



Agenda Item No: 3.1

Combined Authority Monthly Highlights Report: January 2023

To: Cambridgeshire and Peterborough Combined Authority Board

Meeting Date: 25 January 2023

Public report: Yes

Lead Member: Deputy Mayor

From: Gordon Mitchell, Chief Executive

Key decision: No

Recommendations: The Combined Authority Board is recommended to:
Note the content of this report.

Voting arrangements: No vote required.

1. Purpose

This report provides a general update on the key activities of the Combined Authority and the Mayor since the last Board meeting, which are not covered in other reports to this Meeting. It also provides information on some key developments, risks and opportunities that have emerged.

2. Updates

2.1 Organisational Update

2.1.2. National Policy Developments

The Chancellors Autumn Statement delivered on the 17 November outlined a number of issues of interest. Subsequent weeks have provided better insight and understanding of some of these issues and proposals.

There appears to be a fresh and potentially significant refocus on **devolution**. The statement outlined the intention to agree two trailblazer pilots with Greater Manchester CA and West Midlands CA. Since then, the initiative has been extended to include the North East of England CA as part of the agreed new deal for the restructured area. While this development is potentially very significant it remains to be developed for practical implementation. As is often the case the issue of Treasury oversight and agreement with individual departments remains a challenge.

The broad intention was reported as seeking to agree further county deals and then to engage MCAs in 'Devo 2' deal conversations thereafter – touted as later in 2023/24. If this path is firmed up, then clearly there is a major opportunity for the CPCA, and it will be prudent to begin work to refine the package we would wish to promote and assemble the right research base.

The early proposals for **Investment Zones** were scrapped – reportedly largely as a result of widespread concerns about lack of environmental protection. Early information after the autumn statement suggested there might still be a more limited initiative more customised on a small number of locations and networks. Unfortunately, no further clarity has emerged at this time. This opportunity was certainly of some interest in the CPCA area and informal exploration continues.

A second announcement related to the possible **devolution of skills** funding to create a unified funding 'pot' at MCA level. The government established a review to consider this to be led by Sir Michael Barber. It was scheduled to report later this year.

There has also been a change to the way a Directly elected mayor will be elected in future.

Section 13 of the Elections Act 2022 was recently amended by The Local Authorities (**Mayoral Elections**) (England and Wales) (Amendment) Regulations 2022. The law amended voting system from the Supplementary Vote system to the simple majority system, ie, first past the post. This amendment came into force on 26 October 2022.

These changes will be in place for any elections from 4 May 2023.

One of the major partnerships of potential significance for CPCA has been the Oxford to Cambridge ARC. While the importance has waxed and waned in terms of government interest discussions have taken place over recent months to replace it with a voluntary partnership – **the OCPRP**. With encouragement and funding from government work is underway to establish fresh governance and focus. A shadow board is already meeting to oversee these developments. The CPCA Mayor has a seat on the board and a number of our board members stepping forward to place key roles in the committees. A key difference from the earlier incarnations is the plan to recruit an independent chair.

The networks of universities and LEPs continue to invest effort in this initiative.

The task in the short term is to set out the focus and pass the ‘tests’ to become recognised by government as a Pan Regional Partnership.

2.2 Improvement and Assurance

It may not be easily visible to the Combined Authority Board but the period of December to February is a busy period for officers in providing and supporting key external assurance processes.

This includes engagement to support the External Auditor as they prepare their annual opinion.

A second is the annual process of assurance relating to the ‘LEP’ activity. This features a number of assurance submissions to BEIS, some of which support challenge meetings. The Annual Performance Review meeting this year is scheduled to take place on 2nd February 2023.

Board should also be aware that the ‘intervention’ triggered by the letter from the External Auditor in May, and the ongoing special attention of DLUHC have required direct responses but have also triggered additional demands for assurance related evidence from the DfE relating to contract awards and payment.

At the time of writing there remains a matter of some risk. Members may recall that DLUHC intervened directly by taking a precautionary approach to the transfer of funding to CPCA until they have assurance that there are appropriate plans in place to reach a resolution to the series of concerns highlighted by CPCA’s auditors. The department paused the payment of the 2022/23 Mayoral Capacity Fund of £1m being part of the Revenue Single Pot, and LEP core funding of £375k.

While this retention of funding in the short term has limited consequences in cash terms, officers have been seeking assurance about future payments. This issue relates to the MTFP in so far as it affects the assumptions about available funds. Additionally in accounting terms it has a consequential effect on the ability of the External Auditor to provide an opinion on future financial plans.

Officers continue to seek the necessary assurances and can provide a verbal update at the meeting.

In addition, board will recall that the devolution deal is subject to a 5 yearly review which releases the 'deal funding' for the subsequent 5-year period. The second of these quinquennial reviews occurs in 2023-24. The initial engagement with civil servants commenced in December and the first formal meeting to outline the process and requirements takes place on 19 January.

2.3 Funding Activity

Work to attract and secure additional funds for application in the area is continuous. Often this is in response to government initiatives. It is a mix of competitive bidding, provision of evidence to secure allocations and ad hoc available funds. It is a feature of this time that these are for smaller amounts very often at short notice. We need this to change as it requires a very significant amount of work from officers at the CPCA and in all of the constituent councils with uncertain outcomes.

By way of illustration confirmed funds from various bidding and submission exercises, almost all of which are in partnership, since the last board can be summarised as:

- £4m for Peterborough Bus Depot
£3m for Phase 2 of the University of Peterborough programme
- £1m for the redevelopment of Fanshawe Road
- £2.9m Skills Bootcamps wave 4
- £823k Active Travel revenue grant
- £66k across 3x small skills grants to support 'Teacher Encounters' (£15k), 'Primary Careers' trailblazer (£32k) and 'Rethinking apprenticeships' (£19k)
- £1.3m partner bid with New Anglia LEP for the Create Growth Programme (N.B. not being delivered by CPCA so doesn't appear in our budget)
- £169k Local Transport Fund
- £9.8m UKSPF
- £35k DEFRA grant to fund capacity for work on the Local Nature Recovery Strategy (LNRS) – this was allocated to all 'responsible bodies' leading on a LNRS.

2.4 Climate and Nature

2.4.1 **Care Homes** Climate Change Programme: We have worked with council officers to refine the Programme and have mapped the distribution of eligible care homes. The expression of interest stage for local care home managers is launched in January.

2.4.2 **Investing in Nature Fund:** Positive interest in projects for the £1m Fund, and Natural Cambridgeshire are currently assessing the first round of applications for the Fund received by the December deadline.

2.4.3 **Cambridge City Portrait:** Cambridge City Council is working with researchers and stakeholders to build a detailed picture of Cambridge in terms of its environmental, economic, and social aspects. Using the latest and best data available, the portrait will inform discussions about the type of city Cambridge could be and identify issues that need priority action.

2.4.4 **Climate Action Plan:** ahead of the progress report to the March Board the workstream leads met to discuss progress and updates to actions. These will be discussed by the Climate Partnership for recommendation to Board.

2.5 Relevant Government Developments

2.5.1 In January, BEIS published the **Independent Review of Net Zero**. This Review emphasises that the UK must go further and faster to realise economic benefits. Government and industry can work to better exploit the opportunities and catalyse action. It backs using infrastructure investment and local action, including reforming the planning system, to deliver the green transition.

2.5.2 From 2024 government intends to enact the requirement in the Flood and Water Management Act for all new developments to include **Sustainable Drainage Systems**. This was one of the recommendations of the Cambridgeshire and Peterborough Independent Commission on Climate. It will deliver improved flood resilience and more green infrastructure with funding for its ongoing maintenance.

2.6 Education, Skills and Employment

2.6.1 **Traineeships:** On the 12 December the Government announced that Traineeship provision will be integrated into the Department's general post-16 provision from 1 August 2023. This will end the national standalone programme and move traineeships into general provision. This aims to simplify the skills landscape and will enable greater flexibility to meet local need and provide better outcomes for young people who need more tailored support.

Officers are engaged with the Department for Education to work through the transition arrangements.

2.6.2 **Maths Ambition:** On the 4 January the Prime Minister in his speech outlined his ambition for all young people to continue to study 'some form of maths' until the age of 18. The DfE have engaged with officers at the Combined Authority to start developing what this provision could be.

2.6.3 **Careers In Primary Schools:** The Combined Authority has been chosen as one of four trailblazers in a new national scheme to introduce a new career-related learning programme in schools. The programme is led by the Careers and Enterprise Company backed by £2.6 million from the Department for Education. It is a targeted programme for 2,250 primary schools, reaching around 500,000 pupils, located in 55 Education Investment Areas (EIAs) around the country.

2.6.4 It is hoped that this might be a precursor to the creation of a consolidated **All Age Careers Service** which would offer transformative pathways to great careers starting within schools and supporting people throughout their working lives.

- 2.6.5 **New Provider Network:** The Skills team are launching a provider network in January. The main aim of the network is to build a community of good practice and ensure we have sufficient high-quality providers engaged in the Combined Authority region to deliver our skills requirements. All existing providers have been invited to attend the first meeting.
- 2.6.6 **Working in partnership and co-production** - Three 'Think Tanks' were convened for the different provider types that the Combined Authority contracts with, working alongside national sector-bodies: the Association of Colleges, HOLEX and Association of Employment and Learning Providers. They provide a forum for open discussion and reflection about future funding policy changes and direction.
- 2.6.7 **Adult Education Budget (AEB):** Participation in learning opportunities continues to increase in the 2021/22 academic year, with 9,770 residents benefiting through AEB, compared to 9,061 in 2020/21. This is a 10% increase in take-up against a national decline. Level 3 courses have increased from only 0.9% in 2019/20 to 3.4% of all enrolments in 2021/22.

Over 1,500 residents participated in English for Speakers of Other Languages and there was an 18% improvement in completions. An Annual Report for the ESOL Planning Partnerships has been published and shared with the Skills Committee, with our work recognised as national best practice. We have been able to access additional funding from DHLUC to support Hong Kongers, and over 50 have benefited from support to date.

- 2.6.8 **Skills Bootcamps Wave Four:** The Skills Team has secured an additional c£2.9m to deliver Skills Bootcamps through a successful proposal to DfE. Delivery of this Wave of funding will commence in April 2024.

2.7 Business Support and Investment

- 2.7.1 **UK Shared Prosperity Fund (UKSPF):** The Combined Authority received confirmation that the allocation of £9.8 million core UKSPF was approved by Government and the Grant Funding Agreement issued from DLUHC has been signed and returned to accept the award. Officers are working with all Local Authorities to cascade requirements of the funding agreement plus required CPCA project assurance and to drive delivery of the projects.
- 2.7.2 **North Cambridgeshire Training Centre:** Completion of the additional roundabout work on the A141 in Chatteris now means the training centre is fully accessible and operational to deliver the apprenticeship and wider training provision as planned.
- 2.7.3 **Create Growth Fund:** Together with the New Anglia LEP and wider University and other partners (University of East Anglia, Anglia Ruskin University, University of Suffolk, Norwich University of the Arts, Norfolk County Council, and Suffolk County Council) an allocation of £1.275 million has been secured from DCMS. The funding agreement from Government was signed in December by New Anglia LEP as the lead body. The partners met in December 2022 to organise the commencement of delivery on the support programme across Norfolk, Suffolk and Cambridgeshire to prepare potential high growth creative sector organisations for seed funding.

2.8 Transport

The Department for Transport has confirmed the TWAO for the proposed new rail station Cambridge South, a successful outcome for all partners concerned. We look forward to a related ministerial visit in due course.

Active Travel England has awarded £823k Capability & Ambition Fund support for technical expertise to develop active travel, including funding for Active Travel Advocate and a centre-of-excellence website.

The Combined Authority awaits the Government's deferred decision on LUF2 funding for Peterborough Station Quarter. Also looking to support applications to Government for Transport Research Innovation Grants, or TRIG. These are £30k packages for research to be completed before September 2023. Cambridgeshire CC is continuing to progress the A10 Ely-A14 Improvements and A141 and St Ives Improvements

We are assessing the impact of the December announcement for Judicial Review on the planning applications for the three National Highways A47 Schemes on our projects.

Kings Dyke is substantially complete, but final touches will include minor drainage works; resurfacing sections of footpaths; removing temporary barriers; planting trees and hedgerows; removing the works compound and reinstating site. Landscaping and aquatic planting at the appropriate time will add reeds and water plants to the lagoons and swales in Star Pit.

Following engagement through the NIC roundtable event that CPCA hosted in November subsequent discussions with Network Rail are focused on plans for an Eastern region rail summit to promote the case for EACE investment as a necessary platform for regional growth.

Cllr Anna Smith wrote to Rt Hon Mark Harper MP, Secretary of State for Transport, on 19 December 2022 to follow up on a letter the Mayor of Cambridgeshire and Peterborough Combined Authority, Dr Nik Johnson, sent to on 16 November 2022.

Cllr Smith outlined the current concerns whereby the Combined Authority has subsidised 18 of Stagecoach East's loss-making bus routes. She asked whether the Department for Transport would consider emergency funding for Local Authorities to maintain loss-making routes while developing and implementing bus improvement plans. As this is an issue across many areas we are trying to work with the Campaign for Better Transport, who are promoting the need for solutions at a national level.

2.9 Greater South East Net Zero Hub

The Greater South East Net Zero Hub hosted Katherine Wright, Deputy Director Public Sector and Local Energy, BEIS at Pathfinder House on 9 December 2022.

The meeting provided the Hub an opportunity to promote successful projects to BEIS, along with sharing delivery ambitions for the next year and what is needed from BEIS to support this.

Board should note the root and branch overhaul of the programme governance framework. This has led to a transformation in current performance and in recent discussions with BEIS there is reason for optimism concerning future programme expansion.

2.10 ARU Peterborough (ARU-P)

Town planning consent for the Phase 3 second teaching building incorporating the Living Lab was awarded in December 2022. The building is currently planned to cater to students studying mainly in STEM (science, technology, engineering and maths) fields and construction is planned to begin in spring 2023 and is scheduled to open in autumn 2024.

The building works at the Peterborough Research & Innovation Centre, which is located on the University Campus in Peterborough, is now largely complete and is due to be handed over in January 2023. Negotiations are underway with prospective tenants, and plans are being prepared for the fit out of the new building ready for occupation in 2023/24.

The delivery of these 3 new buildings and the establishment of the university teaching programme represents the intended phase 1 of the original 10-year programme. Informal discussion has begun to consider the potential and scope of the second period of 3-4 years. This needs to take stock of the changed environment, possible new opportunities for the UoP and riverside site development with a view to form a fresh plan and consideration of the roles and commitment from the partners.

2.11 Housing

From the affordable housing programme delivering 1,458 additional affordable housing units, 520 will be complete at end of Jan 2023, the balance are all under various stages of construction.

From the CPCA Housing loan book, consisting of 5 loans, 2 loans have been re-paid in full with interest, a third (being the scheme with East Cambridgeshire trading company delivering 54 houses at Haddenham) will be re-paid in full with interest by the end of January 23, 2 months ahead of the borrowers' contractual obligation. The remaining 2 loans (on schemes at MOD Ely and Histon Road Cambridge) are due for repayment in March 2023 and May 2023 respectively.

2.12 Public Affairs

Work is underway to establish an effective public affairs arm within the Combined Authority, and work within Workstream F of the Improvement programme is supporting through mapping the approach, capacity and arrangements needed.

Public affairs support is already being provided to internal departments and outputs are already being delivered.

While this work is in its infancy it has focused on conducting research and building working

relationships with stakeholders and influencers particularly concerning parliamentary connected activities. Further activity is planned shortly to develop the role of members of the Business Board in promoting the interests of the area more systematically.

The East of England All Party Parliamentary Group meetings are of particular interest. Our early work has involved feeding into their latest report to parliamentarians; *Levelling up the East of England 2023 to 2030: the East of England's progress towards achieving the Government's 12 levelling up missions*. It's a comprehensive 94 page report which analyses the East of England's level of confidence in achieving the Government's twelve levelling up missions, which were announced in a White Paper in February 2022 with targets set for 2030.

The Deputy Mayor, alongside Ministers, is scheduled deliver a short speech at the forthcoming parliamentary reception to consider the report organised by the APPG and EELGA.

CPCA staff also attended Transport East's Rail Roundtable in Houses of Parliament which brought together stakeholders and Parliamentarians to discuss key rail projects in the region, including East West rail, and the challenges and opportunities in delivery.

Lastly, evidence has been supplied to the Levelling Up, Housing and Communities Parliamentary Committee inquiry into Levelling-Up Funding. The inquiry is specifically considering the funds available for levelling-up and how effectively resources are directed to those areas most in need. It is an opportunity to promote changes in funding delivery which will benefit the CPCA area. Work has begun to supply evidence to other relevant Parliamentary Committee inquiries.

Significant Implications

3. Financial Implications

3.1 None

4. Legal Implications

4.1 None

5. Public Health Implications

5.1 None

6. Environmental and Climate Change Implications

6.1 Neutral

7. Other Significant Implications

7.1 None