossing**

Growth to the north of Huntingdon will challenge the capacity of roads in the area. This budget funds a study of options for increasing capacity.

**8.7. Local Transport Plan**

The new Local Transport Plan (LTP) is due to be approved in the 2019-20 financial year. A number of councils' local plans will be updated in the early part of the MTFP period so it is prudent to make provision for a possible need to refresh the LTP in 2021/22.

**8.8. Monitoring and Evaluation Framework**

The Combined Authority is obliged by the terms of the Devolution Deal to maintain a Monitoring and Evaluation Framework and to pay for external evaluation of its programme. This budget reflects contractual commitments with the external evaluator.

**8.9. Public Service Reform**

The Board agreed to support the costs of the Independent Commission on Public Service Reform, which intends to report on health and care integration during 2020-21.

**8.10. Schemes and Studies**

The Combined Authority has supported Peterborough City Council in developing a package of minor schemes during 2019-20 and it is anticipated that it will do so again in 2020-21.

**8.11. Strategic Planning**

The Combined Authority is developing a strategic spatial framework for the area. Funding is required for external expertise and research to support that activity.

**8.12. Sustainable travel**

The Combined Authority has supported Peterborough City Council in developing sustainable travel options during 2019-20 and it is anticipated that it will do so again in 2020-21.

### 8.13. Transport Levy

Under current arrangements, Transport Levy funding raised from the two Highways Authorities is passported back to them in full to fund Transport Authority functions exercised by them under delegation from the Combined Authority.

## 9. HOUSING DIRECTORATE

### 9.1. Community Land Trusts (CLT) / <£100k Housing

The Housing Strategy (September 2018) recognises that there is a need to deliver genuinely affordable housing across the Combined Authority Area. It further recognises that there is a gap in the market that provides for those who do not qualify for traditional affordable housing and for whom open market housing is out of reach.

<£100k Homes and Community Land Trusts (CLTs) are referenced as a mechanism that could enable the Combined Authority to make a contribution to meet our housing objectives and respond to demand for cheaper housing for local people. It is recommended within the strategy to explore and deliver the <£100k Homes project. CLTs are referenced as a means not only to deliver genuinely affordable housing but also as vehicles to potentially utilise the mechanism of land value capture.

On 25 September 2019 the Board approved the inclusion of these projects in the 2019/20 Business Plan and further agreed a total budget allocation of £250,000 to progress these projects.

<£100k Homes is an exciting new initiative and will be the first of its kind in the country. Developing and delivering this initiative will provide those individuals who are struggling to enter the housing market with a real opportunity to buy their own home at an affordable price.

Work is underway to develop the policy framework and business case for <£100k Homes.

### 9.2. Community Land Trusts are a mechanism to deliver community-led housing. Community-led housing is an attractive and affordable alternative to conventional housing and can be part of the answer where communities come together to design and build affordable homes for the benefit of local households most in need.

The Combined Authority vision for Cambridgeshire and Peterborough is to have the most advanced community-led housing sector in the UK, where local people in confident, and resilient communities have access to the skills and expertise to create attractive local homes that they can genuinely afford.

Housing plays an important role in the growth of our local economy but across Cambridgeshire and Peterborough too many young people and families are unable to stay in their communities, close to their place of work, because they cannot access decent housing that they can genuinely afford on their local incomes.

To support the 'scaling up' of community-led housing across Cambridgeshire and Peterborough, the Combined Authority can:

- Mobilise public support for new homes;
- Widen the range of housing products that are available, including homes for local people that are priced out of home ownership;
- Boost community ownership of assets;

- Diversify the local housebuilding market, building collaboration, innovation, skills and local supply chains;
- Inspire stronger local communities with increased confidence, capacity and control.

### **9.3. Garden Villages**

This provision is for the negotiation and exchange of two major land option deals on the proposed CAM metro network in order to enable a land value capture strategy to deliver a minimum of two garden villages.

## **10. REVENUE BUDGET CONCLUSIONS**

- 10.1. The Revenue Budget position for 2020/21 and MTFP for Approved and Subject to Approval budget lines is affordable within known funding sources. Current spending plans leaves uncommitted Revenue Single Pot funding of £3.159m at the end of 2023/24 in addition to the £1m minimum prudent reserve level agreed in January 2019.

## **11. CAPITAL PROGRAMME**

### **11.1. Development of the Capital Programme**

Table 4 below, presents a summary of Approved budget totals by Directorate and year, creating a clear link to forecast funding brought forward into 2020/21 and projected drawdown across the lifetime of the MTFP. A summary of Subject to Approval budget lines is included in each year, illustrating that both the Approved and Subject to Approval budget lines are affordable within expected funding streams.

Appendix 2 shows the detailed Directorate Capital budget for 2020/21 and the Capital programme for the duration of the MTFP. The Capital programme differentiates between budget lines which have been 'Approved' for spending and those which are 'Subject to Approval' - budget lines that have been identified but require further approval from the CA Board to allow spending to commence.



**Table 4 Summary Capital Budget 2020/21 and MTFP**

Financial Year		Total Directorate Expenditure	Capital Gainshare	Transforming Cities Fund	Cambridge City £70m	Housing Infrastructure £60m	Housing Loans £40m	Local Growth Fund	Highways Maintenance Capital Grant	Total
		£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000
	Opening Bal @ 01/04/20		(41,029.9)	(2,476.6)	(20,254.1)	(32,362.8)	875.0	(35,698.8)	-	(130,947.2)
2020/21	Funds Received in Year		(12,000.0)	(22,000.0)	(15,000.0)	(18,000.0)	(35,270.0)	(36,399.3)	(23,080.0)	(161,749.3)
	Top Slice of Capital Funds		-	-	-	-	-	714.8	-	714.8
	Available Funds		(53,029.9)	(24,476.6)	(35,254.1)	(50,362.8)	(34,395.0)	(71,383.3)	(23,080.0)	(291,981.7)
	Business & Skills	62,542.6	11,150.0	-	-	-	-	51,392.6	-	62,542.6
	Delivery & Strategy	46,464.9	6,272.9	7,612.0	-	-	-	9,500.0	23,080.0	46,464.9
	Housing	38,250.1	750.0	-	27,954.0	3,941.1	5,605.0	-	-	38,250.1
	Subject to Approval	38,463.0	11,886.6	16,864.6	-	8,711.8	-	1,000.0	-	38,463.0
	Closing/Opening Balance		(22,970.4)	-	(7,300.1)	(37,709.9)	(28,790.0)	(9,490.7)	-	(106,261.1)
2021/22	Funds Received in Year		(12,000.0)	(30,000.0)	-	-	(5,770.0)	(312.6)	(23,080.0)	(71,162.6)
	Top Slice of Capital Funds		-	-	-	-	-	-	-	-
	Available Funds		(34,970.4)	(30,000.0)	(7,300.1)	(37,709.9)	(34,560.0)	(9,803.3)	(23,080.0)	(177,423.7)
	Business & Skills	-	-	-	-	-	-	-	-	-
	Delivery & Strategy	45,270.5	9,087.0	13,103.5	-	-	-	-	23,080.0	45,270.5
	Housing	11,479.3	750.0	-	7,300.1	3,429.2	-	-	-	11,479.3
	Subject to Approval	58,321.8	25,618.5	16,896.5	-	15,806.8	-	-	-	58,321.8
	Closing/Opening Balance		485.1	-	-	(18,473.9)	(34,560.0)	(9,803.3)	-	(62,352.1)
2022/23	Funds Received in Year		(12,000.0)	(21,000.0)	-	-	-	(901.6)	(23,080.0)	(56,981.6)
	Top Slice of Capital Funds		-	-	-	-	-	-	-	-
	Available Funds		(11,514.9)	(21,000.0)	-	(18,473.9)	(34,560.0)	(10,704.9)	(23,080.0)	(119,333.7)
	Business & Skills	-	-	-	-	-	-	-	-	-
	Delivery & Strategy	23,976.8	-	896.8	-	-	-	-	23,080.0	23,976.8
	Housing	-	-	-	-	-	-	-	-	-
	Subject to Approval	31,616.3	4,753.5	20,103.2	-	6,759.6	-	-	-	31,616.3
	Closing/Opening Balance		(6,761.4)	-	-	(11,714.3)	(34,560.0)	(10,704.9)	-	(63,740.6)
2023/24	Funds Received in Year		(12,000.0)	-	-	-	-	(266.9)	(23,080.0)	(35,346.9)
	Top Slice of Capital Funds		-	-	-	-	-	-	-	-
	Available Funds		(18,761.4)	-	-	(11,714.3)	(34,560.0)	(10,971.8)	(23,080.0)	(99,087.5)
	Business & Skills	-	-	-	-	-	-	-	-	-
	Delivery & Strategy	23,080.0	-	-	-	-	-	-	23,080.0	23,080.0
	Housing	-	-	-	-	-	-	-	-	-
	Subject to Approval	17,435.2	5,720.9	-	-	11,714.3	-	-	-	17,435.2
	Closing Balance		(13,040.5)	-	-	-	(34,560.0)	(10,971.8)	-	(58,572.3)

## 12. BUSINESS AND SKILLS DIRECTORATE

Business and Skills capital projects are categorised into two distinct sections:

1. **CPCA Funded Projects** – directly funded by CPCA (section 12.1).
2. **Local Growth Fund Projects** – directly funded through the grant award received from BEIS (section 12.2).

### 12.1. CPCA Funded Projects

#### 12.1.1. University of Peterborough

The University project is proceeding with an Outline Business Case due to be presented to the Board in January 2020. A Joint Venture (JV) proposal with Peterborough City Council is being developed to build and manage the new university premises.

#### 12.1.2. Market Town Master Plan Pump Priming

The Combined Authority will consider bids against the agreed list of interventions and investment priorities specified within the Master Plans during 2020/21.

## 12.2. Local Growth Fund Projects

### 12.2.1. Capital Growth Grant Scheme

The Capital Growth Grant Scheme is a new project approved by the Board in September 2019 and funded by the Local Growth Fund for the sum of £3m in 2020/21. This is a Small Business Capital Growth Investment Fund to help Small and Medium sized enterprises (SMEs), grow through organic expansion, paying for equipment and expanded premises.

This Grant Scheme also includes an Innovation and Re-Location Grant to co-invest with small firms towards the cost of contracting experts to help:

- a) Access Research and Development funding from UK and EU agencies for new product development and increased productivity
- b) Access fast-track planning, partners, and investment for new employment space.

### 12.2.2. Eastern Agritech Initiative

The Eastern Agri-Tech Growth Initiative is designed to support the development of new and innovate ideas within the Agri-Tech sector. The Initiative has two main funds that can help support local businesses:

- Agri-Tech Growth Fund - offers grant funding of between £10k and £150k to support product development and improve agricultural productivity.
- Research, Development and Prototyping Fund - helps to support the research and development of new products or processes with grants of between £10k and £60k.

### 12.2.3. Future Pipeline Projects

Local Growth Fund provides capital funding from the Government to CPCA to invest in local projects which help overcome strategic barriers to growth and contribute towards delivery of ambitions set out in the Local Industrial Strategy (LIS) - from Business Growth Programmes, Inward Investment, Business Growth space, Launchpads and incubator space, through to new skills facilities and space for innovation. The funding for this project is time-limited and will need to be concluded by the end of 2020/21.

### 12.2.4. Illumina Accelerator

This is a Genomics Accelerator coaching programme for Start-ups and SMEs with Equity invested into the SME's in £100k convertible notes for 5+ SME businesses selected for the accelerator coaching programme in cohorts every six months. Future return of funding would be the eventual realisation of the 2% shareholding.

### 12.2.5. Lancaster Way Phase 2

This project funds Roundabout improvements on the A142 to support access to the Enterprise Zone site and reduce traffic impacts of the site on the main route. This project is also being aligned with County Highways improvements to the A10/A142 roundabout.

### 12.2.6. Sci-Tech Container Village

This project provides a loan for infrastructure costs to bring forward a key employment site for Cambridge unlocking 2 acres of a poor quality brownfield site to develop Sci-Tech container village business space. Delivery of this parcel of land will help accelerate wider regeneration of the overall site, for which £200M Housing Infrastructure Funding has been secured.

### 12.2.7. Small Grants Programme

A Board decision has been made to close the programme with any remaining funds being reutilised.

### **13. DELIVERY AND STRATEGY DIRECTORATE**

The proposed capital provision for the coming years of the MTFP period are as follows:

#### **13.1. A10 Dualling**

The Combined Authority has procured a Strategic Outline Business Case for the dualling of the A10. This supports bids to the government's Large Local Majors and Major Route Network funds for the cost of dualling and junction improvements between Ely and Cambridge.

#### **13.2. A47 Dualling**

This line makes provision for collaborative funding with Highways England to prepare the business case documents to support delivery of dualling the A47 within the RIS2 (Road Investment Strategy 2) period.

#### **13.3. King's Dyke**

The Combined Authority has committed to fund Cambridgeshire County Council's scheme to provide a new road replacement for the King's Dyke level crossing. This line reflects existing commitments made by the Board.

#### **13.4. Cambridge South Station**

This budget makes provision for a Combined Authority contribution to constructing an accelerated new station at Cambridge South to serve the Cambridge Biomedical Campus.

#### **13.5. Regeneration of Fenland Railway Stations**

The Combined Authority has agreed to fund a package of improvements to stations at Manea, Whittlesea and March.

#### **13.6. Soham Station**

A rail station will be reinstated at Soham after a 75 year gap, supporting growth in the market town. The Board agreed in September 2019 to fund the construction phase of the project.

#### **13.7. Wisbech Rail**

This budget line allows continued funding for the project to restore the rail connection between Wisbech and Cambridge, taking work beyond the current GRIP 3b (Governance for Railway Investment Projects 3b) stage.

#### **13.8. A16 Norwood Dualling**

Proposed housing development at the Norwood site in Peterborough will be unlocked by dualling a short stretch of the A16.

#### **13.9. A141 Capacity Enhancements**

This line provides for continued study work on increasing road capacity to the North of Huntingdon in anticipation of growing demand driven by future development.

#### **13.10. A505 Corridor**

This line funds a study of road capacity in this high-growth area between Cambridge and Royston.

#### **13.11. A605 Oundle Road Widening**

This line provides for the construction of an additional lane on the A605 between the village of Alwalton and the Lynchwood Business Park to relieve anticipated congestion. The scheme is estimated to support the creation of an extra 2,000 jobs.

**13.12. A1260 Nene Parkway Junction 15**

This provides funding for a scheme to unlock congestion at a pinch-point roundabout on the West of Peterborough's urban area.

**13.13. A1260 Nene Parkway Junctions 32-3**

This line funds a package of improvements to reduce congestion and enable growth at the main South-Western access route to Peterborough.

**13.14. Coldhams Lane Roundabout Improvements**

This funds improvements at this junction in Cambridge to provide a safer and more pleasant environment for pedestrians and cyclists.

**13.15. Digital Connectivity Infrastructure Programme**

This supports growth and inclusion by delivering wider broadband connectivity, better mobile coverage, and helping introduce new developments such as 5G.

**13.16. Ely Area Capacity Enhancements**

This is the Combined Authority's contribution to Network Rail's project to address capacity constraints at this crucial junction on the region's rail network, enabling significant growth, more freight diversion from the road network, and better journeys for residents across the Cambridgeshire and Peterborough area.

**13.17. Fengate Access Studies**

This funds study work to enable significant growth and job creation on Peterborough's Eastern edge.

**13.18. Highways Maintenance**

This is funding from national government for road maintenance which the Combined Authority passes to the two highways authorities to support their work.

**13.19. M11 Junction 8**

This is the Combined Authority's contribution to a joint project with Essex County Council aimed at improving capacity at this important junction that gives access to Stansted Airport.

**13.20. March Junction Improvements**

A package of measures to improve traffic flow and enable growth in March is being studied. This line provides funding for that work.

**13.21. St Neots Masterplan Capital**

The St Neots market town masterplan proposed a new cycle bridge for the town which this line funds.

**13.22. Wisbech Access Strategy**

This is the funding for the first phase of a package of improvements to key road junctions in Wisbech.

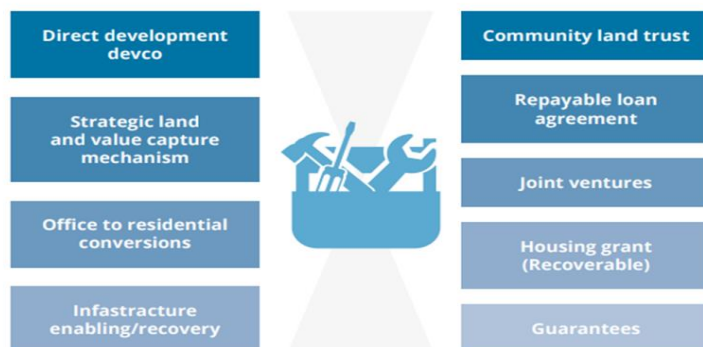
## 14. HOUSING DIRECTORATE

- 14.1. In 2017, the Combined Authority successfully negotiated £170 million from Government for delivery of an ambitious housing programme providing 2,500 new affordable homes by March 2022.
- 14.2. Within this programme, £100 million is available to be used across the Combined Authority area to deliver 2,000 affordable homes and £70 million is available to Cambridge City Council to deliver 500 new council homes.
- 14.3. The Housing and Development Team at the Combined Authority is working with officers in all partner local authorities (via the Cambridgeshire and Peterborough Housing Board) to identify new schemes to come forward for support from the Affordable Housing Programme. The Team is also building relationships with landowners, developers and housing providers to seek opportunities to influence, enable and accelerate delivery of new affordable housing across the Combined Authority area.
- 14.4. The Combined Authority Housing Strategy was approved by the Board in September 2018 and included three core objectives as illustrated in the diagram below:



- 14.5. The Housing Strategy also approved a flexible, multi-toolkit approach as the most effective way of accelerating affordable housing delivery. The use of grant as a tool to help unlock sites and deliver additional affordable housing is one of these tools:

A flexible multi-toolkit approach



- 14.6. Of the £170M funding, £70M has been allocated to grant funding provision of 500 affordable housing units within Cambridge City. The remaining £100M is intended to deliver a further 2,000 affordable housing units. £60M of this is allocated to grant funding outside of

Cambridge City, and the remaining £40M is allocated to the flexible multi-toolkit to accelerate delivery of housing through other initiatives such as loan agreements and direct delivery.

#### **14.7. Wisbech Garden Town**

Progress on this project is pending confirmation and timing for the delivery of the A47 improvement works. Those works will act as the trigger to progress to the next stage of this project.

#### **14.8. Cambridge City Housing Programme**

This element of the programme is implemented directly by Cambridge City Council's Housing team with funding from the Combined Authority. The target is to deliver 500 affordable homes by March 2022.

Cambridge City Council is forecasting a total spend of £120 million on its housing programme, comprising £70 million grant via the Combined Authority plus £50 million City Council resources including Right to Buy receipts and HRA funding. This figure is set to rise to £136 million with the inclusion of a new scheme at Campkin Road.

In June 2019 there were 134 starts on site which represents 26.8% of the delivery target against a 20% spend of the available funding.

#### **14.9. Affordable Housing Grant Programme**

The Combined Authority's Affordable Housing programme runs for five years from 1 April 2017 to 31 March 2022 with the ambition to deliver a minimum of 2,000 new affordable homes.

It is anticipated that over its lifetime, the programme will support a mixed portfolio of schemes including strategic sites and projects brought forward by housing associations, developers and Community Land Trusts (CLTs). It includes the intended use of grant and a revolving fund to help unlock sites and deliver additional affordable housing, alongside other tools to support and enable housing delivery.

#### **14.10. Housing Investment Fund – Contracted**

On the 26th September 2018 the Combined Authority Board approved a flexible multi toolkit housing strategy to provide a selection of tools and a flexible approach in which housing delivery can be achieved and accelerated.

The strategy included the provision of a £40m rolling fund from within the £100m housing programme to be used for a strategic investment toolkit to enable opportunities to deliver housing over and above solely issuing traditional grant. The toolkit includes initiatives such as repayable loan agreements, land value capture, recoverable housing grant, equity investment, and direct delivery

### **15. LEGAL IMPLICATIONS**

The budget setting process is as set out in the CPCA Constitution.

### **16. SIGNIFICANT IMPLICATIONS**

The budget, MTFP and capital programme form the CPCA's financial planning for delivery of projects and programmes over the next 4 years. Therefore, it will have significant implications for the community of the area and beyond.

## 17. **APPENDICES**

Appendix 1 – Draft 2020/21 Revenue Budget and Medium Term Financial Plan

Appendix 2 – Draft 2020/21 Capital Budget and Medium Term Financial Plan

Appendix 3 – Draft Leveraged Future Schemes

<b><u>Source Documents</u></b>	<b><u>Location</u></b>
CPCA Constitution	<a href="https://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/Constitution-2019-10-24.pdf">https://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/Constitution-2019-10-24.pdf</a>

## Draft 2020/21 Revenue Budget and Medium Term Financial Plan – Mayor's Office

Report Section	2019/20 MTFP		2020/21	2021/22	2022/23	2023/24
Reference	£000's		£000's	£000's	£000's	£000's
	85.0	Mayor's Allowance	85.0	95.6	97.5	99.5
	25.0	Mayor's Office Expenses	40.0	40.0	40.0	40.0
	52.4	Mayor's Office Accommodation	77.4	77.4	77.4	77.4
	217.5	Mayor's Office Staff	254.4	259.5	264.7	270.0
5.4	379.9	<b>Total Mayor's Costs</b>	<b>456.8</b>	<b>472.5</b>	<b>479.6</b>	<b>486.9</b>
	379.9	<b>Total Mayor's Approved Budgets</b>	<b>456.8</b>	<b>472.5</b>	<b>479.6</b>	<b>486.9</b>



## Draft 2020/21 Revenue Budget and Medium Term Financial Plan – Corporate Services

Report Section Reference	2019/20 MTFP £000's		2020/21 £000's	2021/22 £000's	2022/23 £000's	2023/24 £000's
6.2		<b>Combined Authority Staffing Costs (inc NI &amp; Pen 'er)</b>				
	269.0	Chief Executive	274.2	306.4	312.5	318.8
		<b>Housing Directorate</b>				
	362.0	Housing	379.5	387.1	394.8	402.7
		<b>Business and Skills Directorate</b>				
	746.8	Business and Skills	827.7	844.2	861.1	878.3
	153.8	Growth Hub	146.8	149.7	152.7	155.8
	384.5	Energy	404.6	412.7	-	-
	50.0	Energy - RCEF Staffing	-	-	-	-
	320.1	AEB	242.5	247.4	252.3	257.3
		<b>Delivery &amp; Strategy Directorate</b>				
	1,217.6	Delivery & Strategy	1132.1	1154.7	1177.8	1201.4
		<b>Corporate Services Directorate</b>				
	614.3	Legal and Governance	503.8	583.2	594.9	606.8
	515.1	Finance	454.1	463.2	472.4	481.9
	98.4	HR	105.6	107.7	109.9	112.1
	180.5	Communications	231.1	235.7	240.4	245.2
	<b>4,912.1</b>	<b>Total Combined Authority Staffing Costs</b>	<b>4,702.0</b>	<b>4,892.0</b>	<b>4,568.9</b>	<b>4,660.3</b>
		<b>Other Employee Costs</b>				
	100.0	Travel	100.0	100.0	100.0	100.0
	10.0	Apprenticeship Levy	17.9	18.7	17.4	17.8
	100.0	Conferences, Seminars & Training	100.0	100.0	100.0	100.0
	<b>210.0</b>	<b>Total Other Employee Costs</b>	<b>217.9</b>	<b>218.7</b>	<b>217.4</b>	<b>217.8</b>
6.3		<b>Externally Commissioned Support Services</b>				
	200.0	External Legal Counsel	200.0	150.0	100.0	100.0
	90.0	Finance Service	91.0	92.0	93.0	94.0
	90.0	Democratic Services	90.0	90.0	90.0	90.0
	10.0	Payroll	8.0	8.0	8.0	8.0
	25.0	HR	25.0	25.0	25.0	25.0
	25.0	Procurement	25.0	25.0	25.0	25.0
	15.0	Finance System	-	-	-	-
	50.0	ICT external support	50.0	50.0	50.0	50.0
	<b>505.0</b>	<b>Total Externally Commissioned Support Services</b>	<b>489.0</b>	<b>440.0</b>	<b>391.0</b>	<b>392.0</b>
6.4		<b>Corporate Overheads</b>				
	339.2	Accommodation Costs	340.0	340.0	340.0	340.0
	20.0	Software Licences, Mobile Phones cost	20.0	20.0	20.0	20.0
	50.0	Communications	40.0	40.0	40.0	40.0
	29.5	Website Development	10.0	10.0	10.0	10.0
	160.0	Recruitment Costs	-	-	-	-
	30.0	Insurance	30.0	30.0	30.0	30.0
	85.0	Audit Costs	85.0	85.0	85.0	85.0
	25.0	Office running costs	25.0	25.0	25.0	25.0
	10.0	Corporate Subscriptions	10.0	10.0	10.0	10.0
	<b>748.7</b>	<b>Total Corporate Overheads</b>	<b>560.0</b>	<b>560.0</b>	<b>560.0</b>	<b>560.0</b>
6.5		<b>Governance Costs</b>				
	185.0	Committee/Business Board Allowances	144.0	144.0	144.0	144.0
	20.0	Miscellaneous	20.0	20.0	20.0	20.0
	<b>205.0</b>	<b>Total Governance Costs</b>	<b>164.0</b>	<b>164.0</b>	<b>164.0</b>	<b>164.0</b>
6.6		<b>Election Costs</b>				
	<b>260.0</b>	<b>Total Election Costs</b>	<b>-</b>	<b>1,040.0</b>	<b>-</b>	<b>-</b>
6.7		<b>Capacity Funding</b>				
	<b>125.0</b>	<b>Total Capacity Funding</b>	<b>125.0</b>	<b>125.0</b>	<b>125.0</b>	<b>125.0</b>
6.8		<b>Financing Costs</b>				
	(1,480.0)	Interest Receivable on Investments	(1,020.0)	(762.4)	(400.0)	
	-	Interest on Borrowing	2,555.2	2,555.2	2,555.2	2,555.2
	<b>(1,480.0)</b>	<b>Net Financing Costs</b>	<b>1535.2</b>	<b>1792.8</b>	<b>2155.2</b>	<b>2555.2</b>
	<b>5,485.8</b>	<b>Total Operational Budget</b>	<b>7,793.1</b>	<b>9,232.5</b>	<b>8,181.6</b>	<b>8,674.3</b>
		<b>Feasibility Budgets</b>				
6.9.1	-	Contribution to A14 Upgrade (DfT)	61.2	61.2	183.6	183.6
6.9.2	445.4	Non-Transport Feasibility (unallocated)	749.6	917.0	1000.0	1000.0
	<b>445.4</b>	<b>Total Feasibility Budget</b>	<b>810.8</b>	<b>978.2</b>	<b>1,183.6</b>	<b>1,183.6</b>
6.2		<b>Recharges to Grant Funded Projects</b>				
	-	Directly Grant Funded Staff	(1,472.4)	(1,501.9)	(1,531.9)	(1,562.5)
	-	Directly Grant Funded Overheads	(248.9)	(253.9)	(259.0)	(264.2)
	-	<b>Total Recharges to Grant Funded Projects</b>	<b>(1,721.3)</b>	<b>(1,755.7)</b>	<b>(1,790.9)</b>	<b>(1,826.7)</b>
	<b>5,931.2</b>	<b>Total Corporate Services Approved Budgets</b>	<b>6,882.6</b>	<b>8,455.0</b>	<b>7,574.3</b>	<b>8,031.2</b>

## Draft 2020/21 Revenue Budget and Medium Term Financial Plan – Business and Skills

Report Section Reference	2019/20 MTFP £000's		2020/21 £000's	2021/22 £000's	2022/23 £000's	2023/24 £000's
7.2	6,858.6	AEB Devolution Programme	10,948.9	10,948.9	10,948.9	10,948.9
7.2	115.4	AEB Programme Costs	564.1	564.1	564.1	564.1
7.3	94.2	Careers and Enterprise Company (CEC)	80.5	-	-	-
7.4	615.4	Energy Hub	697.8	-	-	-
7.5	90.9	EU Exit Funding	181.8	-	-	-
7.5	63.0	Growth Company Development	-	-	-	-
7.5	92.2	Growth Hub	246.0	246.0	246.0	246.0
	110.0	HAT Work Readiness Programme	-	-	-	-
7.6	1,500.0	Health and Care Sector Work Academy	1,100.0	1,300.0	-	-
	400.0	LEP Capacity Funding	-	-	-	-
7.7	200.0	LIS Implementation	220.0	200.0	200.0	200.0
7.8	-	Local Growth Fund Costs	480.0	480.0	480.0	480.0
7.9	353.0	Market Town Implementation of Strategies	200.0	200.0	200.0	200.0
7.10	-	Marketing	20.0	20.0	20.0	20.0
7.11	1,052.5	Rural Community Energy Fund (RCEF)	1,713.2	314.4	-	-
	75.0	Skills Advisory Panel (SAP) (DfE)	-	-	-	-
7.12		Skills Brokerage				
	250.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	98.0	-	-	-
7.13	150.0	Skills Strategy Implementation	150.0	150.0	150.0	150.0
7.14	18.9	St Neots Masterplan	167.0	83.0	-	-
7.15	100.0	Trade and Investment Programme	100.0	-	-	-
	235.0	University of Peterborough	-	-	-	-
	<b>12,374.1</b>	<b>Total Business &amp; Skills Approved Budgets</b>	<b>16,869.3</b>	<b>14,506.4</b>	<b>12,809.0</b>	<b>12,809.0</b>
	<b>-</b>	<b>Total Business &amp; Skills Subject to Approval</b>	<b>98.0</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>12,374.1</b>	<b>Total Business &amp; Skills Revenue Expenditure</b>	<b>16,967.3</b>	<b>14,506.4</b>	<b>12,809.0</b>	<b>12,809.0</b>

## Draft 2020/21 Revenue Budget and Medium Term Financial Plan – Delivery and Strategy

Report Section Reference	2019/20 MTFP £000's		2020/21 £000's	2021/22 £000's	2022/23 £000's	2023/24 £000's
8.2		<b>Bus Review Implementation</b>				
	800.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	1,200.0	-	-	-
8.3		<b>CAM Metro</b>				
	1,907.0	Approved Project Costs	965.0	-	-	-
8.4		<b>Cambridge South</b>				
	100.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	1,500.0	-	-	-
8.5		<b>Climate Change</b>				
	-	Subject to Approval	125.0	-	-	-
8.6		<b>Huntingdon 3rd River Crossing</b>				
	300.0	Approved Project Costs	96.5	-	-	-
		<b>Land Commission</b>				
	105.0	Approved Project Costs	-	-	-	-
8.7		<b>Local Transport Plan</b>				
	376.7	Approved Project Costs	-	-	-	-
	-	Subject to Approval	-	100.0	-	-
8.8		<b>Monitoring and Evaluation Framework</b>				
	163.0	Approved Project Costs	168.7	150.0	34.0	-
	-	Subject to Approval	-	-	36.0	70.0
8.9		<b>Public Service Reform</b>				
	100.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	75.0	-	-	-
8.10		<b>Schemes and Studies</b>				
	100.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	100.0	-	-	-
8.11		<b>Strategic Planning</b>				
	130.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	144.9	100.0	100.0	-
8.12		<b>Sustainable Travel</b>				
	150.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	150.0	-	-	-
8.13		<b>Transport Levy CCC</b>				
	8,738.0	Approved Project Costs	8,912.8	9,091.1	9,272.9	9,458.4
8.13		<b>Transport Levy PCC</b>				
	3,631.0	Approved Project Costs	3,703.6	3,777.7	3,853.3	3,930.4
	<b>16,750.7</b>	<b>Total Delivery &amp; Strategy Approved Projects</b>	<b>13,846.6</b>	<b>13,018.8</b>	<b>13,160.2</b>	<b>13,388.8</b>
	<b>-</b>	<b>Total Delivery &amp; Strategy Projects Subject to Approval</b>	<b>3,294.9</b>	<b>200.0</b>	<b>136.0</b>	<b>70.0</b>
	<b>16,750.7</b>	<b>Total Delivery &amp; Strategy Revenue Expenditure</b>	<b>17,141.5</b>	<b>13,218.8</b>	<b>13,296.2</b>	<b>13,458.8</b>

## Draft 2020/21 Revenue Budget and Medium Term Financial Plan – Housing

Report Section	2019/20 MTFP		2020/21	2021/22	2022/23	2023/24
Reference	£000's		£000's	£000's	£000's	£000's
	90.9	War Veterans Homelessness Support Grant	-	-	-	
9.1/9.2	166.6	CLT / £100k Housing	83.4	-	-	
9.3	700.0	Garden Villages	-	-	-	
	<b>957.5</b>	<b>Total Housing Approved Budgets</b>	<b>83.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Draft 2020/21 Capital Budget and Medium Term Financial Plan – Business and Skills

Report Section Reference	2019/20 MTFP £000's		2020/21 £,000	2021/22 £,000	2022/23 £,000	2023/24 £,000
12.1.1		<b>University of Peterborough - Business Case/Phase 1</b>				
	1,515.00	Approved Project Costs	11,150.0	-	-	-
12.2.1		<b>Capital Growth Grant Scheme Pilot</b>				
	-	Approved Project Costs	3,000.0	-	-	-
12.2.2		<b>Eastern Agritech Initiative</b>				
	3,690.0	Approved Project Costs	2,189.0	-	-	-
12.2.3		<b>Future Pipeline Projects</b>				
	15,433.0	Approved Project Costs	41,343.1	-	-	-
		<b>Haverhill Epicentre (Loan)</b>				
	1,350.0	Approved Project Costs	1,350.0	-	-	-
12.2.4		<b>Illumina Accelerator (Loan)</b>				
	1,000.0	Approved Project Costs	2,000.0	-	-	-
		<b>Imet Phase 3</b>				
	300.0	Approved Project Costs	-	-	-	-
		<b>In_Collusion (Digital Sector Skills)</b>				
	20.0	Approved Project Costs	-	-	-	-
12.2.5		<b>Lancaster Way Phase 2</b>				
	150.0	Approved Project Costs	713.5	-	-	-
		<b>Living Cell</b>				
	1,350.0	Approved Project Costs	-	-	-	-
12.1.2		<b>Market Town Master Plan Pump Priming</b>				
	500.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	3,500.0	1,000.0	-	-
		<b>Revenue Recharge to Growth Funds</b>				
	500.0	Approved Project Costs	-	-	-	-
12.2.6		<b>Sci-Tech Container Village (Loan)</b>				
	-	Approved Project Costs	697.0	-	-	-
12.2.7		<b>Small Grants Programme</b>				
	100.0	Approved Project Costs	100.0	-	-	-
		<b>Teraview Cambridge (Loan)</b>				
	120.0	Approved Project Costs	-	-	-	-
		<b>Use of Loan Receipts Received - Recycle</b>				
	33.0	Subject to Approval	-	-	-	-
	<b>26,028.0</b>	<b>Total Approved Business and Skills Capital Projects</b>	<b>62,542.6</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>33.0</b>	<b>Total Business and Skills Project Costs Subject to Approval</b>	<b>3,500.0</b>	<b>1,000.0</b>	<b>-</b>	<b>-</b>
	<b>26,061.0</b>	<b>Total Business and Skills Capital Projects</b>	<b>66,042.6</b>	<b>1,000.0</b>	<b>-</b>	<b>-</b>

## Draft 2020/21 Capital Budget and Medium Term Financial Plan – Delivery and Strategy

Report Section Reference	2019/20 MTFP £,000		2020/21 £,000	2021/22 £,000	2022/23 £,000	2023/24 £,000
13.1		<b>A10 Dualling</b>				
	250.0	Approved Project Costs	250.0	-	-	-
13.2		<b>A47 Dualling</b>				
	410.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	218.5	218.5	576.7	720.9
13.3		<b>King's Dyke</b>				
	3,280.0	Approved Project Costs	5,922.9	9,087.0	-	-
	3,850.0	<b>A47 Junction 18 Improvements</b>				
		Approved Project Costs	-	-	-	-
13.4		<b>Cambridge South Station</b>				
	750.0	Subject to Approval	750.0	7,000.0	8,000.0	-
13.5		<b>Regeneration of Fenland Railway Stations</b>				
	1,000.0	Approved Project Costs	1,500.0	-	-	-
	-	Subject to Approval	874.0	5,559.0	-	-
13.6		<b>Soham Station</b>				
	1,950.0	Approved Project Costs	6,000.0	13,103.5	896.8	-
13.7		<b>Wisbech Rail</b>				
	1,480.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	987.6	2,000.0	3,000.0	5,000.0
13.8		<b>A16 Norwood Dualling</b>				
	50.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	400.0	730.0	12,000.0	-
13.9		<b>A141 capacity enhancements</b>				
	1,270.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	500.0	1,000.0	-	-
13.10		<b>A505 Corridor</b>				
	1,000.0	Approved Project Costs	-	-	-	-
13.11		<b>A605 Oundle Rd Widening - Alwalton-Lynch Wood</b>				
	510.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	795.0	-	-	-
13.12		<b>A1260 Nene Parkway Junction 15</b>				
	355.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	224.6	8,000.0	-	-
13.13		<b>A1260 Nene Parkway Junction 32-3</b>				
	320.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	4,530.1	3,500.0	-	-
13.14		<b>Coldhams Lane roundabout improvements</b>				
	530.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	700.0	1,500.0	-	-
13.15		<b>Digital Connectivity Infrastructure Programme</b>				
	840.5	Approved Project Costs	-	-	-	-
	-	Subject to Approval	2,682.0	1,867.5	-	-
13.16		<b>Ely Area Capacity Enhancements</b>				
	3,320.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	4,141.4	-	-	-
13.17		<b>Fengate Access Study - Eastern Industries Access - Phase 1</b>				
	430.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	1,000.0	4,890.0	-	-
13.17		<b>Fengate Access Study - Eastern Industries Access - Phase 2</b>				
	100.0	Approved Project Costs	100.0	-	-	-
	-	Subject to Approval	120.0	700.0	1,280.0	-
13.18		<b>Highways Maintenance (with PCC and CCC)</b>				
	23,080.0	Approved Project Costs	23,080.0	23,080.0	23,080.0	23,080.0
13.19		<b>M11 Junction 8</b>				
	-	Subject to Approval	1,000.0	-	-	-
13.20		<b>March Junction Improvements</b>				
	1,080.0	Approved Project Costs	112.0	-	-	-
	-	Subject to Approval	3,198.0	1,550.0	-	-
13.21		<b>St Neots Masterplan Capital</b>				
	750.0	Approved Project Costs	-	-	-	-
	-	Subject to Approval	3,200.0	-	-	-
13.22		<b>Wisbech Access Strategy</b>				
	1,300.0	Approved Project Costs	9,500.0	-	-	-
	-	Subject to Approval	930.0	3,000.0	-	-
	2,830.0	<b>A605 Stanground - Whittlesea</b>				
		Approved Project Costs	-	-	-	-
	<b>49,985.5</b>	<b>Total Delivery and Strategy Approved Capital Projects</b>	<b>46,464.9</b>	<b>45,270.5</b>	<b>23,976.8</b>	<b>23,080.0</b>
	<b>750.0</b>	<b>Total Delivery and Strategy Projects Subject to Approval</b>	<b>26,251.2</b>	<b>41,515.0</b>	<b>24,856.7</b>	<b>5,720.9</b>
	<b>50,735.5</b>	<b>Total Delivery and Strategy Capital Projects</b>	<b>72,716.1</b>	<b>86,785.5</b>	<b>48,833.5</b>	<b>28,800.9</b>

## Draft 2020/21 Capital Budget and Medium Term Financial Plan – Housing

Report Section Reference	2019/20 MTFP £,000		2020/21 £,000	2021/22 £,000	2022/23 £,000	2023/24 £,000
14.7		<b>Wisbech Garden Town</b>				
	1,750.0	Approved Project Costs	750.0	750.0	-	-
14.8		<b>Cambridge City Housing Programme</b>				
	20,610.0	Approved Project Costs	27,954.0	7,300.1	-	-
		Subject to Approval				
14.9		<b>Affordable Housing Grant Programme</b>				
	7,000.0	Approved Project Costs	3,941.1	3,429.2	-	-
		Subject to Approval	8,711.8	15,806.8	6,759.6	11,714.31
14.10		<b>Housing Investment Fund - contracted</b>				
	34,180.0	Approved Project Costs	5,605.0	-	-	
		Subject to Approval				
	<b>63,540.0</b>	<b>Total Housing Approved Capital Projects</b>	<b>38,250.1</b>	<b>11,479.3</b>	<b>-</b>	<b>-</b>
	-	<b>Total Housing Project Costs Subject to Approval</b>	<b>8,711.8</b>	<b>15,806.8</b>	<b>6,759.6</b>	<b>11,714.3</b>
	<b>63,540.00</b>	<b>Total Housing Capital Projects</b>	<b>46,961.9</b>	<b>27,286.1</b>	<b>6,759.6</b>	<b>11,714.3</b>

## Draft Revenue Leveraged Future Schemes

	2020/21 £,000	2021/22 £,000	2022/23 £,000	2023/24 £,000	2024/25 £,000	25/26 > 29/30 £,000	
<b>Delivery &amp; Strategy</b>							
Cambridge Autonomous Metro	2,866.1	2,806.0	6,716.0	3,910.0	-	-	16,298.1
<b>Total Revenue Delivery &amp; Strategy Schemes</b>	<b>2,866.1</b>	<b>2,806.0</b>	<b>6,716.0</b>	<b>3,910.0</b>	<b>-</b>	<b>-</b>	<b>16,298.1</b>



## Draft Capital Leveraged Future Schemes

	2020/21 £,000	2021/22 £,000	2022/23 £,000	2023/24 £,000	2024/25 £,000	25/26 > 29/30 £,000	Total £,000
<b>Business &amp; Skills</b>							
University of Peterborough - Phase 2	-	-	-	30,000.0	-	-	30,000.0
University of Peterborough - Phase 3	-	-	-	-	-	100,000.0	100,000.0
<b>Total Business &amp; Skills Capital Schemes</b>	-	-	-	30,000.0	-	100,000.0	130,000.0
<b>Delivery &amp; Strategy</b>							
A10 Upgrade	1,000.0	3,000.0	30,000.0	35,000.0	100,000.0	132,700.0	301,700.0
A47 Duelling Study	-	-	-	-	10,000.0	208,000.0	218,000.0
A505 Corridor	-	1,500.0	5,000.0	241,000.0	-	-	247,500.0
Bus Reform Task Force - Capital	-	5,000.0	10,000.0	20,000.0	-	-	35,000.0
Cambridge Autonomous Metro 1	509.9	6,117.3	2,727.8	924.6	-	-	10,279.6
Cambridge Autonomous Metro 2	10,000.0	40,000.0	-	1,960,000.0	-	-	2,010,000.0
Cambridge South Station	-	10,000.0	50,000.0	-	-	-	60,000.0
Ely Area Capacity Enhancements	600.0	600.0	150,000.0	150,000.0	-	-	301,200.0
Fengate Access Study - Eastern Industries Access - Phase 1	-	2,000.0	2,000.0	4,030.0	-	-	8,030.0
Fengate Access Study - Eastern Industries Access - Phase 2	-	-	-	6,550.0	-	-	6,550.0
Huntingdon Third River Crossing	-	-	-	200,000.0	-	-	200,000.0
Wisbech Rail	1,500.0	1,500.0	30,000.0	30,000.0	-	-	63,000.0
<b>Total Delivery &amp; Strategy Capital Schemes</b>	<b>13,609.9</b>	<b>69,717.3</b>	<b>279,727.8</b>	<b>2,647,504.6</b>	<b>110,000.0</b>	<b>340,700.0</b>	<b>3,461,259.6</b>
<b>Grand Total Capital Leveraged Future Schemes</b>	<b>13,609.9</b>	<b>69,717.3</b>	<b>279,727.8</b>	<b>2,677,504.6</b>	<b>110,000.0</b>	<b>440,700.0</b>	<b>3,591,259.6</b>





**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 3.1</b>
<b>27 NOVEMBER 2019</b>	<b>PUBLIC REPORT</b> <i>This report contains two 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))</i>

## **£100M AFFORDABLE HOUSING PROGRAMME SCHEME APPROVALS (NON GRANT) NOVEMBER 2019: LINTON ROAD, GREAT ABINGDON**

### **1.0 PURPOSE**

- 1.1. To seek approval from the Board for the provision of a 21 month repayable loan facility capped at £5.78m to Linton Road (Great Abingdon) LLP for the development of a housing scheme at 734 Linton Road, Great Abingdon, South Cambridgeshire CB21 6AA.
- 1.2. The loan will be used to acquire the land and develop the site that will include a minimum of five affordable residential units.
- 1.3. Through this transaction the site will be delivered, without which the developer has advised that this will not happen due to constraints of a lack of funding from traditional High Street lenders and willing equity partners in the current economic climate.
- 1.4. Providing the loan will enable no less than five affordable units to be delivered under current S106 arrangements. No grant is requested or involved.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Mayor James Palmer</b>
<b>Lead Officer:</b>	<b>Roger Thompson, Director of Housing and Development</b>
<b>Forward Plan Ref: 2019/052</b>	<b>Key Decision: Yes</b>
<p>The Combined Authority Board is recommended to:</p> <p>(a) Approve the provision of a loan facility of £5.78m to Linton Road (Great Abingdon) LLP for a scheme of no less than 13 units based on the heads of terms detailed in the exempt Appendix 1.</p> <p>(b) Authorise the Director of Housing and Development, in consultation with the Interim Legal Counsel and the Lead Member for Investment and Finance, to conclude any necessary legal documentation to secure the loan, to include taking a charge upon the land</p>	<p><b>Voting arrangements</b></p> <p>Simple majority of all Members</p>

## **2.0 BACKGROUND**

- 2.1. On 26th September 2018 the Combined Authority Board approved a flexible multi toolkit housing strategy in order to have a selection of tools and a flexible approach in which housing delivery can be achieved and accelerated.
- 2.2. The strategy included the provision of a rolling fund from within the £100m housing programme to be used for toolkit opportunities over and above just issuing traditional grant, such as a repayable loan agreement, as is being proposed in this paper.

### A flexible multi-toolkit approach



2.3. The approved Housing Strategy included the following policy commitments:

- (a) Under paragraph 3.17 to promote all housing that is in addition to the existing development pipeline.
- (b) Under section 3.18 there is a commitment to being creative and using a range of financial delivery mechanisms that have not traditionally been a public sector method to support and deliver housing.
- (c) This proposal is further supported by paragraph 3.23 to encourage the best use of all property assets
- (d) Under 3.24 to helping to accelerate schemes using financial mechanisms in the toolbox.
- (e) Under 3.25 to more enabling action including loans
- (f) Under 3.27 to taking the initiative on more direct interventions as exemplified in the toolbox above.

2.4. The site has a planning permission dating back to April 2018, but has not progressed to development due to a lack of funding. The intention is that Laragh House Developments Ltd, having already acquired the property, will initiate the development through their Limited Liability Partnership subsidiary created specifically to deliver this development.

2.5. The site is located on the edge of Great Abingdon on the north side of Linton Road, see below:



The site is currently grass field, see below:



Approximate location of access into the site from Linton Road below:





Linton Road looking East from the village below:



The layout of the consented residential scheme is shown in Appendix 2.

### **3.0 PROPOSAL & CONDITIONS**

- 3.1. The proposal is to offer a loan agreement to Linton Road (Great Abingdon) LLP to a maximum sum of £5.78m for 21 months to undertake the development. Detailed heads of terms for the loan are attached in exempt Appendix 1. The loan will be providing 90% of the capital being required and the borrower will be providing the 10% of equity from their own resources. The Loan will be drawn down on a side by side basis.
- 3.2. The Borrower will seek a variation to the existing planning consent to provide additional affordable housing in the form of changing 3 2 bedded affordable housing units into 6 1 bedded affordable apartments and still providing two 2 bedded units, totalling 8 affordable units in total.
- 3.3. The backstop if a variation to the planning consent is not obtainable is that the Borrower is to develop the property in line with the existing planning consent, creating 13 homes comprising eight market three and four bedded residential units and five two bedded affordable units consisting of three affordable rental and two shared ownership units
- 3.4. For the avoidance of any doubt, the scheme will not be funded unless it has a minimum of five affordable units within it.
- 3.5. The remaining units will be sold to the Market. Attached in exempt Appendix 3 is the application form and business plan which includes the strategy, location and boundary plan, planning details, high level risk analysis, development appraisal and cash flow which identifies a projected drawdown schedule for the scheme with the variation. It is projected that repayments of the loan capital will commence in February 2021 and by June 2021 re-payments will have repaid the loan with interest in full.
- 3.6. The loan will be secured against a charge on the land on which the property sits.
- 3.7. In addition to the re-payment of the interest, the Combined Authority will share profit from the scheme. If the additional affordable unit scheme comprising six 1 and two 2 bedded units are delivered (subject to planning), CPCA's share of profit will be a fixed sum £250,000. If the scheme with the existing planning consent is delivered, CPCA's share of profit will be a fixed sum £320,000 (both assuming the scheme achieves a profit).
- 3.8. The loan will be Conditional upon Laragh House Developments Limited standing as a guarantor for the loan for a sum equivalent to 10% of the construction cost. It will also be conditional upon a valuation being supplied of the land with the existing planning permission, showing that the value of the site is no less than the purchase price, the provision of an agent's market report showing that the value of the market units is equivalent to that shown in the



Borrowers business plan and a quantity surveyors cost plan or contractors tender return or quotation showing that the projected construction cost is equivalent to that shown in the Borrowers business plan.

- 3.9. This opportunity creates and brings into supply a minimum of 13 homes including five affordable homes in a development that would otherwise not be delivered by the market.
- 3.10. It will be a welcome addition to the local private and affordable housing stock. It will provide opportunity for those that live and work locally or aspire to live in the locality.

#### **4.0 FINANCIAL IMPLICATIONS**

- 4.1. It is proposed that the Combined Authority provides a £5.78m loan facility for a twenty-one month period to Linton Road (Great Abingdon) LLP. Anticipated commencement of drawdown is January 2020 from the £40m revolving fund element of the £100m Housing programme. The £40m revolving fund has adequate capacity in the cumulative drawdown profile to offer this facility in addition to existing commitments.
- 4.2. Maximum loan drawdown is projected to be £4.6m (In Dec 2020), however this is reliant upon the first properties being sold immediately and no draw on contingency. It is proposed to offer a loan for £5.78m so that the borrower has sufficient funds to ensure completion of the project without relying upon revenue from projected sales to complete the project. This loan will be secured by the Combined Authority taking a charge against the property.
- 4.3. The interest rate is expected to be 3.29% as shown in the heads of terms with the other commercial terms (see exempt Appendix 1). Overall interest projected to be payable by the borrower is £121,880. The interest rate reflects the balance of the debt and the funding from the borrower, the financial standing of the borrower, the guarantor and the overall risk of the project. In this case the risk is mitigated because a primary charge is secured against the asset, being the land with planning consent.

#### **5.0 LEGAL IMPLICATIONS**

- 5.1 At its meeting on the 26th of September 2018, the Board agreed by a majority to:
  - a) agree the approach to delivering the Housing Strategy set out in the 31Ten report in exempt Appendix 1 of the report.
  - b) agree the concept of creating a revolving fund of monies from within the £100m programme for housing investment, to run within and beyond the 5 year programme.

- 5.2 The Combined Authority has the ability to lend under s.12 Local Government Act 2003 “power to invest” as well as under a general power of competence provided that it is compliant with European state aid rules.
- 5.3 In making any such investment the Authority is required to have regard to the government’s statutory guidance on Local Government Investment (section 15 Local Government Act 2003) and specific guidance published by the Chartered Institute of Public Finance and Accountancy.
- 5.4 A charge will be taken over the property and only released as sales are being completed and loan re-payments made.

## **6.0 APPENDICES**

- 6.1 Appendix 1 – Exempt from publication - Heads of Terms for Loan Agreement between CPCA and Linton Road (Great Abingdon) LLP
- 6.2 Appendix 2 – Site layout for existing consented scheme
- 6.3 Appendix 3 – Exempt from publication - Business Case Executive Summary and Borrowers Business Plan

<b><u>Background Papers</u></b>	<b><u>Location</u></b>
Cambridge and Peterborough Combined Authority Housing Strategy (Item 2.1)	<a href="#"><u>Combined Authority Board 26 September 2018</u></a>

Revision	Date	Drawn	Details
D	28/11/18	BH	Client Comments

- Schwegler 1B Nest Box one with 26 mm hole and one with 32mm hole to cater for a range of species should installed on trees at a height of 2-3 metres. - 2 Trees
- Sparrow terrace (2 on each building). Schwegler 1SP - 2 Plots
- Swift Boxes 16s (with starling barrier) - 2 Plots
- Schwegler 1FF Module bat box. Boxes should be placed in a south-to- south-westerly orientation at a height of 4-6m above ground level, with all lighting angled away to avoid direct illumination of the box. - 2 Trees
- Ibstock enclosed bat box 'C'. Integrated bat box example to be built into fabric of new development - 4Plots
- 13cm by 13cm gap to be created in all back garden fence panels to allow hedgehogs passage through the site.

Notes:  
Bird boxes to be located on northern elevation of buildings/trees.  
16s nest boxes to be a minimum of 5m from ground.  
1B and 1SP nest boxes to be minimum of 2-3m from ground.  
Bat boxes to be located on southern elevation of building/trees with no direct illumination.  
1FF boxes to be a minimum of 4-6m from ground.  
Ibstock 'C' bat boxes to be a minimum of 4-6m from ground.

**Accommodation:**

- Plot 1: 4B 7P 225 sqm Inc gargae
- Plot 2: 3B 7P 225 sqm Inc gargae
- Plot 3: 4B 8P 297 sqm Inc double garage
- Plot 4: 3B 5P 222 sqm Inc gargae
- Plot 5: 3B 5P 222 sqm Inc gargae
- Plot 6: 3B 5P 222 sqm Inc gargae
- Plot 7: 3B 5P 222 sqm Inc gargae
- Plot 8: 4B 8P 305 sqm Inc double garage
- Plot 9: 2B 4P 90 sqm
- Plot 10: 2B 4P 84 sqm
- Plot 11: 2B 4P 84 sqm
- Plot 12: 2B 3P 74 sqm
- Plot 13: 2B 3P 76 sqm

**Total: 13 Units 2348sqm**

**Note:**

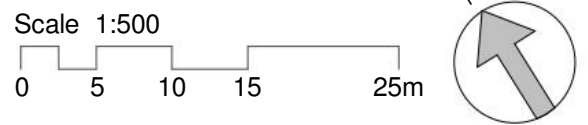
\* Affordable  
Plots 1,2,4,5,6,7 have integral single garages  
Plots 3 and 8 have detached double garages

Client			
Laragh Homes			
Job Title			
734 Linton Road			
Drawing Title			
Proposed Site Plan			
Scale	Date	Drawn	Drawing Number
As indicated	11/18	BH	734/ A3/300 D

snell david

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<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 3.2</b>
<b>27 NOVEMBER 2019</b>	<b>PUBLIC REPORT</b>

## **APPOINTMENT OF CHAIR OF ANGLE HOLDINGS LIMITED AND ANGLE DEVELOPMENTS (EAST) LIMITED**

### **1.0 PURPOSE**

- 1.1. At its meeting on 27 March 2019 the Combined Authority Board agreed to establish a Trading Company and a Housing Development Company with the Trading Company acting as a holding company for the Housing Development Company.
- 1.2. At its meeting on 31 July 2019 the Combined Authority Board agreed the statutory documents for the two companies, to be known as to Angle Holdings Limited and Angle Developments [East] Limited and the content of a Shareholder Agreement to regulate the relationship between the Combined Authority and the Companies. In particular, the Shareholder Agreement sets out the matters reserved to the Combined Authority.
- 1.3. Angle Holdings Limited and Angle Holdings (East) Limited have now been incorporated and interviews have taken place for the role of Chair for both these companies. An offer has been made to the successful candidate but the appointment process has not yet been completed. This report seeks approval for the appointment of the successful candidate and the Board will be provided with the details of the successful candidate at the meeting, when the necessary due diligence checks will have been completed.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Councillor Graham Bull</b>
<b>Lead Officer:</b>	<b>Roger Thompson, Director of Housing</b>
<b>Forward Plan Ref: N/a</b>	<b>Key Decision: No</b>
The Combined Authority Board is recommended to:	<b>Voting arrangements</b>  Simple majority of all Members

(a) Approve the appointment of the Chairman of both Angle Holdings Limited and Angle Developments (East) Limited.	
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## 2.0 BACKGROUND

- 2.1. At its meeting on 27 March 2019 the Combined Authority Board agreed to establish a Trading Company and a Housing Development Company with the Trading Company acting as a holding company for the Housing Development Company.
- 2.2. At its meeting on 31 July 2019 the Combined Authority Board agreed the statutory documents for the two companies, to be known as Angle Holdings Limited and Angle Developments [East] Limited and the content of a Shareholder Agreement to regulate the relationship between the Combined Authority and the Companies. In particular, the Shareholder Agreement sets out the matters reserved to the Combined Authority.
- 2.3. The role of the Chair includes:
  - Providing entrepreneurial leadership;
  - Setting strategy [subject to the Business Plans referred to in the Shareholder Agreement];
  - Ensuring the human and financial resources are available to achieve objectives;
  - Reviewing management performance;
  - Setting the company's values and standards; and
  - Ensuring that obligations to shareholders and other stakeholders are understood and met.
- 2.4. The position of Chair for the two companies was advertised via an agency and on the Combined Authority's website and social media platforms. Six applications were received, and four applicants were selected for interview. The interviews were held on 5 November 2019 and the panel was made up of the Mayor, the Chief Executive, the Director of Housing and the Monitoring Officer. An offer has been made to the successful candidate and, subject to the candidate accepting the offer and the due diligence being concluded, the details of the successful candidate will be reported to the meeting.

## 3.0 FINANCIAL IMPLICATIONS

- 3.1. The salary for the Chairman roles is £12,000pa. At its meeting on 27 March 2019 the Combined Authority Board approved the making of a loan of £600,000 to the companies to cover the initial set up and operating costs for the first 2 years of operation and the salaries will initially be paid from those funds.

#### **4.0 LEGAL IMPLICATIONS**

4.1. There are no direct legal implications. The role of a Chair is set out at paragraph 2.3 above.

#### **5.0 APPENDICES**

5.1. None

<b><u>Background Papers</u></b>	<b><u>Location</u></b>
Report to the meeting of the CA Board on 27 March 2019	<a href="#">Report March 2019</a>
Report to the meeting of the CA Board on 31 July 2019	<a href="#">Report July 2019</a>







<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 3.3</b>
<b>27 NOVEMBER 2019</b>	<b>PUBLIC REPORT</b>

## CLIMATE CHANGE

### 1.0 PURPOSE

- 1.1. This report recommends the establishment of an independent Commission on Climate Change, on the model of the highly successful Independent Economic Review, to provide authoritative recommendations on the options available to Cambridgeshire and Peterborough to decarbonise the economy, mitigate and adapt to the impacts of climate change, in the context of the Combined Authority's ambition to see rising prosperity shared across the area.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Mayor James Palmer</b>
<b>Lead Officer:</b>	<b>Paul Raynes, Director of Delivery and Strategy</b>
<b>Forward Plan Ref: n/a</b>	<b>Key Decision: No</b>
<p>The Combined Authority Board is recommended to:</p> <p>(a) Approve the establishment of an Independent Commission on Climate Change with a mandate to report within the next 12 months;</p> <p>(b) Agree the proposed terms of reference of the Commission set out in the Annex to this paper;</p> <p>(c) Authorise the chief executive, in consultation with the Mayor, to appoint a chairman and members of the Commission; and</p>	<p><b>Voting arrangements</b></p> <p>Simple majority of all Members</p>

- |  |  |
|--|--|
| (d) Approve a revenue budget of £125,000 to support the Commission's work. |  |
|--|--|

## 2.0 BACKGROUND

- 2.1. There is a widespread and growing acceptance that businesses, public sector bodies and households should take account of the scientific consensus on the risks of climate change by changing what they do. In particular, the science suggests that drastic reductions in the net production of the gases – especially carbon dioxide - that contribute to global warming are needed. Credible forecasts of future warming also indicate that adaptation will be needed, as seasonal temperatures and rainfall change.
- 2.2. Businesses and councils in Cambridgeshire and Peterborough have begun to take positions and develop action plans in response to this imperative. A number of councils have declared a climate emergency and are considering how that needs to be reflected in their plans. Meanwhile, at national level, the government has adopted a policy of achieving net zero carbon emissions by 2050.
- 2.3. Very valuable work is under way locally and nationally to model the scale of response needed to meet that net zero carbon ambition. Different organisations have begun to adopt action plans.
- 2.4. The Mayor and Combined Authority have a potentially very significant role to play in enabling carbon reduction and adaptation to climate change, through, for example:
  - the implementation of the Local Transport Plan (transport, from all modes, accounts for two-fifths of Cambridgeshire and Peterborough's carbon emissions)
  - the development of a spatial strategy and work to increase the supply of affordable homes (domestic buildings account for another fifth of emissions)
  - encouraging business development and productivity improvement (business, including agriculture, accounts for just over a third of local emissions).
- 2.5. These activities and policies are already informed by an ambition to tackle climate change (this was, for example, a core aim of the consultation draft of the Local Transport Plan and that theme will be strengthened in response to the consultation responses received). What we do not have, however, are
  - an overall view of the total policy effort necessary to achieve net zero (it is relatively easy to model the effect of retrofitting zero carbon heating to every house: it is not so clear what encouragement – from education to subsidy to

regulation - might be needed to support householders to make such a change actually happen);

- an overall view of how the plans of different sectors and organisations fit together, whether the sum of those parts amounts to the whole effort that will be needed, including understanding whether the plans of some organisations create externalities which others will need to manage;
- an estimate of the overall cost of change, and of who will pay which costs;
- an estimate of the impact of meeting the zero carbon ambition on the economy and on growth, if any (since 2005, emissions have fallen by a quarter in our area while the population has grown 14%, suggesting that rapid growth and successful carbon reduction can be mutually supportive).

2.6 What is needed at this crucial time for decision making is a climate change evidence base which can command the same consensus and authority as the Cambridgeshire and Peterborough Independent Economic Review (CPIER). As with the CPIER, such an evidence base would not only provide a common understanding across the area, but also help the area collectively in its advocacy with central government, regulatory bodies, and national and multinational business decision-makers whose help we are likely to need to meet a zero carbon ambition.

2.7 Given the success of the CPIER, it seems appropriate to replicate that approach. An independent expert group led by Professor Ian Leslie, Cambridge University's lead on environmental sustainability, has developed a proposal for an independent Commission's scope which is reflected in the Terms of Reference attached to this paper. The Commission would consist of around 12 independent non-political members, would be asked to report within a year, and would commission its own research using a budget provided by the Combined Authority. Its focus would be on

- taking stock of the area's carbon footprint and progress towards reducing it;
- recommending specific targets, where possible based on the science;
- understanding what is material and what is not;
- recommending micro level actions and ways of empowering individuals and firms to carry them out;
- recommending macro level actions;
- making recommendations about agriculture;
- assessing and making recommendations about the risks and opportunities of climate change for the Fens;
- examining the potential of the hydrogen economy;
- assessing the implications of climate change for natural capital.

2.8 The Commission would be supported by a management group and a technical group. The management group would include officers from constituent councils.

## **SIGNIFICANT IMPLICATIONS**

### **3.0 FINANCIAL IMPLICATIONS**

- 3.1. The suggested budget in support of the Commission is £125,000. This has been taken into account in the draft MTFP submitted to the November Board. It is suggested that the Commission should be authorised to accept further contributions to its budget from councils or others, provided appropriate safeguards are in place to ensure that its independence is not compromised.

### **4.0 LEGAL IMPLICATIONS**

- 4.1. The Cambridgeshire and Peterborough Combined Authority Order 2017 granted to the Combined Authority a General Power of Competence under the Localism Act 2011. The general power of competence enables the Combined Authority to appoint the proposed Commission.

### **5.0 OTHER SIGNIFICANT IMPLICATIONS**

- 5.1. None.

### **6.0 APPENDICES**

- 6.1. Appendix 1 – Draft Terms of Reference

<b><u>Background Papers</u></b>	<b><u>Location</u></b>
None	

**CLIMATE CHANGE COMMISSION FOR CAMBRIDGESHIRE AND  
PETERBOROUGH**

**TERMS OF REFERENCE**

The Climate Change Commission for Cambridgeshire and Peterborough is established to

- Provide independent advice to business and the public sector in the area on setting and meeting carbon reduction targets for Cambridgeshire and Peterborough and preparing for climate change, and to make recommendations;
- Monitor progress in reducing emissions and achieving carbon budgets and targets
- Conduct independent analysis into climate change science, economics and policy and
- Engage with a wide range of organisations and individuals to share evidence and analysis.

The Commission will consider both risks and opportunities, including opportunities for economic sectors with a strength in the Cambridgeshire and Peterborough area.

It is established in the first instance for a year, during which it will produce at least an interim report by Spring 2020 and a full report with recommendations by Autumn 2020. Its full report will include recommendations about future arrangements for advice and analysis on climate change for Cambridgeshire and Peterborough.

The Commission is independent. It will address its reports to the Mayor and Combined Authority for Cambridgeshire and Peterborough, although it will make recommendations addressed to all organisations and sectors with a role to play in addressing climate change. Its core funding for the first year will be provided by the Combined Authority and will seek in-kind and other contributions. It will maintain safeguards to ensure that funding and in-kind contributions are not perceived to compromise its independence.

The Commission consists of a chair, a deputy chair, and ten other members. It will include a broad spread of expertise and should include at least four members each from business and the voluntary/community sector. It will not include political members. It meets at least monthly. The Commission will not be remunerated.

The Commission's reports will be public, and the Commission may engage in public discussions involving stakeholders. The Commission's working papers and meetings are not published.

The Commission is supported by a Management Group and a Technical Group. The Management Group includes senior officers from local authorities in Cambridgeshire

and Peterborough. These groups will meet monthly. The Management Group will ensure that the Commission is supported to deliver to time and on budget and will act as liaison, especially with the Technical group, to ensure requests from the Commission are actioned.



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 4.1</b>
<b>27 NOVEMBER 2019</b>	<b>PUBLIC REPORT</b>  <i>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)).</i>

**FOR APPROVAL AS ACCOUNTABLE BODY:  
LOCAL GROWTH FUND PROJECT PROPOSALS NOVEMBER 2019**

**1.0 PURPOSE**

1.1. The Business Board is responsible for allocating the Growth Fund, subject to approval by the Combined Authority Board, with the objective of creating new jobs and boosting productivity.

1.1. At its meeting on 25 November 2019 the Business Board will be asked to consider and make recommendations against applications that have been submitted for these funds and the pipeline of projects based upon the independent external assessment undertaken.

1.2. The Business Board report can be viewed at:

<https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/874/Committee/69/SelectedTab/Documents/Default.aspx>

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Austen Adams, Interim Chair of Business Board</b>

<b>Lead Officer:</b> John T Hill, Director, Business and Skills	
<b>Forward Plan Ref:</b> 2019/067 <b>Key Decision:</b> Yes	
<p>Full recommendations to the Business Board shown below. Recommendations for Combined Authority approval shown in <b>bold type</b>:</p> <p><b>a) Approve projects number 1, 3 and 6 in the table at paragraph 2.8;</b></p> <p>b) Recommend that the Combined Authority Board <b>approve funding for the projects numbered 5, 7 and 8 in the table at paragraph 2.8;</b></p> <p>c) Defer consideration of the projects numbered 2 and 4 in the table at paragraph 2.8 below until the January meeting of the Business Board.</p>	<p><b>Voting arrangements</b></p> <p>Simple majority of all Members</p>

## 2.0 APPENDICES

- 2.1 Exempt Business Board Appendix A  
Exempt Business Board Appendix B  
Exempt Appendices 2A-J of the report to the Business Board  
Appendices exempt from publication under paragraph 3 of Schedule 12A  
Local Government Act 1972 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

<u>Background Papers</u>	<u>Location</u>
Local Growth Fund Documents, Investment Prospectus, guidance and application forms	<a href="https://cambridgeshirepeterborough-ca.gov.uk/business-board/growth-funds/">https://cambridgeshirepeterborough-ca.gov.uk/business-board/growth-funds/</a>





**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 4.2</b>
<b>27 NOVEMBER 2019</b>	<b>PUBLIC REPORT</b>

## LOCAL GROWTH FUND UPDATE

### 1.0 PURPOSE

1.1. The Greater Cambridge and Greater Peterborough Local Enterprise Partnership (GCGP LEP) negotiated three successive Growth Deals with Government between 2014 and 2017, securing £146.7m to deliver new homes, jobs and skills across the LEP area. This paper provides an update on the programme's performance since April 2015 for the Local Growth Fund (LGF).

1.2. The report to the Business Board on 25 November 2019 (attached at **Appendix 1**) provides operational updates on the LGF progress to 31 October 2019 based on the following items:

- a. Financial update on programme spend
- b. Pipeline of projects currently in delivery
- c. Update on the applications from Investment projects since call
- d. Update on the Small Business Capital Grant scheme
- e. Eastern Agri-Tech Growth Initiative update

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Chair of Business Board</b>
<b>Lead Officer:</b>	<b>John T Hill, Director, Business and Skills</b>
<b>Forward Plan Ref: Not applicable</b>	<b>Key Decision: No</b>

<p>Full recommendations to the Business Board shown below. Recommendations for Combined Authority approval shown in <b>bold type</b>:</p> <ul style="list-style-type: none"> <li>(a) Recommend all the programme updates outlined in this paper to the Combined Authority Board.</li> <li>(b) Recommend to Combined Authority Board <b>the delegation of authority to the Director of Business and Skills, in consultation with the Chair of Business Board, to approve grants to SMEs under the Small Business Capital Grant Programme.</b></li> <li>(c) Recommend to Combined Authority Board <b>approval of the allocation of £100,000 from the Small Business Capital Growth Grant Programme to a new Entrepreneurs' Accelerator Fund to be ring-fenced for Thomas Cook employees or affected supply chain companies' employees who have been made redundant and are exploring starting up a business.</b></li> <li>(d) Recommend to Combined Authority Board <b>approval of delegated authority to the Director of Business and Skills, in consultation with the Chair of the Business Board, to adopt appropriate application evaluation criteria and award processes for the Entrepreneurs' Accelerator Fund.</b></li> <li>(e) Approve a reduction in the Local Growth Fund allocated to the Eastern Agri-Tech Growth Initiative scheme of £3.5m</li> <li>(f) Approve the allocation of an additional £9m to the Small Business Capital Growth Grant Programme from Local Growth Fund and recycled Growth Fund to create a total £12m budget for the</li> </ul>	<p><b>Voting arrangements</b></p> <p>Simple majority of all Members</p>
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<p>Small Business Capital Growth Grant programme.</p> <p>(g) Note that in the event recommendations (e) and (f) are approved, the revised total budget available to fund the £63.4million of applications in the Local Growth Fund pipeline would become £48.4million, allowing approximately 75% of the 22 proposals to be funded, rather than 65%.</p>	
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## 2.0 APPENDICES

2.1 **Appendix 1:** Business Board report 25 November 2019

2.2 **Appendix 2:** Business Board report 25 November 2019 – Appendix A

2.3 **Appendix 3:** Business Board report 25 November 2019 – Appendix B

<b><u>Background Papers</u></b>	<b><u>Location</u></b>
i. Local Growth Fund Documents, Investment Prospectus, guidance and application forms	<a href="https://cambridgeshirepeterborough-ca.gov.uk/business-board/growth-funds/">https://cambridgeshirepeterborough-ca.gov.uk/business-board/growth-funds/</a>
ii. Eastern Agri-tech Growth initiative guidance and application forms	<a href="https://cambridgeshirepeterborough-ca.gov.uk/business-board/eastern-agri-tech-growth-initiative/">https://cambridgeshirepeterborough-ca.gov.uk/business-board/eastern-agri-tech-growth-initiative/</a>
iii. List of funded projects and MHCLG monitoring returns	<a href="https://cambridgeshirepeterborough-ca.gov.uk/business-board/opportunities/">https://cambridgeshirepeterborough-ca.gov.uk/business-board/opportunities/</a>
iv. Local Industrial Strategy and associated sector strategies	<a href="https://cambridgeshirepeterborough-ca.gov.uk/business-board/strategies/">https://cambridgeshirepeterborough-ca.gov.uk/business-board/strategies/</a>



**Agenda Item No: 4.2 – Appendix 1**

<b>BUSINESS BOARD</b>	<b>AGENDA ITEM No: 3.2</b>	
<b>DATE</b> <b>25 NOVEMBER 2019</b>	<b>PUBLIC REPORT</b>	

**LOCAL GROWTH FUND UPDATE**

**1.0 PURPOSE**

1.1. The Greater Cambridge and Greater Peterborough Local Enterprise Partnership (GCGP LEP) negotiated three successive Growth Deals with Government between 2014 and 2017, securing £146.7m to deliver new homes, jobs and skills across the LEP area. This paper provides an update on the programme's performance since April 2015 for the Local Growth Fund (LGF).

1.2. To provide the Board with operational updates on the LGF progress to 31 October 2019 based on the following items:

- (a) Financial update on programme spend
- (b) Pipeline of projects currently in delivery
- (c) Update on the applications from Investment projects since call
- (d) Update on the Small Business Capital Grant scheme
- (e) Eastern Agri-Tech Growth Initiative update

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Austen Adams, Interim Chair Business Board</b>
<b>Lead Officer:</b>	<b>John T Hill, Director Business &amp; Skills</b>
<b>Forward Plan Ref: Standing item    Key Decision: No on FP</b>	
<p>The Business Board is recommended to:</p> <ul style="list-style-type: none"> <li>(a) Recommend all the programme updates outlined in this paper to the Combined Authority Board.</li> </ul>	

- (b) Recommend to Combined Authority Board the delegation of authority to the Director of Business and Skills, in consultation with the Chair of Business Board, to approve grants to SMEs under the Small Business Capital Grant Programme.
- (c) Recommend to Combined Authority Board approval of the allocation of £100,000 from the Small Business Capital Growth Grant Programme to a new Entrepreneurs' Accelerator Fund to be ring-fenced for Thomas Cook employees or affected supply chain companies' employees who have been made redundant and are exploring starting up a business.
- (d) Recommend to Combined Authority Board approval of delegated authority to the Director of Business and Skills, in consultation with the Chair of the Business Board, to adopt appropriate application evaluation criteria and award processes for the Entrepreneurs' Accelerator Fund.
- (e) Approve a reduction in the Local Growth Fund allocated to the Eastern Agri-Tech Growth Initiative scheme of £3.5m
- (f) Approve the allocation of an additional £9m to the Small Business Capital Growth Grant Programme from Local Growth Fund and recycled Growth Fund to create a total £12m budget for the Small Business Capital Growth Grant programme
- (g) Note that in the event recommendations (e) and (f) are approved, the revised total budget available to fund the £63.4million of applications in the Local Growth Fund pipeline would become £48.4million, allowing approximately 75% of the 22 proposals to be funded, rather than 65%.

## **1.0 BACKGROUND**

- 1.1 The Local Growth Funds must be spent by 31 March 2021 but programme outcomes can be delivered beyond 2021.
- 1.2 Local Growth Funds can provide Grants, Loans or other forms of funding such as Equity Capital Investment.
- 1.3 In addition to the Local Growth Funding there are recycled funding as a result of the Growing Places Loan Fund successfully run during the programme and has established a recyclable pot of grants and loans for projects delivering economic benefit across the region.

## **2.0 LOCAL GROWTH FUND PROGRAMME POSITION**

2.1. On 31st October 2019, the Combined Authority's Local Growth Fund programme had nine projects plus the new SME capital grant scheme in delivery, listed below:

- Kings Dyke level crossing
- Eastern Agri-Tech Growth Initiative
- Lancaster Way Phase 2
- Manea and Whittlesea Station
- Upgrade M11 Junction 8 with A120
- Terraview facility fit out
- Wisbech Access Strategy delivery
- Soham Station
- Haverhill Innovation Centre

therefore in 2019/20 current contracted forecast spend added to the completed projects total is £99.9 million (A428 Bus lane improvement project not included in this total but was previously included, this project is still undergoing its application process).

2.2. The Kings Dyke A605 road/rail crossing improvements project is still red-flagged as per last Board update. The project currently has £700,000 left to spend of the original £8m allocation. The Combined Authority's Transport and Growth fund teams have met with Cambridgeshire County Council who are the project lead and they have agreed to submit a change request and spend/timetable re-profile as per the terms of the original Grant Funding agreement for the Combined Authority to then agree before the last tranche of funding can be drawn down.

2.3. The Wisbech Access Strategy project has also become red-flagged for next Quarterly report as the project team at Cambridgeshire County Council have now confirmed they are unlikely to be able to deliver the whole package of £10.5million road/junction improvements spend before end of March 2021. The Combined Authority's Transport and Growth fund teams have met with Cambridgeshire County Council who are the project lead and they have agreed to submit a revised proposal prioritising which elements of the package can be delivered with spend before the end of March 2021. Combined Authority Officers will review once received.

2.4. A10/A142 Lancaster Way/BP roundabouts – work is progressing in the preparation of designs and S106 agreements and extensions of trigger points. Additional contribution will be sought from alternative sources in early 2020 for the additional Lancaster Way proposed works, to enhance the BP roundabout activity. All parties are still committed to the delivery of this proposed enhancement and the growth funds allocated will still be required and spent within the required timescales.

- 2.5. The total programme expenditure to the 31<sup>st</sup> October 2019 including completed projects is £80.5 million.
- 2.6. The remaining funding to be allocated to new proposals and SME capital grant scheme is comprised of £45.1million of Local Growth Funds, plus £8.8million of recycled Growth Funding, totalling £53.9million.

### 3.0 GROWTH DEAL MONITORING RETURN Q2 2019/20

- 3.1. The Business Board is required to submit formal monitoring returns to Government regarding Growth Deal performance and forecasts on a quarterly basis. The next return for Q2 2019/20 is currently being prepared by Officers for submission by the end of November 2019 and that return will come with the update to the January Business Board meeting.
- 3.2. Projects shown in amber and red are delayed in delivery but after consulting with project leads are planned to complete by the scheme end date subject to further confirmation as noted above at 2.2 and 2.3 to determine if and how they proceed to completion.

Project Name	Project RAG Ratings	
	Previous Quarter Q4_1819	This Quarter Q1_1920
Whittlesey Access Phase 1 King's Dyke Crossing	A	R
Ely Southern Bypass	G	G
Bourges Boulevard Phase 1	G	G
Bourges Boulevard Phase 2	G	G
A47/A15 Junction 20	G	G
Wisbech Access Strategy	A	A
TWI (The Welding Institute) Expansion	G	G
Technical and Vocational Centre, Alconbury Weald	G	G
Agri-Tech Growth Initiative	G	G
Cambridge Biomedical Innovation Centre	G	G
Haverhill Innovation Centre	G	G
Peterborough Regional College Food Mfg Centre	G	G
Small Grants Scheme	G	N/A
Highways Academy	G	G
CITB Construction Academy	G	G
EZ Plant Centre Alconbury	G	G
Signpost 2 Grant	G	G
Medtech Accelerator	G	G
Lancaster Way Phase 1 Loan	G	G
Lancaster Way Phase 2 Loan	G	G
Lancaster Way Phase 2 Grant	G	G
Manea and Whittlesea Stations	G	G
M11 J8	G	G
Terraviva Loan	N/A	G

### 4.0 LOCAL GROWTH FUND PIPELINE UPDATE

- 4.1 The Business Board is asked to note at **Appendix A** the current Officer assessment of the potential LGF pipeline based on the existing Expressions of Interest received and projects which have indicated they are going to submit an



EOI. The value of the received EOIs and live enquiries pipeline is £63.4million excluding the £3m allocation for the SME capital grant scheme.

## **5.0 LOCAL GROWTH FUND INVESTMENT PROSPECTUS PROJECT CALL**

- 5.1 The Investment Prospectus call for projects launched on 22 July 2019 and as of 31<sup>st</sup> October 2019 the number of Expressions of Interest received was 22 with a total grant/loan/equity application value of £63.4million or until the funding is all allocated to projects to spend before March 2021.
- 5.2 The number of projects at Full Application Form appraisal stage is 18 and 6 of those projects were presented at the Entrepreneurs Assessment Panels on 1<sup>st</sup> and 11<sup>th</sup> November.
- 5.3 The Board agreed at last meeting to the ranking of project proposals based on total scoring across all application stages which has been applied to the project proposals being considered for approval at this meeting in a separate report.

## **6.0 NEW SMALL BUSINESS CAPITAL GROWTH GRANTS PROGRAMME**

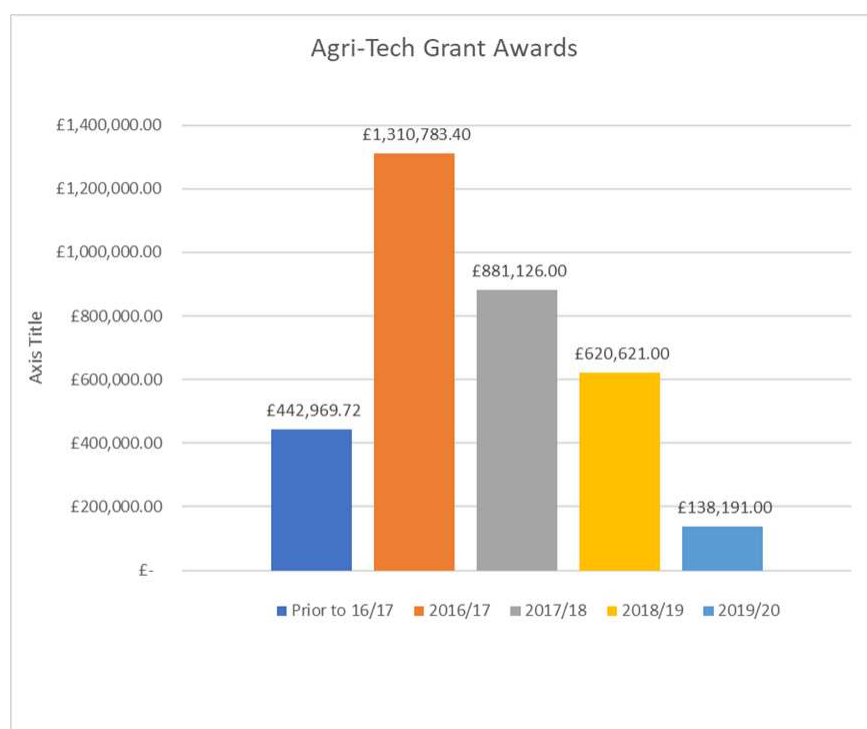
- 6.1 The Business Board and Combined Authority Board previously approved the allocation of £3million for a pilot for a new Small Business Capital Growth Grant Programme with potentially more funding to follow this pilot up to a total of £15million of the Local Growth Fund/Growing Places Fund. This potential addition to the scheme budget of £12m would significantly deplete the remaining unallocated LGF of £53.9million by reducing it to £41.9million. To put this in context there are £63.4m worth of applications in the current pipeline. Section 8 below sets out an alternative proposal for this funding.
- 6.2 The current ceiling for grants made under the Small Business Capital Growth Grant Programme is £250,000 and it is recommended that this be reduced to £150,000 in order to ensure compliance with State Aid de minimis rules. Parameters of this new small grant scheme are proposed at £10,000 to £150,000 range as a 50% intervention rate where businesses will be required to provide 50% of the costs of the capital project.
- 6.3 A provider has been appointed to manage / administer the £3m pilot scheme following a procurement exercise. A separate provide has been appointed to independently appraise each application.
- 6.4 The scheme has already received 3 applications from SMEs prior to the new provider beginning marketing activity and 1 grant to a total value of £70,000 has been provisionally approved.

- 6.5 Recommendation is sought from the Business Board to Combined Authority Board for approval for delegated authority to Officers to approve grant funding awards up to the £150,000 maximum limit. Grant awards under this scheme will go through a robust process led by the new contractor with due diligence with another provider and sign-off by Combined Authority Officers, see attached **Appendix B** for flowchart. Information about the exercise of the delegation will be provided to Business Board via the regular budget monitoring reports.
- 6.6 Recommendation is sought from the Business Board to Combined Authority Board for approval for £100,000 in addition to the £3m Small Business Capital Grants Programme to be allocated to a new Entrepreneurs' Accelerator Fund ring-fenced to Thomas Cook employees or affected supply chain companies' employees who have been made redundant and are exploring starting up a business. The Entrepreneurs Accelerator Fund will offer capital grants of between £2k and £10k at 80% intervention rate. Applicants will either have to reside within the Business Board area or will have plans to create their business within the CPCA area, will be asked to provide proof of employment/redundancy from Thomas Cook or one of their Supply chain companies. This proposal is to be delivered inhouse by Officers in CPCA or through the provider who has been awarded the contract to administer the Small Business Capital Grants Programme. The individual grant applications will also be put through external evaluation and due diligence by the same provider on Small Business Capital Grants Programme.

## **7.0 EASTERN AGRI-TECH GROWTH INITIATIVE UPDATE**

- 7.1 The Eastern Agri-Tech Growth Initiative supports SME businesses in the Agri-Tech sector with growth projects or Research & Development projects. From the commencement of the Initiative in late 2013 to August 2019, a total of 99 SMEs have been supported and the Innovation Hub created. There are a total of 18 live projects across Business Board /New Anglia (NALEP) geography, which are on track to complete to their planned schedules.
- 7.2 NALEP has contributed another £1m to the Initiative and the first tranche of £500k has been received by the Combined Authority
- 7.3 The programme has re-procured its project appraisal/due diligence support service across both the Combined Authority area and Norfolk and Suffolk.
- 7.4 The Board is also asked to note that whilst there is a pipeline of interested projects for this Initiative the projected spend and delivery by the end of March 2021 is highly unlikely to utilise the full £5.17m of current funding still to be committed. The table below sets out a breakdown of the last 5 years funding take-up. It is therefore recommended that the Business Board approves a reduction in the Local Growth Fund allocated to the Initiative of £3.5million

which would leave a new balance of £1.67m in this Initiative to deploy before end March 2021. This would enable £3.5m to be allocated to other priorities as set out in section 8 below.



## 8.0 PRIORITISING ACROSS THE REMAINING FUNDS TO BE ALLOCATED

8.1 Given that the remaining funding available to support an application pipeline of £63.4million currently stands at only £53.9million, it is recommended that the Business Board:

- Reallocates the £3.5million reduction in the Eastern Agri-Tech Growth Initiative to increase the funding available to support the Growth projects application pipeline.
- Reduces the additional £12m of funding previously proposed for the Small Business Capital Growth Grant Programme to £9m and approving the allocation of £9m from the remaining £53.9million to the Small Business Capital Growth Grant Programme.

8.2 If both recommendations outlined above were approved, the revised total budget available would decrease by £5.5m from £53.9m to £48.4m. the current LGF pipeline stands at £63.4million thus approximately 75% of the 22 proposals could be funded, rather than 65% were the recommendations not approved.

## 9.0 SIGNIFICANT IMPLICATIONS

9.1 None

## 10.0 FINANCIAL IMPLICATIONS

- 10.1 The allocation of £9m is entirely from the Local Growth Fund and recycled growth funds thus has no effect on wider CPCA resources.
- 10.2 The effect on the LGF balance is small, as the majority of the additional funding will be from the recycled funding, the table below sets out the forecast income and expenditure of the recycled capital growth funds based on currently contracted loans.

£8.8m of recycled capital growth funds would represent the vast majority of the forecast unallocated balance, however the forecast does not include repayment of two approved, but subject to contract, LGF loans totalling approximately £2.1m nor any repayments of future loans made to LGF pipeline projects.

	2019-20	2020-21	2021-22	2022-23
<b>Opening balance</b>	11,136,153	8,829,153	9,803,444	10,705,091
<b>Loan repayments</b>	33,000	661,646	901,647	266,896
<b>Committed expenditure</b>	(2,340,000)	-	-	
<b>Closing balance</b>	8,829,153	9,803,444	10,705,091	10,971,987

## 11.0 LEGAL IMPLICATIONS

- 11.1 The Combined Authority has authority under section 1 Localism Act 2011 to exercise a general power of competence. The Combined Authority can exercise this power by virtue of the Cambridgeshire and Peterborough Combined Authority Order 2017. This power permits the Combined Authority to make grants to providers in order to deliver the terms of the devolution deal signed with Government
- 11.2.1 The Business Board is responsible for programme direction of the Growth Funds. The Combined Authority, as the Accountable Body, maintains the legal agreements with project delivery bodies.

## 12.0 IMPLICATIONS FOR NATURE

- 12.1 None

## 13.0 OTHER SIGNIFICANT IMPLICATIONS

### 13.1 None

## 14.0 APPENDICES

14.1 **Appendix A** – Local Growth Fund project pipeline October 2019

14.2 **Appendix B** – Small Business Capital Grants Scheme flowchart

<b><u>Background Papers</u></b>	<b><u>Location</u></b>
i. Local Growth Fund Documents, Investment Prospectus, guidance and application forms	<a href="https://cambridgeshirepeterborough-ca.gov.uk/business-board/growth-funds/">https://cambridgeshirepeterborough-ca.gov.uk/business-board/growth-funds/</a>
ii. Eastern Agri-tech Growth initiative guidance and application forms	<a href="https://cambridgeshirepeterborough-ca.gov.uk/business-board/eastern-agri-tech-growth-initiative/">https://cambridgeshirepeterborough-ca.gov.uk/business-board/eastern-agri-tech-growth-initiative/</a>
iii. List of funded projects and MHCLG monitoring returns	<a href="https://cambridgeshirepeterborough-ca.gov.uk/business-board/opportunities/">https://cambridgeshirepeterborough-ca.gov.uk/business-board/opportunities/</a>
iv. Local Industrial Strategy and associated sector strategies	<a href="https://cambridgeshirepeterborough-ca.gov.uk/business-board/strategies/">https://cambridgeshirepeterborough-ca.gov.uk/business-board/strategies/</a>



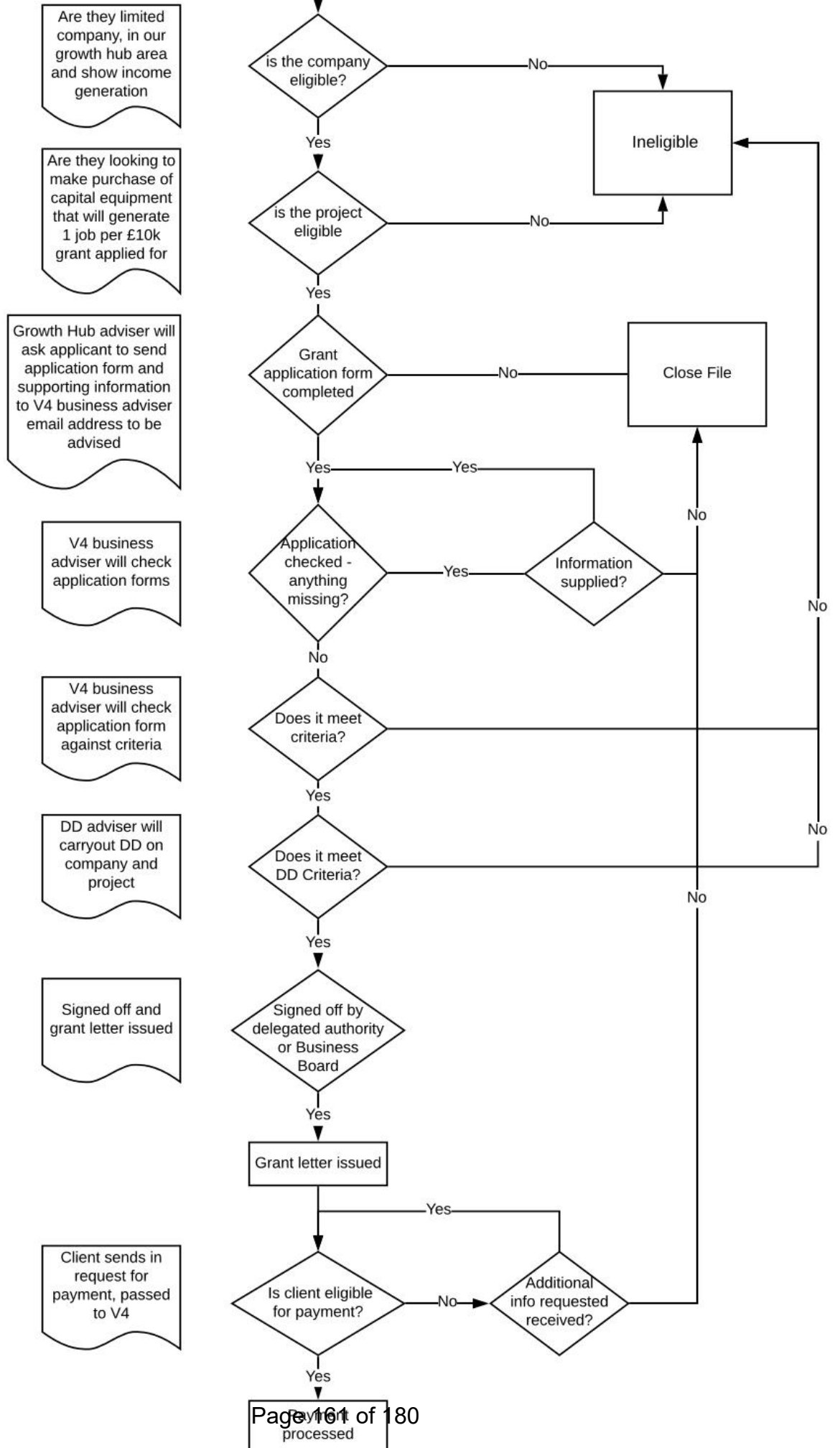
	Projects	Status	GF Grant Contribution	GF Loan/Equity Contribution	Total LGF Contribution	Private Sector Leverage	Total Project
Projects Under £1m	Transport Technology Accelerator	External Appraisal Completed	£ -	£ 965,000.00	£ 965,000.00	£ 965,000.00	£ 1,930,000.00
	Redevelopment of Lab space	External Appraisal Completed	£ 292,000.00	£ 146,000.00	£ 438,000.00	£ 500,000.00	£ 938,000.00
	Agri-tech centre extension	External Appraisal ongoing	£ 595,000.00	£ -	£ 595,000.00	£ 595,000.00	£ 1,190,000.00
	Digital Academy	Awaiting FAF	£ 450,000.00		£ 450,000.00		
	Business Space - Fenland	Awaiting FAF	£ 951,000.00		£ 951,000.00		
Projects £1m to £3m	Agri-tech Start-up incubator	External Appraisal ongoing	£ 2,300,000.00	£ -	£ 2,300,000.00	£ 2,300,000.00	£ 4,600,000.00
	Innovation Ecosystem	External Appraisal ongoing	£ 1,230,000.00	£ -	£ 1,230,000.00	£ 1,500,000.00	£ 2,000,000.00
	Smart Manufacturing Association	Awaiting FAF	£ -	£ 1,000,000.00	£ 1,000,000.00		
	Life Sciences Incubator	Awaiting FAF	£ 2,300,000.00		£ 2,300,000.00		£ 54,000,000.00
Projects above £3m	Cambridge Healthcare & Life Science Start-up Accelerator	External Appraisal Completed	£ 3,342,250.00	£ -	£ 3,342,250.00	£ 12,000,000.00	£ 15,342,250.00
	3D centre of Excellence Launchpad	External Appraisal ongoing	£ 1,500,000.00	£ 1,500,000.00	£ 3,000,000.00	£ 3,400,000.00	£ 6,400,000.00
	A428 Transport Project	External Appraisal Completed	£ 4,000,000.00	£ -	£ 4,000,000.00		£ 4,000,000.00
	Manufacturing Launchpad	Awaiting FAF	£ 3,000,000.00	£ -	£ 3,000,000.00		£ 3,000,000.00
	Business Park - Rutland	Awaiting FAF	£ 3,200,000.00	£ -	£ 3,200,000.00		
	Cambridge Biomedical Growth space	Awaiting FAF	£ 3,000,000.00		£ 3,000,000.00	£ 45,000,000.00	£ 3,000,000.00
	The Growth Service	External Appraisal ongoing		£ 5,407,000.00	£ 5,407,000.00		£ 19,482,114.00
	MMC training/incubator Wisbech	Awaiting FAF	£ 3,300,000.00		£ 3,300,000.00		
	University of Peterborough	External Appraisal ongoing	£ -	£ 12,500,000.00	£ 12,500,000.00		£ 27,535,000.00
Projects intending to apply	MTL Planning - Logistics Launchpad	Potential Application		£ 3,000,000.00	£ 3,000,000.00		
	Business Space - Wyton	Potential Application	£ 3,000,000.00		£ 3,000,000.00		
	West Cambridge Innovation District	Potential Application	£ 3,000,000.00		£ 3,000,000.00		
	Innovation Park - South Cambs	Potential Application		£ 3,000,000.00	£ 3,000,000.00		
	Skills facilities - March, Fenland	Potential Application	£ 450,000.00		£ 450,000.00		

**£ 63,428,250.00**





# Small Capital Grant Scheme







<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 4.3</b>
<b>27 NOVEMBER 2019</b>	<b>PUBLIC REPORT</b>  <i>This report contains an appendix which is 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))</i>

## **LOCAL INDUSTRIAL STRATEGY DELIVERY PLAN: THE BUSINESS GROWTH SERVICE OUTLINE BUSINESS CASE**

### **1 PURPOSE**

- 1.1 To provide the Outline Business Case for the Business Growth Service, a package of key interventions identified Local Industrial Strategy for development and delivery by the Business Board.
- 1.2 To provide an overview of the financial and commercial strategies, and to recommend to the Combined Authority the actions needed to implement the Local Industrial Strategy Delivery Plan.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Cllr John Holdich, Lead Member for Economic Growth</b>
<b>Lead Officer:</b>	<b>John T Hill, Chief Officer, Business Board</b>
<b>Forward Plan Ref: 2019/064</b>	<b>Key Decision: Yes</b>
Business Board recommendations to the Combined Authority shown in <b>bold type</b> . The Combined Authority Board is recommended to:  <b>(a) Endorse the Outline Business Case and agree to establish a Growth Service Management Company initially to be a wholly</b>	<b>Voting arrangements</b>  Simple majority of all Members

**owned subsidiary of Angle Holdings Limited as set out in Section 4 below.**

**(b) Approve the making of a bid for Local Growth Fund monies as set out in paragraph 4.3 below:**

**(c) Approve the making of a bid for European Regional Development Fund (ERDF) and European Social Fund (ESF) monies as set out in paragraph 4.4 below:**

**(d) On condition that recommendation (a) above is accepted and the bids referred to at recommendations (b) and (c) above are successful, agree to allocate £2.185m funding from a combination of Enterprise Zone receipts and funding within the Medium Term Financial Plan and from Enterprise Zone receipts, as set out in paragraph 4.5 of the report, to the Growth Service Management Company to part fund the procurement of the Business Growth Service.**

**(e) Note that the Skills Committee has resolved, subject to all the remaining public funding set out at paragraph 4.5 below being secured, to approve the allocation of £50,000 per annum for three years starting in 2020/21 from the £150,000 per annum Skills Strategy Implementation Budget set out in the Combined Authority's Medium Term Financial Plan, for the part funding of the Skills Brokerage element of the proposed new Business Growth Service**

**(f) Subject to all the remaining public funding set out at paragraph [4.5] being secured, to delegate to the Director for Business and Skills authority to manage the procurement process, to bring forward a Full Business Case in March 2020 and to contract with the successful bidder(s), subject to confirmation of award of the funding components from the Local Growth Fund, European Regional Development Fund and European Social Fund**

**(g) To delegate to the Director of Business and Skills authority to task the Business**

<p><b>Growth Service with the administration of the Small Business Capital Growth Investment Fund, as set out at paragraph 5.4 below.</b></p>	
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## 2 STRATEGIC CONTEXT; THE SKILLS & LOCAL INDUSTRIAL STRATEGIES

**The Combined Authority's Skills Strategy**, approved by the Combined Authority Board on 29th May 2019, sets out three objectives, one of which is to:

- 2.1 *“Develop a dynamic skills market that responds to the changing needs of local business...ensuring that People entering the workforce and those already in work are continually upskilled and trained to meet the jobs of the future.*
- 2.2 The Skills Strategy goes on to identify a Skills Talent & Apprenticeship Recruitment Hub (STAR Hub, a brand we have since simplified to Skills Brokerage) as one of the key interventions for the Combined Authority to develop and implement to satisfy this objective, describing it as follows:
- 2.3 *“The STAR Hub developed by the CPCA will increase the number of people transitioning through the skills ecosystem into Apprenticeships, Higher Education and employment. The CPCA will support providers, schools, colleges, higher education, parents and residents to navigate effectively through the complex skills landscape by the creation of the Digital Talent Portal to facilitate a better match of potential talent to skills needs and job vacancies and in doing so create opportunities for a strong, productive and thriving economy. Learning from experience in the past, there should be the opportunity to bring together demand and supply through a dedicated skills brokerage. We therefore propose to create a Skills Brokerage Service: A specialist activity building relationships between businesses, providers and learners. One of the most challenging areas of matching need and opportunity is in relation to apprenticeships. On the supply side there is still an issue of perceived lack of parity of esteem between vocational and academic education and training. On the demand side, creating the critical mass for demand from employers to make employer-based apprenticeships viable can be a challenge too. This lower level of demand for apprentices is most prevalent amongst SMEs who struggle to balance the value and effectiveness of a trainee, the 20% off the job training per week and the costs involved. Hence, to overcome this continuing market failure, we propose to better unlock the apprentice levy funding within large firms and help it flow down more effectively to SMEs in supply chains and sector clusters.*

**The Combined Authority's Local Industrial Strategy**, approved by the Combined Authority Board on 27th March 2019, sets out three objectives to:

- 2.4 ***Improve the long-term capacity for growth in Greater Cambridge to support the expansion of this innovation powerhouse and, crucially, reduce***

*the risk of any stalling in the long-term high growth rates that have been enjoyed for several decades.*

- 2.5 ***Increase sustainability and broaden the base of local economic growth, by identifying opportunities for high growth companies to accelerate business growth where there is greater absorptive capacity, beyond the current bottlenecks to growth in Greater Cambridge.***
- 2.6 ***Do this by expanding and building upon the existing clusters and networks*** *that have enabled Cambridge to become a global leader in innovative growth, creating an economy-wide business support eco-system to promote inclusive business growth*
- 2.7 The Local Industrial Strategy (LIS) goes on to identify the Growth Service as a suite of interventions for the Combined Authority to develop and implement to satisfy these objectives, describing it as follows:
- 2.8 *A new approach to business support Cambridgeshire and Peterborough will create a new Growth Service, bringing together a range of interventions to provide support to help businesses set-up and grow. This will include access to mentors, coaches, exporting expertise and new funding such as grants and loans.*
- 2.9 *Primarily, this enhanced business growth support will be available to at least 250 firms per annum and over 1,000 by 2024, with an emphasis on sectors and clusters in Greater Peterborough and The Fens. Secondly, to support productivity growth in the two sub-economies where it is currently lower, namely Greater Peterborough and The Fens, the enhanced support will be structured so that it delivers growth in the firms supported, that is more productive than the firms' previous baseline business.*
- 2.10 *Establish a Global Investor Service focused on landing new firms into Peterborough and Greater Cambridge.*
- 2.11 *Create a Growth Investment Fund targeted at growth firms to fill gaps in the equity and loan market to break into new markets and support innovation and productivity gains. Particularly in places where access to finance is more difficult.*
- 2.12 The Business Growth Service will bring together a range of interventions into a new, targeted approach to business growth support. This will be an evolution of the existing Growth Hub and Skills Brokering Pilots funded by the Combined Authority.

### 3 THE BUSINESS GROWTH SERVICE

- 3.1 The Outline Business Case in **exempt Appendix A**, describes the Business Board's Delivery Plan for the LIS, relating to the five interventions shown in red below as components of a Business Growth Service that sit within a portfolio of twelve initiatives set out by the Skills Strategy and LIS:



The five interventions within the Business Growth Service are:

- 3.2 **A Growth Coaching Service** to engage our highest potential growth firms to better support them to accelerate their growth, increase their capacity and capability for growth, sustain their period within growth, or all three.
- 3.3 **An Inward Investment Service** to extend our reach into key global markets, to engage and persuade overseas firms to locate into our economy or invest in our strategic projects to increase our employment space, develop our transport infrastructure or establish a new university.
- 3.4 **A Skills Brokerage Service**. Attention is particularly drawn to **exempt Appendix A** pages 23-28, 40-41 and 44-46. This provides an effective link between young talent and those retraining or progressing in a career, our employers and our skills providers, to improve the supply of skills to enable growth.

- 3.5 **A Small Business Capital Growth Investment Fund** to help SMEs, grow through organic expansion, paying for equipment and expanded premises. It will provide growth capital and grants between £20k-£250k for traditional SMEs, that are not generally available from the private sector, which focusses on high-tech, IP based start-ups and much higher growth rates, using equity investments of £250k to £2m. Banks are an alternative, but micro businesses and sole traders struggle to secure funding. This is a clear gap that government continually seeks to fill through funds such as the Midlands Engine and Northern Powerhouse Investment Funds. This Business Board fund aims to fill the same gap in the market.
- 3.6 **An Innovation & Re-Location Grant** to co-invest with small firms in the cost of contracting experts to help; Access R&D funding from UK and EU agencies for new product development and increased productivity; and Access fast-track planning, partners and investment for new build employment space
- 3.7 By integrating all these services into one Business Growth Service will better connect our places and business clusters and provide across them, a quality and connectivity of growth support that reflects and has the potential to develop towards, the support eco-system developed over decades within Greater Cambridge, that has contributed to its rapid growth. To do this, the Business Growth Service will expand and build on the growth support networks that are already present in and around Cambridge, and the development of a commercial marketplace for all three advisory services, as well as a mentoring culture amongst supported entrepreneurs.

## 4 FINANCIAL IMPLICATIONS

- 4.1 The Business Board does not have sufficient revenue funding at its disposal to finance the procurement of the Business Growth Service, in addition to its Core Local Enterprise Partnership (LEP) activities, between 2020/21 and 2022/23. Hence, the aim of the Business Board is to request that the Combined Authority Board and Skills Committee agree to *free-up and leverage* a proportion of the Business & Skills Directorate's MEDIUM Term Financial Plan (MTFP), to create a revenue fund to enable it to procure the Business Growth Service. To achieve this, the Business Board has devised a strategy to build a Growth Service Delivery Fund of £19.5m, to deliver the Business Growth Service. This strategy is summarised in the following steps:
- 4.2 To request that the Combined Authority, as the Business Board's Accountable Body and legal personality, establish a Growth Service Management Company, on behalf of the Business Board, as a subsidiary to Angle Holdings Limited (the Combined Authority's Holding Company), with an initial allocation of 100 shares in favour of Angle Holdings Limited. The purpose of the Growth



Service Management Company, being to manage the Growth Service Delivery Fund, and with it, procure the delivery of the Business Growth Service itself from the private sector.

- 4.3 To accept an application from the Combined Authority, to the Local Growth Fund (LGF) administered by the Business Board, for a capital equity investment from the LGF into the Growth Service Management Company held on behalf of the LGF by the Combined Authority. Through this investment, working capital within the Growth Service Management Company, will be generated as revenue which can then be used to part fund the procurement of the delivery of the Business Growth Service.
- 4.4 To request that the Combined Authority, as the Business Board's Accountable Body and legal personality, apply for funding on behalf of the Business Board, from the European Regional Development Fund (ERDF) and European Social Fund (ESF) and to allocate this external funding, through its 2020/21-22/23 MTFP, to the Growth Service Management Company to part fund the procurement of the delivery of the Business Growth Service.
- 4.5 To recommend that the Combined Authority Board and Skills Committee agree, subject to the other funding being secured, to allocate funding from the Business & Skills Directorate's 2020/21-22/23 MTFP, to the Growth Service Management Company to part fund the procurement of the delivery of the Business Growth Service. The portion of this requested funding, for which approval is being sought from the Skills Committee, is the £150,000 requested from the Skills Strategy Implementation Budget, which currently stands at £450,000 over the 2020/21-22/23 MTFP period.

<b>Strategy for the Creation of The Growth Service Delivery Fund</b>	
<b>Total LGF Capital Equity Investment by the Business Board, as Working Capital</b>	<b>£5,407,000</b>
ERDF Funding	£5,204,000
ESF Funding	£2,044,556
<b>Total ESIF Revenue Funding, Applied for by CPCA on behalf of the Business Board</b>	<b>£7,248,556</b>
CPCA budget for Growth Hub	£748,000
CPCA Skills Strategy Implementation budget	£150,000
Local Ind Strategy Implementation budget	£150,000
CPCA contract with Careers Enterprise Company	£360,000
CPCA Enterprise Zone businesses rates receipts	£927,000
<b>Total CPCA Revenue Allocation from the CPCA 2020/21-22/23 MTFP Requested by the Business Board</b>	<b>£2,335,000</b>
<b>Total SME contributions acquired by the Procured Delivery Partners for the Business Growth Service</b>	<b>£4,500,000</b>
<b>Total Growth Service Delivery Fund for procurement of the Business Growth Service</b>	<b>£19,490,556</b>

## **5 COMMERCIAL STRATEGY**

- 5.1 It is important to the CPCA that the Business Board's focus remains that of policy and strategy, acting as a catalyst and funding provider to facilitate and enable others to achieve economic growth outcomes. Hence, it is the Business Board's intention and strategy to procure delivery of the Business Growth Service from the private sector, under contract to the Business Board, via a subsidiary company, of its Accountable Body, the CPCA.
- 5.2 The Business Board is seeking the Combined Authority's approval to launch this procurement in December 2019 to complete in February 2020. A Full Business Case will be put forward by the Business Board in March 2020, to seek the Combined Authority's approval to contract with the successful bidder(s) subject to the remaining funding being secured from ERDF, ESF and LGF sources.
- 5.3 For a capital equity investment from the LGF into the Growth Service Management Company, in return for 99 of the 100 shares in the Growth Service Management Company, held on behalf of the LGF by the CPCA. Through this investment, working capital within the Growth Service Management Company, will be generated as revenue which can then be used to part fund the procurement of the delivery of the Business Growth Service.
- 5.4 To task the Business Growth Service with the administration of the Small Business Capital Growth Investment Fund. Inclusive of a provision for £500k for the Innovation & Relocation Grants, this has already been approved and ringfenced, within the LGF budget, in September 2019 by both the Business Board and CPCA Board, as a £3m pilot of a provisional £15m allocation. To agree the further approval of the main tranche of £12m to be allocated by the Business Board, in the form of a grant, to the Growth Service Management Company, to enable it to be administered by the procured providers of the business Growth Service.

## **6 LEGAL IMPLICATIONS**

- 6.1 The proposals set out in the Financial Implications raise complex issues as to the lawfulness of the proposed arrangements, the application of State Aid rules and the tax implications. Expert advice has been sought from private sector solicitors on these issues and will be kept under review to ensure that as decision making proceeds to implement the proposals there are no conflicts with legal, State Aid or financial obligations.

## **7 APPENDICES**

7.1 Appendix A: *Exempt from publication* –The Outline Business Case for the LIS Delivery Plan: Business Growth Service.

<b><u>Background Papers</u></b>	<b><u>Location</u></b>
List background papers:	List location of background papers.
i. CPIER (Cambridgeshire and Peterborough Independent Economic Review)	<a href="https://www.cpier.org.uk">https://www.cpier.org.uk</a>
ii. Cambridgeshire and Peterborough Local Industrial Strategy	<a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/818886/Cambridge_SINGLE_PAGE.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/818886/Cambridge_SINGLE_PAGE.pdf</a>
iii. Skills Strategy	<a href="https://www.cambridgeshirepeterborough-ca.gov.uk/assets/Employment-and-Skills/Skills-Strategy-Final-Version-5.6.19.docx">https://www.cambridgeshirepeterborough-ca.gov.uk/assets/Employment-and-Skills/Skills-Strategy-Final-Version-5.6.19.docx</a>
iv. Combined Authority Board 27 March 2019	<a href="https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/917/Committee/63/Default.aspx">https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/917/Committee/63/Default.aspx</a>
v. Combined Authority Board 29 May 2019	<a href="https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/855/Committee/63/Default.aspx">https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/855/Committee/63/Default.aspx</a>





**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 4.4</b>
<b>27 NOVEMBER 2019</b>	<b>PUBLIC REPORT</b>

## ENTERPRISE ZONES

### 1.0 PURPOSE

- 1.1. To provide an overview on the progress being made on each of the Enterprise Zone sites and to set out the associated National Non-Domestic Rates (NNDR) income profiles for the CPCA.
- 1.2. To provide an overview of the existing financial commitments and allocations from the CPCA share of Enterprise Zone NNDR income in supporting core Local Enterprise Partnership (LEP) services
- 1.3. The Business Board report can be viewed at:

[https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/Vi  
ewMeetingPublic/mid/397/Meeting/874/Committee/69/SelectedTab/Documents/  
Default.aspx](https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/Vi<br/>ewMeetingPublic/mid/397/Meeting/874/Committee/69/SelectedTab/Documents/<br/>Default.aspx)

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Austen Adams, Interim Chair of Business Board</b>
<b>Lead Officer:</b>	<b>John T Hill, Director, Business and Skills</b>
<b>Forward Plan Ref: Not applicable    Key Decision: No</b>	
Full recommendations to the Business Board shown below. Recommendations for Combined Authority approval shown in <b>bold type</b> :	<b>Voting arrangements</b>  Simple majority of all Members

<p>(a) To note the progress being made with delivery on each of the area's Enterprise Zone sites, and the associated Enterprise Zone National Non-Domestic Rates income profile for the Combined Authority as per table 1.</p> <p>(b) To note the existing financial commitments and allocations from the Combined Authority share of Enterprise Zone National Non-Domestic Rates income in supporting core Local Enterprise Partnership services as set out in table 2.</p>	
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## 2.0 APPENDICES

### 2.1 None

<u>Background Papers</u>	<u>Location</u>
None	



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 5.1</b>
<b>27 NOVEMBER 2019</b>	<b>PUBLIC REPORT</b>

## **A605 ALWALTON TO LYNCHWOOD**

### **1.0 PURPOSE**

- 1.1. On 8 November 2019 the Transport and Infrastructure Committee considered a request by Peterborough City Council for funding to enable the construction of the A605 Oundle Rd Widening - Alwalton-Lynch Wood scheme to proceed to completion in 2020, following the completion of detailed design. A copy of the report is attached at Appendix 1.
- 1.2. A funding allocation of £795,000 is being sought for the Quarter 1 / 2 periods of 2020/21, due to increased construction costs as detailed in the committee report. It is anticipated that this will be funded from the Combined Authority's Single Pot Capital fund and the scheme complies with the requirements of that funding.
- 1.3. The activities in the 2019/20 year Quarter 4 as detailed in the appendix will be funded from the existing approved budget of £520k as detailed in the MTFP.
- 1.4. Based on the Target Cost, the Benefit Cost Ratio (BCR) is 2.77, demonstrating high value for money.
- 1.5. The proposal received unanimous support from the Transport and Infrastructure Committee.
- 1.6. A decision is required from the Combined Authority Board rather than the Transport and Infrastructure Committee because there is no current provision in the MTFP for the funding sought at 1.2 above. The Board retains responsibility for the allocation of such funding.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>James Palmer, Mayor</b>
<b>Lead Officer:</b>	<b>Paul Raynes, Director of Delivery and Strategy</b>
<b>Forward Plan Ref: 2019/069</b>	<b>Key Decision: Yes</b>
<p>The Combined Authority Board is recommended to:</p> <p>(a) Approve the additional £795,000 of funding required to progress with construction.</p>	<p><b>Voting arrangements</b></p> <p>A two thirds majority of all Members appointed by the Constituent Councils, to include the Members appointed by Cambridgeshire County Council and Peterborough City Council</p>

## **2.0 APPENDICES**

- 2.1 Appendix 1: Report to the meeting of the Transport and Infrastructure Committee on 7 November 2019 - A605 Oundle Road Widening – Alwalton-Lynch Wood

<b><u>Background Papers</u></b>	<b><u>Location</u></b>
None	





<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY TRANSPORT AND INFRASTRUCTURE COMMITTEE</b>	<b>AGENDA ITEM No: 2.9</b>
<b>08 NOVEMBER 2019</b>	<b>PUBLIC REPORT</b>

## **A605 Oundle Rd Widening - Alwalton-Lynch Wood**

### **1.0 PURPOSE**

- 1.1. This report considers a request by Peterborough City Council for funding to enable the construction of the A605 Oundle Rd Widening - Alwalton-Lynch Wood scheme to proceed to completion in 2020, following the completion of detailed design.
- 1.2. The detailed design has provided greater cost certainty over the budget required to deliver the scheme. The scheme continues to deliver high value for money.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>James Palmer, Mayor</b>
<b>Lead Officer:</b>	<b>Paul Raynes, Director of Delivery and Strategy</b>
<b>Forward Plan Ref: N/A</b>	<b>Key Decision: Yes</b>
The Combined Authority Transport and Infrastructure Committee is recommended to:  (a) Agree to proceed to board to take a decision on funding the additional £795,000 required to progress with construction.	<b>Voting arrangements</b>  Simple majority of all Members

### **2.0 BACKGROUND**

- 2.1. The project originated from a need to investigate the current traffic situation on the A605 between the village of Alwalton and Lynchwood Business Park. This arose following the submission of a planning application for a housing

development in Alwalton and advice from Highways England that to approve the application, traffic signals would need to be installed at the junction of Alwalton and the A605.

- 2.2. The driver for change is a need to make highway improvements in order to improve traffic flows in this area. A 'do nothing' scenario will lead to an increase in traffic congestion and jeopardises Peterborough's growth ambitions and the local economy
- 2.3. A study was therefore undertaken which identified the following key points:
  - (a) Mainly an AM peak problem at the Alwalton Junction;
  - (b) Link over capacity eastbound between the Alwalton and Lynch Wood junctions, caused by the volume of traffic joining the from the A1 (Southbound), and;
  - (c) No noticeable delay at Lynch Wood junction.
- 2.4. As a result, four options were developed which were as follows:
  - (a) Add an additional lane eastbound from the entrance of Alwalton to the junction of Oundle Road and Lynchwood.
  - (b) Install traffic signals at the junction of Alwalton and Oundle Road (this option was put forward by Highways England in order for them to approve the intended development).
  - (c) Install traffic signals at the junction of Alwalton and Oundle Road and also provide an additional lane eastbound between Alwalton and the Oundle Road/Lynch Wood junction.
  - (d) Close the A1 off-slip which brings traffic through Alwalton, divert traffic to Junction 17 and improve that junction.
- 2.5. These options were assessed and it was determined that the first option, of adding an additional lane eastbound from the entrance of Alwalton to the junction of Oundle Road and Lynchwood, should be progressed through design.
- 2.6. Early estimates indicated a scheme cost of £1.5m (CPCA contribution of £725k), however following detailed design and development of a Target Cost, the final cost estimate is £2,293,000. PCC have therefore requested an additional £795,000 from the CPCA to enable construction to take place.
- 2.7. The primary reason for the increase in cost is the requirement, following a road safety audit, for the construction of an access road and the utility diversion associated with this which was not previously identified during earlier stages of design.
- 2.8. Through the construction and implementation of this scheme it is expected that 2,000 new jobs will be unlocked.

### **3.0 Programme**

- 3.1. The current timeline for project completion and the initial realisation of benefits is as follows, based on successfully securing additional funding in late November:

January 2020	Mobilisation
February 2020	Construction Commences
July 2020	Construction complete; Scheme opens

#### **4.0 FINANCIAL IMPLICATIONS**

- 4.1. A funding allocation of £795,000 is being sought, this is due to increased construction costs as detailed previously within this report following detailed design.
- 4.2. It is anticipated that this will be funded from the Combined Authority's £74m allocation from the Transforming Cities Fund and the scheme complies with the requirements of that funding.
- 4.3. Based on the Target Cost, the Benefit Cost Ratio (BCR) is 2.77, demonstrating high value for money.

#### **5.0 LEGAL IMPLICATIONS**

- 5.1. There are direct legal implications

#### **6.0 OTHER SIGNIFICANT IMPLICATIONS**

- 6.1. Implications for nature

- (a) It is not expected that this scheme will have an adverse affect on the natural environment.

- 6.2. Other resource Implications

- (a) The project will be delivered through the Peterborough Highways Services contract.

- 6.3. Risks

- (a) Weather delays affecting operation which could result in delays and additional expenditure;
- (b) Programme overrun due to onsite construction problems.

- 6.4. Engagement and Consultation

- (a) Public consultation on the scheme was undertaken in July 2018. There was some feedback from a local parish council that has been resolved during the detailed design stage.

<b><u>Background Papers</u></b>	<b><u>Location</u></b>
A605 Alwalton to Lynch Wood Technical Note	TBC