



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

OVERVIEW & SCRUTINY COMMITTEE

Date: Tuesday, 09 January 2024

Democratic Services

Edwina Adefehinti
Interim Chief Officer Legal and Governance
Monitoring Officer

11:40 AM

2nd floor, Pathfinder House
St Mary's Street
Huntingdon
Cambs
PE29 3TN72

Extraordinary Meeting - HUNTINGDON TOWN COUNCIL
Town Hall, Market Hill, Huntingdon, Cambs, PE29 3PJ

AGENDA

Open to Public and Press

1 Apologies for Absence

2 Declarations of Interest

At this point Members must declare whether they have a disclosable pecuniary interest, or other interest, in any of the items on the agenda, unless it is already entered in the register of members' interests.

3 Corporate Strategy & Medium Term Financial Plan Consultation 1 - 34

4 Date of next meeting:

Monday, 29th January at 11.00 a.m.at Civic Suite Huntingdonshire
District Council

COVID-19

The legal provision for virtual meetings no longer exists and meetings of the Combined Authority therefore take place physically and are open to the public. Public access to meetings is managed in accordance with current COVID-19 regulations and therefore if you wish to attend a meeting of the Combined Authority, please contact the Committee Clerk who will be able to advise you further.

The Overview & Scrutiny Committee comprises the following members:

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

Cllr Anna Bradnam

Councillor David Brown

Councillor Charlotte Cane

Cllr Maureen Davis

Councillor Wayne Fitzgerald

Cllr John Fox

Councillor Mark Goldsack

Cllr Tim Griffin

Councillor Martin Hassall

Councillor Anne Hay

Councillor Jon Neish

Councillor Judith Rippeth

Cllr Martin Smart

Councillor Aidan Van de Weyer

Clerk Name:	Anne Gardiner
Clerk Telephone:	
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Overview & Scrutiny Committee		Agenda Item
9 January 2024		3
Title:	Corporate Strategy & Medium-Term Financial Plan Consultation	
Report of:	Kate McFarlane, Director of Policy & Engagement Nick Bell, Executive Director (Resources & Performance)	
Lead Member:	Mayor Dr Nik Johnson	
Public Report:	Yes	
Key Decision:	No	
Voting Arrangements:	N/A	

Recommendations:

A	To provide consultation responses to the Combined Authority Board meeting on the 31 st January 2024 regarding the draft Medium Term Financial Plan (MTFP) and the draft Corporate Strategy.
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Strategic Objective(s):

The proposals within this report fit under the following strategic objective(s):

x	Achieving ambitious skills and employment opportunities
x	Achieving good growth
x	Increased connectivity
x	Enabling resilient communities
x	Achieving Best Value and High Performance

1. Purpose

1.1	This paper provides Overview & Scrutiny Committee with an opportunity to comment on the draft MTFP approved by the Board for consultation at its meeting on the 29 th November 2023. It also provides an opportunity for the Committee to comment on the draft refreshed Corporate Strategy. Responses from consultees, including those from the Overview & Scrutiny Committee, will be reported to the Board at its meeting on 31 st January 2024 when it will be asked to approve a final Corporate Strategy and MTFP.
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2. Proposal

2.1	The Combined Authority Board approved the commencement of a consultation process on the draft MTFP at its meeting on 29 th November 2023. The consultation process commenced on the 30 th November 2023 and was scheduled to conclude on Friday 12 th January 2024. The consultation period
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	has now been extended to 15 th January 2024 to ensure comments from the Business Board which meets on that day can be incorporated. The report that comprised the draft MTFP that was approved by the Board, together with its Appendices, is attached to this report as Appendices A to F.
2.2	There is no requirement for a formal consultation on the refreshed Corporate Strategy, but in line with our ongoing commitment to engagement we have proactively sought views to help shape our priorities and activities alongside the MTFP. This refresh is an update of the existing Corporate Strategy, approved by the Board in January 2023, and is intended to run for the remainder of this Mayoral term (until May 2025). Whilst there are some changes of substance in the refreshed Corporate Strategy relating to projects and actions, the four key strategic objectives approved as part of the existing Corporate Strategy are proposed to remain, along with the fifth strategic objective (Achieving Best Value and High Performance) that was approved by the Board in May 2023. There are some significant presentational changes to the Corporate Strategy which are being finalised in light of feedback provided by this committee in June 2023. It is intended to issue a final draft version of the Corporate Strategy to the Members of the Overview & Scrutiny Committee on 5 th January 2024 to enable a discussion at its meeting on 9 th January 2024, but also to enable any written submissions regarding the Corporate Strategy from Members of the Committee to be reported to the Board. Any such written submission will need to be received by 5pm on Monday 15 th January 2024 at the latest.
2.3	In relation to consultation on the MTFP, the current consultation process includes dedicated webpages https://cambridgeshirepeterborough-ca.gov.uk/yoursayyourfuture/ and a linked questionnaire which is attached as Appendix G for the information of the Committee.
2.4	In terms of the response to the consultation on the MTFP, it is open for the Committee to focus on whatever areas of the draft MTFP it wishes. However it may wish to focus the majority of its time on the proposed capital and revenue investments (included as Appendices to this report) and on the budget option contained in the body of the report that went to the Board in November, namely an increase in the Mayoral precept of £24 per year for a Band D property to be used to extend the existing bus network by developing new routes and more frequent services on some existing routes.

3. Background

3.1	It is a statutory requirement for the Combined Authority and the Mayor to set approved budgets each year and to do that in sufficient time to inform its constituent councils so that they can reflect necessary budget implications within their own approved budgets for the following financial year. In practice this means that the Combined Authority budgets (there are separate budgets for the Combined Authority and the Mayor) need to be approved by the end of January preceding the financial year to which they relate. Consultation on the MTFP – whilst not a statutory responsibility for the Combined Authority – is considered best practice, and the Combined Authority Board approved a process for consultation, to include the Overview & Scrutiny Committee, at its meeting on 29 th November 2023.
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4. Appendices

4.1	<p>Appendix A – Draft Corporate Strategy and MTFP report approved for consultation by Board on 29th November 2023</p> <p>Appendix B – Key Assumptions</p> <p>Appendix C – Revenue Budget</p> <p>Appendix D – Capital Programme</p> <p>Appendix E – Capital Additions</p> <p>Appendix F – Revenue Additions</p> <p>Appendix G – MTFP consultation questionnaire</p>
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5. Implications

Financial Implications	
5.1	There are no direct financial implications from the issues contained in the report.
Legal Implications	
6.1	<p>Under powers granted by the Combined Authorities (Finance) Order 2017, elected Mayors may raise a precept on Constituent Authorities Council Tax bills under section 107G of the Local Democracy Economic Development and Construction Act 2009. A Mayoral Precept may only be issued in relation to the costs of the Mayor or of discharging Mayoral Functions. The Mayoral functions are set out in Article 12 of the Cambridgeshire and Peterborough Combined Order 2017.</p> <p>Further, under Section 25 of the Local Government Act 2003, the Authority's Chief Financial Officer (the Treasurer) is required to report on the robustness of the estimates made for the purposes of the budget and levy calculations and the adequacy of the proposed reserves. This information enables a longer-term view of the overall financial position to be taken.</p> <p>This report is submitted to the Board in accordance with the Budget procedure rules. The CPCA has a statutory duty to have regard to the report of the Chief Finance Officer when making decisions about its budget calculations. The legal and governance processes that need to be completed include consideration by Overview and Scrutiny Committee and the Combined Authority Board.</p> <p>As a public authority which has the power to levy for transport functions and to raise a precept, the Cambridgeshire and Peterborough Combined Authority must set a budget every year which is agreed through its formal decision-making processes.</p> <p>Some savings proposals may only be delivered after specific statutory or other legal procedures have been followed and/or consultation taken place. Where consultation is required, the CPCA cannot rule out the possibility that they may change their minds on the proposal because of the responses to a consultation, and further reports to the CPCA Board may be required.</p> <p>If General Fund Reserves are used to support the budget, they may need to be reimbursed at the earliest opportunity to provide the necessary, margin of safety in future years.</p> <p>Apart from statutory duties relating to specific proposals the CPCA must consider its obligations under the Equality Act.</p>
Public Health Implications	
7.1	The draft Corporate Strategy and MTFP include a number of proposals that will be beneficial to public health, including active travel and road safety.
Environmental & Climate Change Implications	
8.1	The draft Corporate Strategy and MTFP include a number of proposals that will be beneficial to the Environment and tackling Climate Change, including dedicated funds in both revenue and capital to help fund interventions to reduce emissions or mitigate the impact of climate change.
Other Significant Implications	
9.1	None
Background Papers	
10.1	None



Combined Authority Board	Agenda Item
29 November 2023	14

Title:	Draft 2024/25 Corporate Strategy and Budget and Medium-Term Financial Plan 2024/2028
Report of:	Kate McFarlane, Director of Policy and Engagement Nick Bell, Executive Director (Resources & Performance)
Lead Member:	Edna Murphy (Lead Member for Governance)
Public Report:	Yes
Key Decision:	No
Voting Arrangements:	A two thirds majority of Board Members is required to approve the Budget Majority voting is required to approve the timetable for consultation (Recommendation C)

Recommendations:

A	Note the developing draft Corporate Strategy following refresh
B	Approve the Draft Budget for 2024-25 and the Medium-Term Financial Plan 2024-25 to 2027-28 for consultation.
C	Approve the timetable for consultation and those to be consulted.

Strategic Objective(s):

The proposals within this report fit under the following strategic objective(s):

x	Achieving ambitious skills and employment opportunities
x	Achieving good growth
x	Increased connectivity
x	Enabling resilient communities
x	Achieving Best Value and High Performance

1. Purpose

1.1	This paper sets out the developing Corporate Strategy following refresh and the proposed Combined Authority draft Budget for 2024-25 and the Medium-Term Financial Plan (MTFP) and Capital Programme for the period 2024-25 to 2027-28.
1.2	The current Corporate Strategy was adopted by the Combined Authority in January 2023. Whilst there is no statutory requirement to update and refresh the Corporate Strategy on an annual basis, it is considered good practice to do so and for the strategic objectives in the Corporate Strategy to drive investments and resource allocation in the MTFP.

1.3	According to Chapter 4 of 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 Capital Programme and fiscal strategy to reflect any taxation proposals such as local taxation.
1.4	Chapter 7 of the Constitution sets out the Budget Framework Procedure rules including how the Combined Authority will make decisions on the budget. The process for the approval of the Mayoral budget is set out in the Combined Authorities (Finance) Order 2017.
1.5	The paper also sets out the proposed timetable for the consultation and approval of the draft budget and MTFP, and the suggested consultees in line with statutory timescales.
1.6	The consultation exercise will request consultees to provide comment on the proposals contained within the report and whether there would be support for an increased precept to cover the cost of additional and more frequent routes on the bus network for consideration by the Board at its January meeting.

2. Proposal

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.”
2.2	Whilst there is no requirement in the Finance Order 2017 for the Combined Authority to consult on its budget, Local Authorities have a duty to consult where its decision will impact residents.

3. Corporate Strategy

3.1	As considerable work was undertaken to develop the current two year, transitional Corporate Strategy adopted in January 2023 the Combined Authority Board agreed in September 2023 that, whilst it was important to align the processes for determining the Corporate Strategy and MTFP for the first time, the focus on the Corporate Strategy would be more of a refresh of the existing Corporate Strategy (informed by a 6-month review of the existing Corporate Strategy), rather than a more fundamental review. This was considered appropriate because of both the extensive work undertaken to develop the existing Corporate Strategy and the fact that next year will be the last one of the current Mayoralty prior to the next Mayoral election.
3.2	<p>The refresh of the Corporate Strategy consists of four stages:</p> <ol style="list-style-type: none"> 1. High level review of existing adopted Corporate Strategy (completed). 2. Six-month progress review of delivery of the Corporate Strategy priorities and deliverables (completed). 3. Refining the 2024/25 Corporate Strategy and Mayoral ambitions (mid-November to mid-January 2024) 4. Revising Directorate Business Plans for 2024/25 (by mid-March 2024) <p>The above will, in turn, inform individual objective setting which is to be completed by the end of April 2024 as part of the Learning, Excellence, Achievement, Performance (LEAP) performance cycle.</p>
3.3	<p>Stage 1: Review of existing adopted Corporate Strategy & Business Plan</p> <p>A high-level review of the existing adopted Corporate Strategy & Business Plan including consideration of political, economic, social, technological, legal and environmental (PESTLE) factors from a national, regional and organisational perspective has been completed with input on these from the Board Corporate Plan and MTFP workshop on the 18th October and the Leaders Strategy meeting on the 8th November. This highlighted several significant factors for consideration:</p>
3.4	<p>National Drivers:</p> <ul style="list-style-type: none"> • Challenging economic times – inflation, cost of living, borrowing & business finance, reduced business confidence, unemployment rising

	<ul style="list-style-type: none"> • Consensus around Devolution - but uncertainty around nature and timing • National significance of the region re-enforced by Cambridge 2040 policy • Growing importance of Place – establishment of new Government Office of Place • Adapting to future technology opportunities (and challenges) • Climate Change – focus on adaption and mitigation to deliver net zero targets • Post pandemic challenges – such as access to health care, school attendance • General election – uncertainty in national policy landscape
3.5	<p>Regional Drivers:</p> <ul style="list-style-type: none"> • An area of significant population and housing growth – but rural isolation & widening inequalities remain a challenge • Infrastructure constraints including water, energy and housing are holding back future sustainable growth • National Cambridge 2040 policy will likely have implications beyond just Greater Cambridge • Securing a future Devolution Deal and need for agreement on most regionally most significant components of the framework • Productivity remains below national average – declining in some districts/improving in others • Workforce challenges – skills gaps and shortages, but a labour market that is seeing some cooling • Global sector leader in knowledge intensive industries– but increasingly competing nationally and internationally • Climate Change – progress toward regional target plateauing out • Availability of overall funding a challenge including from Greater Cambridge Partnership (GCP) • Sustainable transport network with urban and rural solutions remains a key focus • Step change in lobbying required to demonstrate impact of the Region and to secure future investment for the Region
3.6	<p>Organisational Drivers</p> <ul style="list-style-type: none"> • Moving from Best Value notice and improvement to embedding longer term organisational development and shifting from good to great • Embedding our values & behaviours and operating principles, including embedding partnership working • Moving Building blocks into implementation – Single Assurance Framework (SAF), Performance Management Framework, Procurement Framework • Effective integration of Business Board functions and bringing Growth Works in house • Better communicating who we are, what we do, impact to residents, businesses & importance of region to UK Plc • Delivering the Corporate Strategy and Mayoral Pledges with progress tracked through our newly agreed performance reporting framework • Support for care leavers • Preparing for future elections • Delivering at pace/ productivity/ efficiencies
3.7	<p>Stage 2: Six-month progress review of delivery of Corporate Strategy priorities and deliverables</p> <p>The six-month progress review has taken the form of RAG rating activities outlined in the current Directorate Business Plans. These articulate in more detail how the Combined Authority will deliver the Corporate Strategy priorities, which Directorate is responsible along with key milestones.</p> <p>This review, which was completed at the end of October has identified that approximately two thirds of objectives are green with delivery on track, one third has been rated as amber, with delivery expected but slightly behind schedule. The amber ratings are primarily as the result of limited staffing capacity, which has, and is being addressed through recruitment activity and secondly as the result of conscious decision to invest additional time in working with partners in early-stage scoping work.</p>

3.8	<p>Stages 3: Refining the Corporate Strategy and Mayoral Ambitions</p> <p>The refresh of the Corporate Strategy is deliberately looking at how the Corporate Strategy can be more accessible; this follows feedback from both Scrutiny Committee and findings from the recently external review of communications and engagement. It will look to better describe the role of the Combined Authority and the Mayor, integrate the Mayoral Pledges, and include the Strategic Objective "Achieving Best Value and High Performance" which was adopted by the Combined Authority Board in May 2023. A stronger articulation of our equality focus will be included following engagement with the Equality & Human Rights Commission (EHRC) will be provided and importantly greater detail on what the Combined Authority intends to deliver in 2024/2025.</p>
3.9	<p>The proposed areas of activity against each of the Corporate Strategic Objectives and Mayoral ambitions are listed below. Whilst there is no statutory requirement to consult on the Corporate Plan as part of the MTFP we will be seeking headline feedback on what is most important to residents, businesses and stakeholders to inform the refresh. Details on the consultation can be found in section 7. Progress on delivery of the Corporate Plan will be reported quarterly in line with the Performance Management Framework agreed at the September 2023 Combined Authority Board.</p>

STRATEGIC OBJECTIVES				
MAYORAL PLEDGES	Achieving Good Growth	Improving Connectivity	Ambitious Skills and Employment Opportunities	Enabling Resilient Communities
	Promote, protect and grow our unique Fens Influencing government policy to enable key infrastructure to support sustainable housing and economic growth, including tackling pressing water-related challenges and opportunities, and accelerating delivery of water infrastructure programmes in the Fens. Working with partners to deliver the Future Fens Integrated Adaptation initiative and explore potential designation of the Fens as a special area.	Reducing isolation in the Fens and other rural areas by improving connectivity between our rural areas, towns and cities.	Building skills infrastructure in the Fens and other Further Education cold spots , and working with our learning providers to ensure we grow a sustainable FE and HE sector that can deliver world-class learning to our residents.	Piloting work on addressing how climate change is impacting the condition of the region's roads in the Fens and other affected areas. Supporting sustainable agriculture in the Fens and other agricultural areas.
	A locally determined, innovative and public transport system that is fit for the future	Developing and delivering the region's key strategic and key localised transport/connectivity schemes and initiatives, using best practice and innovative thinking to improve projects and funding bids. Delivering the function of the Passenger Transport Authority, including maintaining and improving the current network and offer to customers; and developing the overarching strategy for passenger transport for implementation. Working towards a joined-up, net zero carbon transport system, which is high quality, reliable, convenient, affordable, safe, and accessible to everyone. Reforming the bus network (including assessing bus franchising options) and bus sustainability. Supporting rail and station improvements and campaigning for better rail infrastructure. Delivering transport-related strategic plans, policies and supporting documents.	Maximising connectivity to training and employment opportunities.	Working towards Alternative Fuel Strategy Deliverables and Local Electric Vehicle Strategy and Infrastructure.
	Working with Integrated Care System to support the delivery of better health outcomes and address health inequalities in the region	Supporting active travel infrastructure to promote and deliver health and environmental benefit. Campaigning for and supporting modal shift with initiatives including reduced fares for young people, care leavers and those on universal credit. Supporting road safety interventions.	Implementing a Health and Work Strategy to address economic inactivity and productivity, working with employers to support those with disabilities and long-term health issues to thrive in the workplace.	Leading delivery of the Climate Action Plan 2022-2025, to mitigate and adapt to the impacts of climate change; and renewing the Strategy in 2024. Hosting the Greater South East Net Zero Hub and supporting the delivery of the Local Net Zero Programme 2022-2025, including public sector estate decarbonisation , strategic projects, toolkit development, community projects and knowledge sharing. Providing skills and business support to enable more homes, care homes and village halls to be retrofitted. Enhancing biodiversity through developing a Local Nature Recovery Strategy for consultation in 2024, as part of our Doubling Nature Vision.
	Creating a strong sense of place and cultural identity for our region	Completing our housing programme, delivering over 600 affordable homes by 2025. Developing enterprise zones, knowledge intensive growth clusters and increased commercial space, that will support innovation across high-knowledge business sectors including agri -tech, life sciences, advanced manufacturing and materials, and digital and technology. Developing a market towns masterplan, that will support rural communities and businesses including social impact organisations . Supporting social investment through co-investment in a new social investment fund. Developing an Infrastructure Delivery Framework and large-scale investment fund to address infrastructure barriers to good growth. Promoting Cambridgeshire & Peterborough nationally & internationally to create growth & inward investment opportunities.	Leading delivery of the region's Digital Connectivity Infrastructure, and Digital Strategies. Growing bold strategic partnerships that meet the talent needs of our economy, at the same time as increasing learning and work opportunities for all. Working with employers to increase the number of high-quality apprenticeships open to our young people, especially from less advantaged backgrounds. Supporting the region's advanced manufacturing and materials, agri -tech, cultural and creative, digital and technology, and life sciences sectors, to increase employment and skills opportunities, improve health and wellbeing and support green transition. Enhancing careers education, information, advice and guidance through delivering the Cambridgeshire & Peterborough Careers Hub and influencing national providers of careers to deliver lifelong learning and workforce skills.	Developing a Local Area Energy Plan for Cambridgeshire, that will support power and water sufficiency, improve the resilience of infrastructure and address road safety. Nurturing the growth of creative industries through business support and skills. Connecting communities with a place based cultural offer. Enabling communities to be resilient and adaptable through local Placemaking and Renewal. Improving the Visitor Economy and creating vibrant high streets. Supporting businesses with the transition to a low carbon economy and net-zero agenda.
Achieving Best Value and High Performance				
<p>Developing a single view, narrative and shared vision that communicates the ambitions and aspirations of Cambridgeshire and Peterborough as a place. Exploring and articulating our readiness to effectively draw on the opportunities further devolution presents for our region. Undertaking a 'State of the region' review of the evidence underpinning our strategies and plans. Developing a balanced Medium Term Financial Plan for 2024/25 and beyond that supports the delivery of the CPFA's strategies and priorities.</p> <p>Developing a new operating model that demonstrates Best Value in all its operations. Enhancing support to the Office of the Mayor through the embedding of a new Chief Executive's Office Team Embed a culture of continuous improvement in the Programme Management Office to ensure that projects deliver on time and on budget. Providing support to enable the implementation of our Single Assurance Framework Embed the Performance Management Framework to support decision making and scrutiny.</p>				

4. Draft budget for 2024-25 and MTFP for the period 2024-25 to 2027-28

4.1	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 as set out in the approved Corporate Plan. The draft Revenue and Capital budgets contained in this report reflect decisions taken by the Combined Authority Board up to and including its meeting in September 2023, in line with agreed accounting policies. Overall affordability remains the key factor in agreeing a balanced budget and this paper aligns areas of expenditure by the current Directorate structure with funding sources.
4.2	The focus to date has been on updating existing budgets for decisions taken in year by the Board, inflation and other known changes in expenditure and funding over the MTFP period, as well as reviewing options to drive further efficiencies within the Authority's operations. Opportunities for efficiencies are kept under constant review and during the course of the current financial year restructures in a number of areas, and the reduction in the use of interims, has created opportunities to increase investment in some areas approved by the Board during the year (including the Procurement Team and the New Economy Team) whilst maintaining enough funding headroom for new priorities to be included in the MTFP.
4.3	Efficiency has always had to be at the heart of the Combined Authority's operations. When the Authority was created in 2017 it was granted funding of £8m of 'gainshare' revenue and £12m of 'gainshare' capital for the subsequent 30 years. Whilst the early years of the Combined Authority saw relatively low levels of inflation, the spending power of that 'gainshare' has been eaten away far more rapidly by the high levels of inflation experienced over the last 18 months. Compared to April 2017, the Retail Price Index of inflation has risen by 39.8% by September 2023. Put another way, the Combined Authority would now need to have 'gainshare' revenue funding of £11.184m to have the same spending power as the £8m it had in 2017. This effective reduction in spending power has forced the Authority to continually review its operations to find efficiencies to both maintain the operations of the Authority and to invest in its priority programmes.
4.4	The Combined Authority is aware that it cannot achieve its scale of ambition with its resources alone and so will seek to work collaboratively with its Constituent Authorities, the Greater Cambridge Partnership, Central Government, local businesses and other local partners to leverage funding sources and ensure that the maximum impact, and value for money can be delivered from the resources devolved to the area.
4.5	Funding summaries for planned and projected Revenue 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 balances on reserves brought forward and expected in year funding. The fact that both the overall balances for Revenue and Capital (after planned overprogramming is excluded) at the end of each year, and at the end of the MTFP period, are positive indicates that the budget is balanced and affordable before taking account of the options to improve the bus network as outlined later in the report.

	2024/5				2025/6			2026/27			2027/28		
Table 1	Balance at	Income	Expenditure	Balance at	Income	Expenditure	Balance at	Income	Expenditure	Balance at Year	Income	Expenditure	Balance at
Revenue Funding Summary	1/4/24			Year End			Year End			End			Year End
	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000
Revenue Single Pot	(14,501)	(13,240)	21,490	(6,251)	(10,000)	13,548	(2,703)	(9,240)	11,851	(93)	(8,840)	11,451	2,518
Mayoral Precept	-	(3,691)	3,691	-	(3,760)	3,760	-	(3,835)	3,835	-	(3,912)	3,912	-
Business Board Revenue Funds	(1,782)	(1,004)	1,227	(1,559)	(986)	1,227	(1,318)	(986)	766	(1,538)	(913)	194	(2,257)
Inflation Reserve	(2,400)	-	-	(2,400)	-	-	(2,400)	-	-	(2,400)	-	-	(2,400)
<i>Subtotal disretionary funds</i>	<i>(18,683)</i>	<i>(17,935)</i>	<i>26,408</i>	<i>(10,210)</i>	<i>(14,746)</i>	<i>18,535</i>	<i>(6,421)</i>	<i>(14,061)</i>	<i>16,452</i>	<i>(4,031)</i>	<i>(13,665)</i>	<i>15,557</i>	<i>(2,139)</i>
Transport Levy	(562)	(13,765)	15,041	713	(14,040)	15,347	2,020	(14,321)	15,654	3,353	(14,607)	15,955	4,701
Passenger Transport Grants	(529)	(2,725)	411	(2,843)	(411)	411	(2,843)	(411)	411	(2,843)	(411)	411	(2,843)
<i>Subtotal passenger transport funding</i>	<i>(1,091)</i>	<i>(16,490)</i>	<i>15,452</i>	<i>(2,130)</i>	<i>(14,451)</i>	<i>15,758</i>	<i>(823)</i>	<i>(14,732)</i>	<i>16,065</i>	<i>510</i>	<i>(15,018)</i>	<i>16,366</i>	<i>1,858</i>
Earmarked Reserves	(4,042)	(260)	-	(4,302)	-	780	(3,522)	(260)	-	(3,782)	(260)	-	(4,042)
Transport Ringfenced Rev grants	(150)	-	-	(150)	-	-	(150)	-	-	(150)	-	-	(150)
Adult Education Budget (AEB)	(1,785)	(12,927)	12,927	(1,785)	(12,927)	12,927	(1,785)	(12,927)	12,927	(1,785)	(12,927)	12,913	(1,799)
Skills Ringfenced Grants	(1,031)	(1,472)	2,831	328	-	-	328	-	-	328	-	-	328
Business Ringfenced Grants	(118)	-	-	(118)	-	-	(118)	-	-	(118)	-	-	(118)
SPF Revenue	(361)	(4,353)	4,190	(524)	-	-	(524)	-	-	(524)	-	-	(524)
Net Zero Hub	(1,346)	(2,873)	3,879	(340)	-	340	0	-	-	0	-	-	0
<i>Subtotal ringfenced funding</i>	<i>(8,833)</i>	<i>(21,885)</i>	<i>23,827</i>	<i>(6,891)</i>	<i>(12,927)</i>	<i>14,047</i>	<i>(5,771)</i>	<i>(13,187)</i>	<i>12,927</i>	<i>(6,031)</i>	<i>(13,187)</i>	<i>12,913</i>	<i>(6,305)</i>
Grand Total	(28,608)	(56,310)	65,687	(19,231)	(42,124)	48,340	(13,015)	(41,980)	45,444	(9,551)	(41,871)	44,836	(6,586)

	2024/5				2025/6			2026/27			2027/28		
Table 2	Balance at	Income	Expenditure	Balance at	Income	Expenditure	Balance at	Income	Expenditure	Balance at Year	Income	Expenditure	Balance at
Capital Funding Summary	1/4/24			Year End			Year End			End			Year End
	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000
Capital Gainshare	(32,072)	(12,000)	46,753	2,681	(12,000)	33,577	24,257	(12,000)	16,242	28,499	(12,000)	12,942	29,441
Recycled Growth Funds	(9,805)	(522)	2,559	(7,768)	(184)	-	(7,952)	(184)	-	(8,136)	-	-	(8,136)
<i>Subtotal disretionary funds</i>	<i>(41,877)</i>	<i>(12,522)</i>	<i>49,312</i>	<i>(5,087)</i>	<i>(12,184)</i>	<i>33,577</i>	<i>16,306</i>	<i>(12,184)</i>	<i>16,242</i>	<i>20,363</i>	<i>(12,000)</i>	<i>12,942</i>	<i>21,305</i>
Transforming Cities Fund	2,525	-	1,730	4,255	-	1,500	5,755	-	-	5,755	-	-	5,755
Capital contingecy reserve	(1,500)	-	-	(1,500)	-	-	(1,500)	-	-	(1,500)	-	-	(1,500)
Transport Ringfenced Cap grants	(4,726)	(47,170)	47,630	(4,266)	-	-	(4,266)	-	-	(4,266)	-	-	(4,266)
Highways Capital Grants	-	(27,695)	27,695	-	(27,695)	27,695	-	(27,695)	27,695	-	(27,695)	27,695	-
SPF Capital	(24)	(4,462)	4,462	(24)	-	-	(24)	-	-	(24)	-	-	(24)
Net Zero Retrofit Grants	139	(35,419)	35,280	-	-	-	-	-	-	-	-	-	-
Housing	(9,693)	-	5,287	(4,406)	-	4,406	-	-	-	-	-	-	-
<i>Subtotal ringfenced funding</i>	<i>(15,804)</i>	<i>(114,746)</i>	<i>120,354</i>	<i>(10,196)</i>	<i>(27,695)</i>	<i>32,101</i>	<i>(5,790)</i>	<i>(27,695)</i>	<i>27,695</i>	<i>(5,790)</i>	<i>(27,695)</i>	<i>27,695</i>	<i>(5,790)</i>
Grand Total	(55,156)	(127,268)	171,396	(11,028)	(39,879)	67,178	16,271	(39,879)	43,937	20,328	(39,695)	40,637	21,270

4.6	There remains a significant inflationary pressure on the staffing budget. The pay budget within the MTFP has been increased by 4% in 2024-25 and for each year thereafter, which is in line with many other Local Authorities.
4.7	In response to the fact that much of the Combined Authority's revenue expenditure (excluding that which is ringfenced to specific projects) is relatively stable and not demand led, and that a prudent allocation for both pay and non-pay inflation has been made within these budgets, it is considered that a minimum level of general reserves equal to 2% of non-ringfenced revenue should be maintained for each year of the MTFP, and this has been built into the figures provided.
4.8	The Combined Authority delivers relatively few services directly and commissions the majority of its project work through delivery partners, including Constituent Councils. As the Authority's staff are therefore further removed from the construction of physical projects the majority of staff costs are not capitalised. This, along with the fixed costs which come with any Authority regardless of size, result in a relatively higher proportion of staff costs within the revenue budget than is common in Local Authorities.
4.9	There are currently no projects funded by borrowing in the draft capital programme.
4.10	The forecast income from the Combined Authority's Treasury Management portfolio has been increased from that included in the 2023-24 budget to reflect the recent rises in UK interest rates and forecast cash volumes available for investment. It is, however, forecast that the income from Treasury Management in 2024-25 and in future years will be significantly lower than that which is now forecast to be received in 2023-24.
4.11	The Combined Authority maintains two separate Response Funds. The Corporate Response Fund enables the organisation to rapidly react to emerging ideas, concepts, and Central Government policy. Use of this funding requires the approval of the Chief Executive. The Programme Response Fund allows flexibility to respond to relatively larger emerging issues and opportunities. The Programme Response Fund requires Board approval prior to allocation.
4.12	Other principles and assumptions adopted in the development of the proposed draft budget and MTFP are detailed in Appendix A and include: <ul style="list-style-type: none"> • Budget preparation has taken account of the level of reserves brought forward from previous financial years, and of expected annual funding streams from 2024-25 onwards to ensure that spending plans continue to be affordable. • The 2024-25 Budget and MTFP provides a clear presentation of capital and revenue budgets based on the current Directorate structure. • The staffing structure and budgets have been delegated from the Chief Executive to members of the Corporate Management Team for them to control. • The Budget and MTFP identifies staffing costs and other contributions to overheads associated with grant funded programmes and these are recharged to the relevant directorate budget line. • The Budget takes a prudent approach to funding – new funding sources are not recognised until funding agreements have been received from Government.
4.13	The attached appendices provide the summary positions and detailed supporting schedules for both Revenue Expenditure (Appendix B) and the Capital Programme (Appendix C). New proposals for investments in both capital and revenue are included in Appendices D (Capital) and E (Revenue) and the major proposed investments are described in the relevant sections relating to Directorate Budgets (below).

5. DIRECTORATE BUDGETS

	EMPLOYMENT AND GROWTH
5.1	The Employment and Skills Strategy and Economic Growth Strategy, both approved by the Board in 2022, set out challenges and opportunities to deliver on the overarching vision defined in the devolution deal.

5.2	The Employment and Skills Strategy recognises that to address the systemic skills challenges is a long-term project and therefore a number of longer-term system change outcomes have been identified. We will continue to work with partners to drive forward this ambition.
5.3	<p>In terms of employment and skills this means:</p> <ul style="list-style-type: none"> • Inspiring more young people into careers that can transform their life chances, raising social mobility across the Combined Authority, and especially in Peterborough and Fenland. • Tackling the inequalities in access to further (FE) and higher education (HE) that hold back life chances and progress to improve related health and social outcomes. Building FE and HE capacity to provide more adults, of all ages, with an education able to improve their access to better jobs and prosperity and raising the proportion of the population in the north of the region gaining a NVQ4 or above qualification. Chief amongst our aspirations to raise life chances through education, is the further development of the University of Peterborough.
5.4	However, filling the higher-level skills gap in Peterborough and the Fens will have limited impact on real lives without effective measures to significantly grow the business demand for those skills. This will require concurrent development of the innovation and business support eco-system to grow indigenous high-value firms and attract new ones more evenly across our region.
5.5	<p>Green and inclusive business growth support is key to levelling-up, already well underway through an integrated and powerful array of support that accelerates our recovery by strengthening our businesses and workforce capacity for growth. The Growth Works Service is coming to an end in December 2023, having delivered strong jobs growth, and the following existing services will be replaced by a series of tailored solutions that will be delivered in conjunction with our partners:</p> <ul style="list-style-type: none"> • A Growth Coaching Service to engage and support our highest potential firms to speed their growth, build their capacity for growth, and sustain their period of growth. • An Inward Investment Service to better connect us into global markets, to engage and persuade firms to locate into our economy or invest in our strategic projects. • A Skills Brokerage Service to link learners and those retraining for new jobs, to employers and skills providers to improve the supply of skills to our growth sectors. • A Capital Growth Investment Fund to help SMEs, grow through organic expansion, offering an integrated range of grants, loans and equity products unavailable
5.6	Within the proposed Capital Programme there is a further £20m over the MTFP period to support both skills provision and business growth through the development of a Strategic Growth Fund. The projects to be supported by this fund will be approved in the future through the new SAF prioritisation process, however it is anticipated that at least £5m of this fund will be used to help fund important infrastructure at Peterborough University. In addition to the £20m Strategic Growth Fund, a further £3m will be allocated to the development of a regional creative industries hub in Cambridge.
5.7	Contributing to delivery of Levelling Up across all of the Combined Authority will be the portfolio of projects being delivered via the UK Shared Prosperity Fund and Rural England Prosperity Fund. Place based innovation is key to levelling-up. As demonstrated in Cambridge, research is fundamental to achieving this - it produces the new ideas and technologies that enable entrepreneurs to start up, existing businesses to scale-up and for new tech-firms to spin-out of universities. Now that the university of Peterborough has started delivery from its first building with the second being ready for occupation and the third being built, it is time to deliver on the ambition to increase innovation-based business growth in the north of the region by replicating and extending the infrastructure and networks that have enabled Cambridge to become a global leader in innovative growth. Future phases of the university project will help to realise this
5.8	Within the proposed Capital Programme there is a further £10m over the MTFP period to help support areas and communities across the region to 'level-up' further. The individual projects to be funded from this sum will be subject to further approval in line with the approved SAF process.
	PLACE AND CONNECTIVITY
5.9	The Combined Authority is the area's Strategic Transport Authority, as such it has responsibility for creating and owning the statutory Local Transport and Connectivity Plan (LTCP) – this sets out the long-term strategy to improve transport for both the people and businesses of Cambridgeshire and

	<p>Peterborough, with our constituent Council's Local Plans adhering to the LTCP. Reflecting the impact that internet connectivity has on transport needs, the Combined Authority has rolled Connectivity into the Plan forming the LTCP. Following public engagement, formal public consultation and significant discussions with key stakeholders it is hoped that the final document will be approved by the Board soon. Following approval further work will be undertaken to develop other documents within the Plan's suite, such as modal and geographical specific strategies and policies.</p>
5.10	<p>Along with the LTCP the Combined Authority has responsibility for shaping the bus network across the region. This includes paying for concessionary fares as well as supporting bus services to ensure key areas not served by commercial bus services of the County are better connected. The Combined Authority with partners have revised our Bus Service Improvement Plan that was previously submitted to government following collaborative working with our local bus services, the Greater Cambridge Partnership and the Local Highways Authorities. The BSIP, which remains in draft form, strongly aligns to the emerging Bus Strategy that sets out our vision for a bus network for the area that is fast, frequent, reliable, and ready to help drive a modal shift in transport. Government made a BSIP + allocation of £4.6 million to the Combined Authority earlier this year in two £2.3m tranches. Proposals for the first tranche of funding are included in the Bus Strategy item elsewhere on this agenda. In order to both encourage more utilisation of the buses by the young people in the region, as well as to help with the cost of living crisis, it is proposed that a significant part of the revenue headroom in the MTFP (£3.85m), along with £550k of the BSIP+ allocation mentioned above, be used to reduce the single fares for those under 25 travelling on buses within the region to £1 per journey until May 2025.</p>
5.11	<p>The landscape for bus provision across the region has changed markedly over the last couple of years, giving a need to revisit the strategy for taking the bus network forward. There are significant challenges – lower patronage, cuts in commercially-viable services and increasing unreliability due to traffic and driver shortages. Meanwhile, the ambitions for what the bus network needs to achieve are growing, as set out in the Combined Authority's Local Transport and Connectivity Plan to dramatically boost bus provision and in parallel cut private vehicle travel by 15%. Achieving this will see bus patronage more than double, compared to 2019 levels, with some 60-75 million passenger journeys anticipated. Therefore, the Combined Authority has undertaken a review of the subsidised network, with a set of recommendations for the Board to consider elsewhere on this agenda. The Combined Authority is also continuing work, agreed by the Board in September, to audit the outline business case for bus reform, which includes an assessment of the case for franchising or an enhanced partnership. This is due to be reported to the Board in January.</p>
5.12	<p>The Transport team also programme manage a portfolio of large capital projects delivering journey improvements and public health benefits across the region to help deliver the Combined Authority's corporate plan objectives, in particular to enhance connectivity. These projects are predominantly funded by the Transforming Cities Fund, a £95m fund devolved to the area with the Combined Authority able to direct to where it will create the greatest impact.</p>
5.13	<p>A total of £36.5m is included in the draft Capital Programme for additional transport schemes across the region to enable continued work on existing priority projects as well introduce and support other programmes and projects that address corporate and mayoral priorities. Projects include improvements to active travel across the region, better rail station and bus stop infrastructure, more funding to support road safety and 'Vision Zero and priority road junction improvements to improve safety and reduce congestion in both March and on the A16 in Peterborough.</p>
5.14	<p>The Directorate is also responsible for an overall spatial framework for the area and the delivery of the statutory local Nature Recovery Strategy. It supports implementation of the Climate Action Plan, taking forward the recommendations of the Cambridgeshire and Peterborough Independent Commission on Climate, with wide ranging implications for both the public and private sectors in the Combined Authority.</p>
5.15	<p>A further £9m of Capital and £2m of revenue is included in the MTFP proposals to help deliver the Climate Action Plan and Local Nature Recovery Strategy, as well as developing innovative ways to support infrastructure being affected by climate change (e.g. the Fen roads) and to support the delivery of new requirements on biodiversity for constituent councils. The MTFP proposals also include an allocation to take forward the findings from the Infrastructure Delivery Framework, which is working with partners to identify the obstacles to sustainable growth across the area and set out costed solutions.</p>

5.16	Housing also lies within the remit of the Directorate. The CPCA Board paper on the future of Housing (June 2022) recognised that there is a need to deliver genuinely affordable housing across the Combined Authority Area, however with no further financial support from DLUHC beyond the end of the current programme the CPCA does not have the financial support to deliver anything significant and regional housing support will have to come through Homes England.
5.17	Whilst there are no immediate prospects of significant funding being received from government to develop further housing in the region, it is considered that the CPCA should retain some basic capability to bid for any future Housing grant or funding opportunities that may arise, particularly through further devolution. The current Housing Loans programme has recently been completed with the final loan repayment received.
	CHIEF EXECUTIVE'S OFFICE AND RESOURCES AND PERFORMANCE
5.18	These two Directorates cover those services which support the business of the Authority. The Chief Executive's Office includes policy, communications and the secretariat. Resources and Performance comprises finance, legal, governance and audit, procurement, HR and the Programme Management Office. Two of the three statutory officers, the Monitoring Officer and the Chief Finance Officer, are based in this Directorate. Additionally, the Greater South East Net Zero Hub resides in the Resources and Performance Directorate. The Hub provides support, advice and guidance across many local authority areas to support the drive to net zero emissions, as well as managing major contracts and programmes on behalf of government across that geography.
	MAYOR'S BUDGET
5.19	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. BUDGET OPTION – IMPROVEMENTS TO THE BUS NETWORK

6.1	The Combined Authority has recently undertaken a review of the existing bus network. Last year the existing bus network was saved by the injection of additional funding of around £3.6m which was generated by a Council Tax precept, levied by the Mayor, of £12 per year for a Band D property. Ongoing funding equivalent to £3.6m, plus inflation, is needed to maintain the bus network at a basic level of service.
6.2	Further investment is, though, needed to secure the bus network for the future. This includes improvements to bus stops and bus shelters, the development of bus depots which can handle low carbon emissions buses (including electric), short term funding to help routes which are nearly commercially viable become fully commercial viable (which will save public subsidy for these routes in the future) and better synchronisation of the public bus network with other networks (e.g. school transport, hospital transport and business funded transport) to maximise the efficiency of the network for the public purse. Funds are provided within the MTFP to begin this process of securing the bus network for the future, and it is anticipated that the efficiencies and reductions in public subsidy generated by this approach will provide options to either reinvest the funds or to reduce the local tax burden in the future.
6.3	These investments, together with the funding of the reduced fare of £1 a journey for everyone who is under the age of 25, will see the single biggest revenue investment in our bus network since the Combined Authority was established.
6.4	However, despite these investments, the network will not be able to serve a significant minority of the population. To improve this position will require investments in both new services and more frequent buses on some existing services to both strengthen and shape the services needed for the future. A further investment of up to £7.5m per annum in the bus network would enable both more routes and more frequent services on existing routes to be developed, serving far more people more conveniently than is currently the case.

6.5	<p>If the Board were to choose to invest in the additional and more frequent services mentioned in above this could not be met from current resources. A range of funding options (or a combination of them) could be considered including:</p> <ul style="list-style-type: none"> • Seeking contributions from Constituent Councils, including greater increases in the Transport Levy from Cambridgeshire County Council and Peterborough City Council • Utilising some of the unringfenced funding proposed to be used on other priorities contained in this report for Revenue and/or Capital enhancements to the bus network • Cutting other service areas funded by unringfenced funding and redirecting that funding into enhancing bus services • Increasing the Mayoral precept (to fund the gap would require an increase in the precept of £24 a year for a Band D property compared to the existing precept) • Introducing a Supplementary Business Rate (this is subject to a successful referendum amongst business rate payers and funding from it would not be deliverable until April 2025 at the earliest).
6.6	<p>Whilst final decisions on whether to invest in further improvements to the bus service, if so how much to invest and how to fund any required investment will be taken at the Board on 31st January, it is proposed that the Combined Authority consult on the possibility of increasing the Band D Council Tax precept by £24 a year from its current level so that it can be considered as an option in January.</p>

7. CONSULTATION TIMETABLE

7.1	<p>The Combined Authority will consult on our plans from Thursday 30th November to Thursday 11th January.</p> <p>We will consult with residents, business and key stakeholders and our objective is to build awareness of our role and our responsibilities, our financial obligations and gain feedback and input on our plans.</p> <p>Our central aim is to create greater awareness of the role and responsibilities of the Combined Authority, demonstrate the impact we are already having on communities and business across our region and ensure audiences have the opportunity to share their views about what is important to them.</p> <p>We will do this by focusing on a small number of Mayor-led face-to-face events alongside a comprehensive digital campaign. Both will be underpinned by an online consultation form where consultees can have their say.</p> <p>We will ask audiences to prioritise proposed deliverables within the Corporate Plan and give their views on how their priorities could be funded.</p> <p>Responses from the consultation will help to share the proposals that Combined Authority Board will consider at their meeting in January. We will also ask respondents to sign up to receive future updates from the Combined Authority to maintain engagement.</p> <p>The consultation strategy has been created to learn lessons from last year's consultation and align to best practice from other Mayoral Combined Authorities.</p>																							
7.2	<p>The proposed timetable for approving the budget and MTFP is set out below and is in accordance with the key dates and statutory deadlines set out in the Constitution (Budget Framework) and the Finance Order.</p>																							
7.3	<table><tr><th>Proposed Statement and Budget Setting Timetable</th><th>Day</th><th>Date</th></tr><tr><td>CPCA Board Meeting (to receive and approve the draft Budget and MTFP for consultation)</td><td>Wed</td><td>29/11/23</td></tr><tr><td>Consultation Period Starts</td><td>Thu</td><td>30/11/23</td></tr><tr><td>Overview and Scrutiny Committee Meeting (Consultation)</td><td>Mon</td><td>tbc</td></tr><tr><td>Consultation Ends</td><td>Thu</td><td>11/01/23</td></tr><tr><td>Overview and Scrutiny Committee Meeting</td><td>Mon</td><td>29/01/23</td></tr><tr><td>CPCA Board Meeting to Approve the 2023-25 Corporate Strategy refresh and the 2024-25 to 2027-28 Budget and MTFP</td><td>Wed</td><td>31/01/23</td></tr></table>	Proposed Statement and Budget Setting Timetable	Day	Date	CPCA Board Meeting (to receive and approve the draft Budget and MTFP for consultation)	Wed	29/11/23	Consultation Period Starts	Thu	30/11/23	Overview and Scrutiny Committee Meeting (Consultation)	Mon	tbc	Consultation Ends	Thu	11/01/23	Overview and Scrutiny Committee Meeting	Mon	29/01/23	CPCA Board Meeting to Approve the 2023-25 Corporate Strategy refresh and the 2024-25 to 2027-28 Budget and MTFP	Wed	31/01/23		
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7.4	<p>Consultees</p> <p>The consultees on the draft budget and MTFP must, as a minimum, include the following organisations:</p> <ul style="list-style-type: none"> • 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 <p>The draft budget and MTFP will also be considered by other key partner organisations (including the Greater Cambridge Partnership and the Integrated Care Board) as well as the Thematic Committees (in so far as the proposals fall within the remit of those Committees) and it will also be set out on the Combined Authority website and a communications campaign will be run to encourage public engagement.</p>
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8. Background

8.1	It is a statutory requirement for the Authority to set and approve a budget every year and good practice to develop a longer-term Corporate Strategy which drives a Medium-Term Financial Plan. The proposals in this report strengthen this best practice in line with the work being undertaken through the Improvement Programme.
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9. Appendices

9.1	Appendix A. Assumptions underpinning the draft MTFP
9.2	Appendix B. Detailed proposed Capital Programme
9.3	Appendix C. Detailed proposed Revenue Programme
9.4	Appendix D. New Capital Investment proposals
9.5	Appendix E. New Revenue Investment proposals

10. Implications

Financial Implications

10.1	The financial implications are contained in the body of the report.
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Legal Implications

10.2	<p>Under powers granted by the Combined Authorities (Finance) Order 2017, elected Mayors may raise a precept on Constituent Authorities Council Tax bills under section 107G of the Local Democracy Economic Development and Construction Act 2009. A Mayoral Precept may only be issued in relation to the costs of the Mayor or of discharging Mayoral Functions. The Mayoral functions are set out in Article 12 of the Cambridgeshire and Peterborough Combined</p> <p>Further, under Section 25 of the Local Government Act 2003, the Authority's Chief Financial Officer (the Treasurer) is required to report on the robustness of the estimates made for the purposes of the budget and levy calculations and the adequacy of the proposed reserves. This information enables a longer-term view of the overall financial position to be taken.</p>
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	<p>This report is submitted to the Board in accordance with the Budget procedure rules. The CPCA has a statutory duty to have regard to the report of the Chief Finance Officer when making decisions about its budget calculations. The legal and governance processes that need to be completed including consideration by Overview and Scrutiny Committee and the Combined Authority Board.</p> <p>As a public authority which has the power to levy for transport functions and to raise a precept, the Cambridgeshire and Peterborough Combined Authority must set a budget every year which is agreed through its formal decision-making processes.</p> <p>Some savings proposals may only be delivered after specific statutory or other legal procedures have been followed and/or consultation taken place. Where consultation is required, the CPCA cannot rule out the possibility that they may change their minds on the proposal because of the responses to a consultation, and further reports to the CPCA Board may be required.</p> <p>If General Fund Reserves are used to support the budget, they may need to be reimbursed at the earliest opportunity to provide the necessary, margin of safety in future years.</p> <p>Apart from statutory duties relating to specific proposals the CPCA must consider its obligations under the Equality Act.</p>
	Public Health Implications
10.3	None directly
	Environmental & Climate Change Implications
10.4	None directly
	Other Significant Implications
10.5	None
	Background Papers
10.6	None

Agenda Item 14	Appendix 3
Draft 2024/25 Corporate Strategy and Budget and Medium-Term Financial Plan	A

ASSUMPTIONS USED IN THE CREATION OF THE DRAFT MTFP FOR CONSULTATION

1. MTFP (excluding budget option regarding the bus network) based on current budget including current gainshare & precept levels
2. Pay inflation: 4% pa from 2024-25
3. Non-pay inflation: At contractual or assumed rates using range of specific inflation indices
4. Transport levy from Cambridgeshire County Council and Peterborough City Council increases by 2% pa
5. New house building leads to Council Taxbase increase of 2% pa from 2024-25
6. Bus Service Improvement Programme+ grant does not continue after 2024-25
7. No funds received from Greater Cambridge Partnership
8. No Franchise or Enhanced Partnership delivery expenditure included
9. Only secured income included, but grants held back assumed to be released (but see below under point 15)
10. No borrowing to fund Capital programme so no revenue financing costs
11. Where income sources reduce/end staffing costs are reduced in line at same time
12. General Reserves built in at 2% of revenue expenditure (reflecting relative certainty of revenue expenditure)
13. Programme & Corporate Response Funds for unexpected requirements of £1.435m each year from 2024-25
14. No dedicated Improvement Programme funding after 2023-24
15. Treasury Management Funds forecast to total £8.5m this year, but propose holding £1.7m back unallocated to manage potential risk from grants held back (see point 9 above)
16. Assume remainder of this year's treasury income (except £1.7m held back in point 15. above) and vast majority of the Programme Response Fund allocated out to one off spend at Bord on 29th November.
17. Treasury management income reduces to £4.5m in 2024-25, £2.0m in 2025-26, £1.5m in 2026-27 and £1.1m in 2027-28 reflecting anticipated reductions in cash volumes and interest rates
18. Treasury forecasts based on cash flow forecast and OBR interest rate projections
19. Overprogramming on capital programme to reflect potential slippage from issues outside CPCA control. Set at 4.3% of programme gross budget 2023-2028 and 6.0% of programme controllable budget 2023-28 (excluding highways grants passported to highways authorities)
20. MTFP includes central/corporate efficiency target from 2025-26 (£100k in 2025-26 rising to £200k pa from 2026-27 onwards) (£500k cumulative saving total)

2023/24		2024/25	2025/26	2026/27	2027/28
£'000	Capital Programme	£'000	£'000	£'000	£'000
	Economy & Growth Directorate				
	Business				
4,516	<i>Business Rebound & Growth Service - Capital Grant and Equity Fund</i>	-	-	-	-
876	<i>College of West Anglia - Net Zero</i>	1,124	-	-	-
-	<i>Creative Industries</i>	-	1,000	1,000	1,000
-	<i>Cultural Quarter</i>	500	1,000	-	-
400	<i>Expansion of Growth Co Inward Investment</i>	-	-	-	-
950	<i>Growth Works Additional Equity Fund (cap)</i>	4,275	4,275	-	-
-	<i>Illumina Accelerator</i>	800	-	-	-
-	<i>Levelling Up</i>	2,500	2,500	2,500	2,500
-	<i>Market Towns and Villages</i>	1,250	-	-	-
455	<i>Market Towns: Chatteris</i>	88	-	-	-
347	<i>Market Towns: Ely</i>	-	-	-	-
345	<i>Market Towns: Huntingdon</i>	201	-	-	-
475	<i>Market Towns: Littleport</i>	400	125	-	-
633	<i>Market Towns: March</i>	88	-	-	-
405	<i>Market Towns: Ramsey</i>	-	-	-	-
621	<i>Market Towns: Soham</i>	-	-	-	-
-	<i>Market Towns: St Neots</i>	3,100	-	-	-
345	<i>Market Towns: St. Ives</i>	201	-	-	-
450	<i>Market Towns: Whittlesey</i>	88	-	-	-
281	<i>Market Towns: Wisbech</i>	88	-	-	-
302	<i>Ramsey Food Hub</i>	-	-	-	-
804	<i>Rural England Fund</i>	2,411	-	-	-
250	<i>Start Codon (Equity)</i>	635	-	-	-
-	<i>Strategic Growth Fund</i>	4,400	5,000	5,200	5,400
751	<i>UK SPF Core (cap)</i>	2,051	-	-	-
13,206	Business Total	24,200	13,900	8,700	8,900
	Skills				
2,400	<i>FE Cold Spots (cap)</i>	2,175	-	-	-
2,400	Skills Total	2,175	-	-	-
	UoP				
1,300	<i>Prop Co 1</i>	-	-	-	-
3,000	<i>Prop Co 2</i>	-	-	-	-
4,300	UoP Total	-	-	-	-
19,906	Economy & Growth Directorate Total	26,375	13,900	8,700	8,900
	Resources and Performance Directorate				
	Digital Services and Support				
42	<i>Digital Services and Support</i>	42	42	42	42
42	Digital Services and Support Total	42	42	42	42
	Energy				
22,338	<i>GSE HUG2 (Capital) -2324</i>	29,988	-	-	-
4,112	<i>GSE Green Home Grant Capital - HUG 1</i>	-	-	-	-
13,234	<i>GSE Green Home Grant Capital - LAD 3</i>	-	-	-	-
-	<i>HUG2 23/24</i>	-	-	-	-
-	<i>Local Energy Advice Demonstrator</i>	-	-	-	-
-	<i>Net Zero Hub</i>	-	-	-	-
39,684	Energy Total	29,988	-	-	-
	Human Resources & Organisational Development				
-	<i>HR system implementation</i>	50	-	-	-
-	Human Resources & Organisational Development Total	50	-	-	-
	R&P				
167	<i>Office Fit-out costs</i>	-	-	-	-
167	R&P Total	-	-	-	-
39,893	Resources and Performance Directorate Total	30,080	42	42	42

2023/24		2024/25	2025/26	2026/27	2027/28
£'000	Capital Programme	£'000	£'000	£'000	£'000
	Place & Connectivity Directorate				
	Climate				
500	Care Home Retrofit Programme	1,500	-	-	-
153	City of Cambridge Culture - Capital	30	-	-	-
-	Climate Capital Fund	2,250	2,250	2,250	2,250
60	Greater Cambridge Chalk Stream Project - Capital	120	120	-	-
800	Huntingdonshire Biodiversity for all - Capital	500	-	-	-
280	Logan's Meadow Local Nature Reserve wetland extension	-	-	-	-
-	Meanwhile at Core Site, North East Cambridge	1,000	-	-	-
250	Nature and Environment Investment Fund	750	-	-	-
250	Net Zero Villages Programme	750	-	-	-
-	Waterbeach Depot Solar PV Smart-grid Project	2,700	-	-	-
2,293	Climate Total	9,600	2,370	2,250	2,250
	Digital Connectivity				
1,719	Digital Connectivity Infrastructure Programme	1,500	-	-	-
1,719	Digital Connectivity Total	1,500	-	-	-
	Housing				
11,672	Affordable Housing Grant Programme	5,287	4,406	-	-
271	Housing Investment Fund	-	-	-	-
11,943	Housing Total	5,287	4,406	-	-
	Transport				
3,116	A10 Upgrade	3,460	3,000	-	-
1,628	A1260 Nene Parkway Junction 15	-	-	-	-
9,492	A1260 Nene Parkway Junction 32-3	-	-	-	-
7,001	A141 & St Ives	1,500	1,500	-	-
1,221	A16 Norwood Junction	1,000	3,000	2,500	-
400	A603 Barton Road	-	-	-	-
3,720	Active Travel 4	-	-	-	-
550	Active Travel Funding (cap)	1,779	1,300	1,000	1,000
200	Addenbrookes Roundabout	-	-	-	-
-	Alconbury Railway Station	500	-	-	-
-	BP Roundabout NMU Footbridge top-up	500	2,500	-	-
225	Brook Crossing - Sutton	-	-	-	-
225	Carlyle Road Crossing	-	-	-	-
2,500	Centre for Green Technology	-	-	-	-
800	County-wide speed reduction	-	-	-	-
260	East Park Street Crossings	-	-	-	-
124	Ely Area Capacity Enhancements	-	-	-	-
7,531	Fengate Access Studies Phase 1	-	-	-	-
468	Fengate Access Studies Phase 2 (University Access)	230	-	-	-
32	Fengate Access Study - Eastern Industries Access - Phase 1	-	-	-	-
373	Fengate Access Study - Eastern Industries Access - Phase 2	-	-	-	-
465	Fletton Quays Footbridge	2,963	-	-	-
27,695	Highways Maintenance and Pothole funding (with PCC and CCC)	27,695	27,695	27,695	27,695
-	LEVI	-	-	-	-
5,573	March Junction Improvements	3,000	4,000	-	-
500	Northstow P&R Link	-	-	-	-
631	Peterborough Green Wheel	-	-	-	-
680	Peterborough Station Quarter	47,170	-	-	-
267	Regeneration of Fenland Railway Stations	1,000	1,000	1,000	-
-	Road Safety fund	250	250	250	250
10	School Streets	-	-	-	-
100	Smaller Road Safety Measures	-	-	-	-
500	Snailwell Loop	-	-	-	-
523	Wisbech Access Strategy	-	-	-	-
5,390	Wisbech Rail	-	-	-	-

2023/24		2024/25	2025/26	2026/27	2027/28
£'000	Capital Programme	£'000	£'000	£'000	£'000
84,319	Transport Total	92,762	45,960	32,445	28,945
	Passenger Transport				
-	<i>Bus Stop Infrastructure</i>	500	500	500	500
6,258	<i>ZEBRA</i>	-	-	-	-
6,258	Passenger Transport Total	500	500	500	500
106,532	Place & Connectivity Directorate Total	109,649	53,236	35,195	31,695
166,330	Grand Total	166,104	67,178	43,937	40,637

2023/24		2024/25	2025/26	2026/27	2027/28
£'000	Revenue Programme	£'000	£'000	£'000	£'000
	Mayor's Office				
	Mayor				
-	<i>Election Costs</i>	-	780	-	-
102	<i>Mayor's Allowance</i>	106	110	114	118
10	<i>Mayor's Conference Attendance</i>	10	10	10	10
24	<i>Mayor's Office Accommodation</i>	24	24	24	24
18	<i>Mayor's Office Expenses</i>	18	18	18	18
3,624	<i>Precept funded contribution to operational budgets</i>	3,691	3,760	3,835	3,912
3,778	Mayor Total	3,849	4,702	4,001	4,082
3,778	Mayor's Office Total	3,849	4,702	4,001	4,082
	Chief Executive's Office				
52	Comms and Engagement	325	180	115	115
39	Coronation and Eurovision	-	-	-	-
135	Local Evaluation Framework Initiation	50	-	-	-
91	Monitoring and Evaluation	140	140	140	140
170	Shared Vision	-	-	-	-
150	State of The Region	-	-	-	-
	CXO Staffing				
260	<i>CEX office</i>	280	303	315	327
629	<i>Comms & Engagement</i>	590	619	653	691
368	<i>Executive Support</i>	342	356	375	392
126	<i>Mayoral Advisory</i>	131	135	141	147
493	<i>Policy & Evaluation</i>	519	550	579	609
1,876	CXO Staffing Total	1,862	1,963	2,063	2,166
2,513	Chief Executive's Office Total	2,377	2,283	2,318	2,421

2023/24		2024/25	2025/26	2026/27	2027/28
£'000	Revenue Programme	£'000	£'000	£'000	£'000
	Economy & Growth Directorate				
	Business				
250	Devolution 2 Development	900	-	-	-
-	Greater Cambridge Social Impact Fund	1,000	-	-	-
4,347	Growth Co Services	-	-	-	-
41	Growth Hub	-	-	-	-
-	Growth Hub 'Team Cambridgeshire'	573	573	572	-
156	Growth Works Additional Equity Fund (rev)	156	127	-	-
500	Health and Wellbeing Strategy	-	-	-	-
-	Innovate Cambridge	50	50	50	-
75	Insight & Evaluation Programme	75	75	75	-
-	Inward Investment	200	-	-	-
242	Local Growth Fund Costs	-	-	-	-
38	Marketing and Promotion of Services	35	33	30	-
230	New Economy Team	460	460	-	-
-	Sector Business Strategies	400	-	-	-
161	UK Shared Prosperity Fund - Management Costs	608	-	-	-
1,999	UK Shared Prosperity Fund - Revenue	3,018	-	-	-
8,039	Business Total	7,475	1,318	727	-
	Skills				
10,846	AEB Devolution Programme	10,846	10,846	10,846	10,846
1,954	AEB Free Courses for Jobs	954	954	954	965
-	AEB High Value Courses	-	-	-	-
779	AEB Innovation Fund - Revenue	500	500	500	500
602	AEB Programme Costs	602	602	602	602
68	AEB Provider Capacity Building	-	-	-	-
108	AEB Strategic Partnership Development	-	-	-	-
266	Careers and Enterprise Company (CEC)	161	-	-	-
60	Changing Futures	60	-	-	-
225	FE Cold Spots (rev)	-	-	-	-
1,495	Multiply Programme	1,395	-	-	-
-	Post-SPF Skills Support	-	333	333	334
55	Skills Advisory Panel (SAP) (DfE)	-	-	-	-
799	Skills Bootcamp Wave 3	-	-	-	-
1,519	Skills Bootcamp Wave 4	1,359	-	-	-
9	UKSPF All age Careers	9	-	-	-
45	UKSPF Internships	175	-	-	-
95	UKSPF Skills Brokerage	380	-	-	-
18,925	Skills Total	16,441	13,235	13,235	13,247
	UoP				
-	University of Peterborough OPA	200	-	-	-
-	UoP Total	200	-	-	-
	Workstream Budget				
111	Contribution to A14 Upgrade (DfT)	111	111	111	111
111	Workstream Budget Total	111	111	111	111
50	Development of a cultural strategy	50	-	-	-
	E&G Staffing				
103	AEB	-	-	-	-
91	Business	238	356	385	405
20	CEC	35	-	-	-
186	Exec Director E&G	199	206	214	223
158	Skills	152	150	156	162
558	E&G Staffing Total	624	712	755	790
27,683	Economy & Growth Directorate Total	24,901	15,376	14,828	14,148

2023/24		2024/25	2025/26	2026/27	2027/28
£'000	Revenue Programme	£'000	£'000	£'000	£'000
	Place & Connectivity Directorate				
	Climate				
113	City of Cambridge Culture - Revenue	75	-	-	-
100	Climate Change	1,100	1,100	100	100
110	Delivering the Climate Action Plan	-	-	-	-
150	Developing Climate evidence and data	-	-	-	-
75	Doubling Nature Metrics	50	-	-	-
70	Future Fens	-	-	-	-
40	Greater Cambridge Chalk Stream Project - Revenue	80	-	-	-
100	Huntingdonshire Biodiversity for all - Revenue	50	-	-	-
40	Lifebelt City Portrait	-	-	-	-
60	Local Area Energy Plan	-	-	-	-
-	Meanwhile at Core Site, North East Cambridge - Revenue	-	120	-	-
80	Natural Cambridgeshire	70	-	-	-
190	Non-Statutory Spatial Framework (Phase 2)	50	-	-	-
75	Rewilding Programme	75	-	-	-
-	Sustainable Infrastructure	400	-	-	-
1,203	Climate Total	1,950	1,220	100	100
	Transport				
176	Active Travel 4	-	-	-	-
617	Active Travel Capability Funding	-	-	-	-
33	Active Travel Funding (rev)	-	-	-	-
150	Civil Parking Enforcement	-	-	-	-
-	Develop strategic infrastructure fund	100	-	-	-
492	LEVI	-	-	-	-
12	Living Streets Walk to School	-	-	-	-
55	Love to Ride	-	-	-	-
-	LTCP sub-strategy development	800	800	670	-
1,535	Transport Total	900	800	670	-
	Passenger Transport				
2,000	BSIP+ commitments Nov CA Board	-	-	-	-
150	Bus Reform Consultation	-	-	-	-
517	Bus Review Implementation	-	-	-	-
-	Cambridge City Passenger Transport Services	130	-	-	-
- 3,624	Contribution to Passenger Transport services from Mayoral budget	- 3,691	- 3,760	- 3,835	- 3,912
300	Demand Responsive Travel pilot	-	-	-	-
900	Development of Bus Franchising	900	-	-	-
411	Public Transport: Bus Service Operator Grant	411	411	411	411
8,915	Public Transport: Concessionary fares	9,806	10,002	10,202	10,406
292	Public Transport: Contact Centre	306	312	318	324
325	Public Transport: RTPI, Infrastructure & Information	332	339	345	352
7,015	Public Transport: Supported Bus Services	7,705	7,859	8,016	8,176
572	Public Transport: Team and Overheads	584	595	607	607
-	Reduced Fares for under 25s	4,000	500	-	-
17,773	Passenger Transport Total	20,482	16,258	16,065	16,366
	P&C Staffing				
-	Bus reform	173	188	206	223
274	Environment and Spatial Planning	317	332	350	369
165	Housing	171	176	183	191
-	Passenger Transport	-	-	-	-
869	Strategic Transport	1,104	1,141	1,189	1,237
1,308	P&C Staffing Total	1,765	1,837	1,928	2,020
21,819	Place & Connectivity Directorate Total	25,097	20,115	18,763	18,486

2023/24		2024/25	2025/26	2026/27	2027/28
£'000	Revenue Programme	£'000	£'000	£'000	£'000
	Resources and Performance Directorate				
	Digital Services and Support				
296	ICT external support	221	226	226	231
113	Software Licences, Mobile Phones cost	73	73	73	73
410	Digital Services and Support Total	295	299	300	304
	Energy				
3,942	GSE HUG2 (Revenue) -2324	5,292	-	-	-
1,610	GSE Energy Hub	-	-	-	-
3,271	GSE Green Homes Grant Ph 3 (LAD 3)	-	-	-	-
454	GSE Home Improvement Grant (HUG 1)	-	-	-	-
2,669	GSE Net Zero Hub	1,064	-	-	-
-	GSE Net Zero Investment Design	-	-	-	-
250	GSE Public Sector Decarbonisation	645	340	-	-
445	GSE Rural Community Energy Fund (RCEF)	-	-	-	-
- 0	HUG2 23/24	-	-	-	-
2,170	Local Energy Advice Demonstrator	2,170	-	-	-
14,811	Energy Total	9,171	340	-	-
	Finance and Procurement				
240	Audit Costs	250	250	250	250
66	Finance Service	61	62	63	64
70	Finance System	-	-	-	-
39	Insurance	38	39	40	41
415	Finance and Procurement Total	349	351	353	355
	Human Resources & Organisational Development				
12	HR systems	50	50	50	50
10	Payroll	-	-	-	-
100	Recruitment Costs	50	50	50	50
122	Human Resources & Organisational Development Total	100	100	100	100
	Legal, Governance and Member Services				
144	Committee/Business Board Allowances	227	222	222	222
95	Democratic Services	50	35	35	35
70	External Legal Counsel	70	70	70	70
8	Procurement	3	11	11	11
317	Legal, Governance and Member Services Total	350	338	338	338
	Other Employee Costs and Corporate Overheads				
212	Accommodation Costs	212	212	212	212
158	Change Management Reserve	160	160	160	-
56	Corporate Subscriptions	62	65	68	71
32	Office running costs	32	32	32	32
- 587	Overheads recharged to programmes	- 890	- 501	- 528	- 367
89	Training	105	105	105	105
88	Travel and professional memberships	70	74	78	82
49	Other Employee Costs and Corporate Overheads Total	- 248	148	128	135
	Response Funds				
-	Corporate Efficiency Target	-	- 100	- 200	- 200
145	Corporate Response Fund	145	145	145	145
762	Improvement Plan	-	-	-	-
9	Programme Response Fund	1,290	1,290	1,290	1,290
-	SAF OBC development fund	500	-	-	-
916	Response Funds Total	1,935	1,335	1,235	1,235
	R&P Staffing				
195	Exec Director R&P	199	206	214	223
570	Finance	644	679	712	743
384	Governance	402	423	446	470
332	HR & OD	354	370	364	389

2023/24		2024/25	2025/26	2026/27	2027/28
£'000	Revenue Programme	£'000	£'000	£'000	£'000
537	<i>Legal</i>	598	635	667	694
-	<i>NZ Hub</i>	-	-	-	-
262	<i>PMO</i>	387	409	433	457
211	<i>Procurement</i>	220	231	244	256
2,491	R&P Staffing Total	2,804	2,953	3,080	3,232
19,531	Resources and Performance Directorate Total	14,755	5,864	5,533	5,699
75,323	Grand Total	70,979	48,340	45,444	44,836

Agenda Item 14	Appendix 3
Draft 2024/25 Corporate Strategy and Budget and Medium-Term Financial Plan	D

New Capital Investment Proposals

Throughout September, October and November the Combined Authority Officers have been working with Constituent Council Officers and Members to identify what the high priority investment areas are across the region, which demonstrate strong fit with the strategic objectives of the Combined Authority identified in the Business Plan, and to match those needs to the funding available within the Combined Authority's budgets.

The shared ambition of the Combined Authority area is significant, and this list of projects has been constrained by available resources. The Combined Authority will continue to lobby government for more investment into the area and, where this is successful, will update and increase the programme in response.

Achieving Good Growth, Ambitious Skills and Employment Opportunities

Strategic Growth Fund - £20m

The funds available for local government to locally determine investment into skills and economic capital has reduced since the end of the Local Growth Fund, this fund is intended to mitigate this shortfall and fund both direct construction as well as enabling infrastructure. It is anticipated that £5m of the fund will be used to help develop critical infrastructure at the University of Peterborough. The fund is phased to increase each year in anticipation of growth in the economy.

Levelling Up - £10m

This fund is proposed to enable both local match funding for projects which will leverage significant external funding as well as the opportunity to expand the current market towns programme into other large non-market town settlements in the area enabling the delivery of much-needed public realm improvements.

Creative Industries - £3m

Support for the development of the Cambridge Leisure/Junction site south of Cambridge centre to help create a regional hub for creative industries., including space for start-ups, artists and other creatives in one location that is not currently present in the South of the region.

Cambridge Cultural Quarter - £1.5m

Match funding to support the development of the Market Square and Guildhall in Cambridge into a new 'Cultural Quarter'.

Improving Connectivity

A10 and A1139 Business Case development – each £3m

As part of the announcement of Network North the Government have committed to funding the delivery of the upgrades of the A10 (Cambridge City to East Cambridgeshire) and the A1139 (Peterborough) in the Combined Authority area. While the details of these commitments have not yet been confirmed by

the Department for Transport the Combined Authority is allocating funds to ensure the work to develop the business case of these projects is progressed in the short-term to ensure release of the delivery funds when available.

A141 Business Case development - £3m

The A141 provides a critical east-west transport link through Huntingdonshire. Within the District alone there are 4 significant development sites which relying on it directly, beyond the district is also provides a key access route to the Fens and its high quality agricultural produce. The funds will ensure that a high quality Strategic Business case is developed to seek funding for the major delivery work that will be needed on this route.

Footbridge across the A10 at the BP Roundabout - £3m

The study commissioned by the Combined Authority showed that the A10 is a significant barrier to pedestrians and cyclists travelling between Witchford and Ely. Improving the routes for these users to navigate the roundabout close to the BP fuel station and Lancaster Way Business Park will enable safer journeys between the two. The study outlined two options to address the problem, a bridge for pedestrians and cyclists entirely bypassing the roundabout or a non-bridge option. This funding allocation, on top of the existing £3m allocation transferred from the Active Travel Funding capital budget, will ensure that there is sufficient funding for whichever option is preferred.

A16 Norwood - £6.5m

The Combined Authority commissioned the Outline Business Case for the A16 Norwood project to unlock a 2,945 home development site after the earlier stage case resulted in a high value for money assessment. Demonstrating continued commitment to the project, this allocation of £6.5m would contribute to the delivery of active travel elements of the scheme, including the construction of a footbridge to enable local children to access the new secondary school unlocked in this development.

Whittlesea Railway Station - £3m

This funding would reinstate investment from the Combined Authority to improve Whittlesea Station. Improvements which will be considered include automation of the road gates, elongation of platforms, and provision of a footbridge to link the two platforms without the need to share crossing space with road traffic

Alconbury Railway Station - £0.5m

Alconbury Weald is the Combined Authority's largest Enterprise Zone site with up to 5,000 homes and 290,000 m² of employment floorspace. While it has strong road links through the A14 and A1(M) it currently cannot take advantage of the Great Northern rail line which forms its eastern border. The developer of the site has land allocated to deliver a station, and this allocation from the Combined Authority aims to unlock delivery of the station.

March Priority Junctions - £7m

Two junctions in March, at Twenty Foot Road and St Peters Road, have been identified as local upgrade priorities to improve road safety, active travel opportunities and vehicle connectivity. This allocation provides the funds needed to construct these junctions.

Enabling Resilient Communities

Bus Stop Infrastructure - £2m

Many of the bus stops in the Combined Authority area have suffered from underinvestment in the face of national cuts to maintenance budgets, this fund would enable additional upgrades where they are most needed both within urban centres and rural areas.

Funding for Active Travel schemes - £4.5m

The 2022-23 Medium-Term Financial Plan included £9m so that Constituent Authorities could bring forward their priority active travel schemes. Since then £4.7m has been allocated to deliver local schemes, with a further £3m being utilised for the BP footbridge (in addition to the £3m additional funding in the proposal above). From discussion with constituent councils it is clear that there is a need for further funding so that the active travel network can continue to be strengthened to improve the health of the area's population and to reduce emissions. The Combined Authority proposes to top-up the fund with an additional £4.5m and extend it to the end of the new MTFP period.

Road Safety Fund - £1m

This fund will help to provide specific road safety initiatives and contribute to reducing casualties from road traffic accidents as part of the Vision Zero Partnership. In particular it is hoped to support all communities who wish to develop a 20mph zone through their community. The chances of being fatally injured in a car collision with a pedestrian increases more than 5-fold when a car is travelling at 30mph compared to 20mph.

Climate - £9m

The Combined Authority published a Climate Action Plan in 2022, which set out a wide range of recommendations to ensure the region can deliver on its net zero goals. While full delivery of the Action Plan requires action from across the private and public sector, this allocation (along with the corresponding revenue allocation) will facilitate the Combined Authority's delivery of its part of the Plan.

Examples of projects that this fund will be used for include understanding the economic impact of, and exploring innovative solutions for, drought damaged roads in the Fens and Peterborough, supporting constituent councils with new requirements regarding biodiversity, decarbonisation of public sector buildings as well as other actions which have, or will, emerge from the Local Area Energy Plans developed by our constituent councils.

Agenda Item 14	Appendix 3
Draft 2024/25 Corporate Strategy and Budget and Medium-Term Financial Plan	E

New Revenue Investment Proposals

Throughout September, October and November the Combined Authority Officers have been working with Constituent Council Officers and Members to identify what the high priority investment areas are across the region, which demonstrate strong fit with the five strategic objectives of the Combined Authority identified in the Business Plan, and to match those needs to the funding available within the Combined Authority's budgets.

The shared ambition of the Combined Authority area is significant, and this list of projects has been constrained by available resources. The Combined Authority will continue to lobby government for more investment into the area and, where this is successful, will update and increase the programme in response.

Achieving Good Growth

Greater Cambridge Social Impact Fund - £1m

[Greater Cambridge Impact](#) has been set up with a vision to share the prosperity driven by the City's University, and technology sector, with those both within and outside the City who have not historically benefited. It will do this by empowering charities, social enterprises, and community initiatives both within the City and outside but within the CPCA region to develop, test, and scale solutions with meaningful and measurable impact. The aim is to raise an initial fund of £10m and it has secured an in-principle £1m investment from Cambridge City Council, matching this funding from the Combined Authority will help them continue momentum toward their goal and unlock the first stage of wider investments.

SAF Business Case development fund - £500k

During the development of the Single Assurance Framework (SAF), one of the key challenges highlighted by constituent councils was the lack of funding available to take something from a good idea to having the evidence base required to enter the SAF process and be considered for further funding. In response the Combined Authority proposes to set aside revenue funding which its constituent councils can access to carry out this process, removing a barrier to the area's ability to continue to delivery best value and innovate public service.

Development of Climate strategies - £2m

The Combined Authority's published a Climate Action Plan in 2022, which set out a wide range of recommendations to ensure the area can deliver on it's net zero goals. While full delivery of the Action Plan requires action from across the private and public sector, this allocation (along with the corresponding capital fund) will ensure the Combined Authority can continue to deliver on its part, including funding for our new responsibility for the Local Nature Recovery Strategy as well as supporting other organisations and initiatives such as Future Fens and Fenland Soil.

Ambitious Skills and Employment Opportunities

Innovate Cambridge - £150k

[Innovate Cambridge](#) has been established by the University of Cambridge, Cambridge Enterprise, and Cambridge Innovation Capital with the aim of ensuring the continued success of the Greater Cambridge's leading innovation ecosystem. The power and potential of the Cambridge cluster is widely recognised and Innovate Cambridge has set one of its core aims as ensuring inclusive growth and increased diversity including engagement with local government to ensure innovation creates quality of life for all in Cambridge. Funding from the Combined Authority of £50,000 per year over the next 3 years will ensure that Innovate Cambridge can continue to develop its work.

University Quarter Outline Planning Application – £200k

Building on the rapid development of the first three phases of the University Quarter in delivering a University in Peterborough, unlocking future phases requires the production of an outline planning application. The Combined Authority proposes to contribute to the costs of this to maintain momentum on this key site.

Securing continuity of skills support - £1m

The UK Shared Prosperity Fund provides local authorities across the UK with funding to provide skills services covering brokerage, internship support and all-age careers support in schools. This funding comes to an end in March 2025 so the Combined Authority intends to allocate funding to ensure those that benefit from these services can be secure knowing they will continue beyond the current UK SPF ending.

Enabling Resilient Communities

Reduced Fares for under 25s - £3.85m

The Combined Authority is committed to supporting a modal shift from the private vehicle to public and active transport due to the demonstrated benefits this bring in public health, climate emissions, and reliable connectivity. The best time to build a habit of public transport use is in those with a lifetime of future transport ahead of them, however they are often the least able to afford the cost of bus fares. To reduce this barrier, and encourage a generational shift in bus patronage, the Combined Authority intends to subsidise bus fares for all those under the age of 25 – capping the cost of a single fare on any local bus for travel in the region to £1 until May 2025. This allocation goes hand in hand with the in-year allocation proposed via the Budget Update report which will allow this initiative to be developed sooner than April 2024.

Sustainable Infrastructure - £400k

The potential of the Combined Authority area, with its outstanding Universities, grade A farm-land in the Fens, globally leading innovation ecosystem, and rapidly growing City of Peterborough, is huge. However there are key infrastructure constraints – both water and energy – which must be overcome if the area is to be able to achieve its potential. There is work already underway by various governmental and non-governmental bodies examining the problem and what could be done to address it. This funding is to enable the Combined Authority to fulfil its strategic leadership role in bringing that work together to

ensure it results in a clear picture of the challenges the area faces and the opportunities available to address and overcome those challenges including driving forward the recommendations from the current work on the Infrastructure Delivery Framework.

Bus Network enhancements and reform – £900k in year 1

The Combined Authority is currently examining the options for either Franchising or an Enhanced Partnership for the region's bus services. This funding allows both for the continuation of the comparison of these two options – including a public consultation in 2024 – and early-stage capacity development which will be required regardless of which option is progressed.

5. The Mayor has bold plans for the bus network in our area. His vision for Better Buses to keep people connected includes adding more buses to the network, providing bus users with better information, better reliability, nicer, better-quality buses and better value for money for customers.

- How regularly do you use existing bus services?
- Most days
- Most weeks
- A few times per month
- Not at all

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6. Would any of the below improvements make you more likely to use buses more frequently going forward?

- More reliable bus services
- More bus routes
- Better information about services
- Better quality buses
- Cheaper prices

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7. The Mayoral Precept is currently £12 a year for a Band D property. To improve buses services, including introducing new routes, the Mayor is proposing to increase this to £36 (£3 a month per household). Are you willing to pay that amount?

- Yes
- No

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8. If your answer is no, what would you be willing to pay per year to improve bus services?

- £30 or less
- £20 or less
- £10 or less
- £0

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9. How well informed are you about the Cambridgeshire & Peterborough Combined Authority? (Who we are, what we do and our future vision)

- Very much
- A little
- Not very much
- Nothing

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Please post completed forms to the Cambridgeshire & Peterborough Combined Authority 2nd floor, Pathfinder House, St Mary's Street, Huntingdon, Cambs, PE29 3TN.

THE ROAD TO **BETTER** BUSES

Would you like to know more?

Sign up at [Cambridgeshirepeterborough-ca.gov.uk/better-buses](https://cambridgeshirepeterborough-ca.gov.uk/better-buses)

YOUR VIEWS COUNT

We want to hear from you!

#YourSayYourFuture



WE HAVE IDENTIFIED FOUR STRATEGIC OBJECTIVES. THESE ARE:

- 1. Achieving Good Growth
- 2. Improving Connectivity
- 3. Ambitious Skills and Employment Opportunities
- 4. Enabling Resilient Communities.

Under each objective is a list of activities. We want to know if these activities are important to you, please select one of the three options for each activity.

Support / Unsure / Not supportive

1. Achieving Good Growth

- Lobby National Government to tackle current infrastructure issues such as water shortages and not generating enough electricity to power future homes and businesses.
- Build more affordable homes across the region (600 by 2025).
- Explore plans to get the Fens designated as a special area.
- Increase commercial space to allow businesses to grow, including exploring opportunities for future Enterprise Zones.
- Develop and deliver masterplans for our Market Towns to support communities and businesses thrive.
- Invest in social enterprises and community interest companies through a new social investment fund.
- Develop an Infrastructure Delivery Framework and lobby for funding to deliver against it.
- Develop a framework and large-scale investment fund to remove infrastructure barriers to good growth, like flood risk management and access to provision of broadband utilities.
- Promote the region at a national and international level to attract new businesses and investment.

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2. Improving Connectivity

- Improve transport links in rural areas to reduce isolation and make it easier for people to access work, skills and leisure activities.
- Reform the bus network, including investing in new and more frequent routes, providing more reliable and better buses, simpler ticketing and better passenger information.
- Explore options for bring the bus network under the control of the Combined Authority.
- Find the money to build new roads across Cambridgeshire and Peterborough.
- Invest in actions to make roads safer for all road users.
- Continue to campaign for better rail infrastructure to enable more reliable and more frequent rail services.
- Campaign for reduced fares for young people, care leavers and those on Universal Credit.
- Improve digital connectivity for residents and businesses through the delivery of the region's digital connectivity programme.
- Invest in, and promote, active travel schemes that highlight the public health and environmental benefits of active travel.
- Ensure our transport system is high quality, reliable, convenient, affordable, safe, and accessible as well as moving to net zero.

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3. Ambitious Skills and Employment Opportunities

- Increase the number of education and skills centres in rural areas, particularly in the Fens.
- Make sure all adult learners can access adult education courses.
- Address economic inactivity and support more people back into work.

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- Work in partnership with businesses, training providers, colleges and universities to increase the number of jobs and learning opportunities for everyone.
- Work with employers to increase the number of high-quality apprenticeships open to young people, especially those from less advantaged backgrounds.
- Support the region's highly skilled sectors, such as life sciences, to recruit, train and retain more local people.
- Provide better careers advice and information to young people and adults.

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4. Enabling Resilient Communities

- Better understand how climate change is impacting the condition of the region's roads.
- Support sustainable agriculture in the Fens and other agricultural areas.
- Improve Infrastructure for electric vehicles and the develop a local electric vehicle strategy.
- Supporting the delivery of the Local Net Zero Programme 2022-2025.
- Support businesses to transition to a low carbon economy.
- Retrofit homes, care homes and community buildings to reduce energy bills and emissions.
- Improve biodiversity through the development of a Local Nature Recovery Strategy.
- Develop a Local Area Energy Plan for Cambridgeshire, that will set out how our region can be supplied with the power and water it needs.
- Encourage Creative Industries to thrive.
- Use culture to connect local communities and celebrate our heritage.
- Create vibrant high streets to attract more visitors.

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