

Agenda Item No: 3.6

Progress Against Devolution Deal Commitments

To: Cambridgeshire and Peterborough Combined Authority Board

Meeting Date: 26 January 2022

Public report: Yes

Lead Member: Mayor Dr Nik Johnson

From: Paul Raynes, Director of Delivery & Strategy

Key decision: No

Forward Plan ref: n/a

Recommendations: The Combined Authority Board is recommended to:

a) Note the Devolution Deal Report from Overview and Scrutiny Committee in Appendix 1.

b) Note the reporting on Devolution Deal progress in its new format, which reflects the Overview and Scrutiny Committee's comments, as set out in Appendix 2.

Voting arrangements: For noting only, no vote required.

1. Purpose

1.1 The purpose of the report is to provide the six-monthly update on progress with the Devolution Deal requested by the Board, and to note the recommendations from Overview & Scrutiny Committee on monitoring the Devolution Deal. The update paper takes into account the recommendations of the Overview and Scrutiny Committee.

2. Background

- 2.1 A Devolution Deal was signed between the 7 local authorities, the Local Enterprise Partnership (now the Business Board), and HM Government in 2017. This devolved Gainshare funding of £20m per year for 30 years, subject to 5-yearly gateway reviews of this Gainshare fund. In 2020 the first gateway review with HM Government was passed.
- 2.2 In previous 6-monthly updates we have included a table as an appendix which listed individual deliverables derived from the text of the Devolution Deal.
- 2.3 The Chair of the Overview & Scrutiny has prepared the report in Appendix 1. It was discussed and agreed by the Committee at its meeting on 13 December 2021. The report reviews the arrangements for monitoring the Devolution Deal and makes recommendations.
- 2.4 The report concluded that reporting against deliverables extracted from the Deal tended to obscure the Deal's overall vision and purpose as set out in the Overview section of the Deal document. It recommends instead a more narrative report against the six themes in the overview. It considers that this would enable more strategic consideration of how the Deal was intended to transform Cambridgeshire and Peterborough, and the extent to which that vision has been implemented and has achieved its intentions. It recommended that this strategic overview be accompanied by updates on the individual commitments in each chapter of the Deal, considering the contribution of each responsible partner as well as the level of collective progress.
- 2.5 In line with these recommendations from the Overview and Scrutiny Committee,
 - section 3 of this paper offers a narrative against the six themes in the overview section,
 and
 - Appendix 2 offers updates on individual pieces of work in each chapter through annotation of the Devolution Deal.

3. Six themes in the Devolution Deal

- 3.1 This section takes the six themes identified in the overview of the Devolution Deal in turn.
- 3.2 **Economic growth (doubling of GVA):** Between 2016 and 2019, Cambridgeshire & Peterborough has outperformed both the UK rate of growth and the trajectory for doubling GVA required by the Devo Deal and is on track to meet this key target.
- 3.2.1 The closure of a large firm in Peterborough delivered a setback to recorded GVA growth in 2019, and this, together with the impact of Covid-19 means that on 2019 data we are below the Devolution Deal trajectory by 4.6%. However, growth in Knowledge Intensive (KI)

sectors has remained strong, and local indicators (which are more accurate than ONS data) show continuing strong employment growth. We are therefore on track to recover well from Covid. Concern about inequalities in recovery remains, especially at differential between KI and non-KI sectors.

- 3.3 **Low-carbon knowledge-based economy:** The Combined Authority has established the Independent Commission on Climate to provide independent evidence and advice on climate issues. The Commission has made 58 recommendations for action by the Combined Authority, and investments in local solutions will help toward a pathway to reach Net Zero by 2050 (or before).
- 3.3.1 Our Local Industrial Strategy (LIS) proposes that the area's economic base growth is supported by harnessing innovation. A key priority in the LIS is to replicate and extend the infrastructure and networks that have enabled Cambridge to become a global leader in innovative growth, creating an economy-wide business support and innovation eco-system to promote inclusive growth. According to the 2020 data from the Centre for Business Research at Cambridge University, knowledge intensive (KI) employment growth was +4.6% compared to +5.8% the previous year (non-KI employment growth was +2.8% compared to +4.2% the previous year).
- 3.4 **Delivery of new homes and sustainable communities:** The £100m housing programme will come to an end in March 2022, and the programme is expected to deliver 1,560 affordable homes and we are continuing to support Community Led Homes. Average completions for all dwellings between 2016/17–2019/20 was 4,717 per annum, and in the last two years of those figures we achieved an average of almost 5,000; if this trajectory continues it will put us above the 72,000 target in the Deal.
- 3.5 **Public service delivery reform:** We have had an independent commission on Public Service Reform, we have led innovations in the delivery of public transport and we have played into cross-sector working on Covid. We have also successfully taken on the local management of Adult Education Budget.
- 3.6 **Skills fit for business:** We are working with a variety of partners to implement our Skills Strategy, interventions include the University of Peterborough, Skills Bootcamps, Careers Hub, Health and Care Sector Work Academy and Growth Works. Our investment in Growth Works alone will create 5,278 new jobs, 1,400 new apprenticeships, and generate significant internal investment in Cambridgeshire and Peterborough over the next three years. In addition, the devolved Adult Education Budget continues to be localised and allocated based on analysis of local skills needs, this has enabled greater transparency and local accountability over delivery and a step change towards better serving local skills needs.
- 3.6.1 At present, according to the annual population survey 2020, the skill levels (at all NVQ levels) for Cambridgeshire and Peterborough as a whole are better than both the Great Britain and Eastern Region average, for example 81.3% of the population have a qualification at NVQ2 or above compared to 77% for the eastern region and 78.1% for Great Britain.
- 3.7 **World class connectivity and transport systems:** A Bus Service Improvement Plan has been submitted to Government which is an ambitious plan for bus service improvement across our region. We have also successfully won a bid for the replacement of 30 diesel

buses with 30 zero emission electric double deck buses, and launched the first Demand Responsive Transport (technology driven public transport) service. We have a transport portfolio of 21 projects underway and in delivery, including Soham Station which in December 2021 opened to the public.

- 3.7.1 In 2021 the Combined Authority also successfully secured funding from the DfT as part of the Major Road Network bidding process for the A10, and following the completion of a successful business case by the Combined Authority, Government also announced within the Budget that Cambridge South is funded, subject to planning to proceed for completion in 2025.
- 3.7.2 At present traffic trends are significantly impacted by COVID, there is a now a significant contrast between Cambridge and Peterborough. Motor vehicle movements for Cambridge are 42% below what they were pre-pandemic whilst the parkway system in Peterborough (pre-December 2021) is akin to pre-pandemic levels. Bus ridership and use of the rail network are also lower, however there has been some increases in local traffic movement around market towns. We have taken on a target to reduce traffic by 15% and the practicalities of this is being incorporated into the Local Transport & Connectivity Plan. To achieve this our vision is to develop an integrated transport solution that will encourage mode shift to public transport and active travel, to create a real alternative to the car.
- 3.7.3 Our digital connectivity programme has been a success, the full fibre target of 30% by 2022 was reached more than a year early and gigabit capable coverage has climbed rapidly to 50% in 2021. Public access Wifi, is available at over 200 public buildings, village halls and community sites across Cambridgeshire and Peterborough. The secure CambWifi network has recently been expanded to market town and city centres.

Significant Implications

- 3. Financial Implications
- 3.1 There are no financial implications arising from the recommendations in this report.
- 4. Legal Implications
- 4.1 There are no significant legal implications from this report.
- 5. Appendices
- 5.1 Appendix 1 Overview & Scrutiny Devolution Deal Report
- 5.2 Appendix 2 Devolution Deal Annotated to Show Progress
 - Accessible versions available on request from Nathan Bunting.
- 6. Background Papers
- 6.1 <u>Devolution Deal</u>