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PROPOSALS FOR USING TREASURY MANAGEMENT FUNDING

Reduced Fares for Under 25s - £650k

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 is proposing using funding in its MTFP to subsidise bus fares for all those under the age of 25 – capping the cost of a single fare on any local bus to £1 for journeys which both start and end in the region until May 2025. The proposed Treasury Management income will enable the development of this proposal as rapidly as possible with the intent that it will start later in this financial year.

Development of LTCP sub-strategies - £2.27m

There are a suite of sub-strategies which will need to be developed and delivered once the new Local Transport and Connectivity Plan is adopted which form the bridge between the Plan and deliverable specifics, these cover areas such as Decarbonisation, Active Travel, Micromobility, e-scooters, Freight, Rail, as well as work looking at the potential role of other public transport options. This proposal creates a pot of funding for the Combined Authority to draw from to develop these sub-strategies once the LTCP is approved.

Devo 2 - £900k

The Autumn Statement is expected to announce a new 'level 4' devolution offer aimed at deepening devolution in those areas which already have a directly elected Mayor. This funding would enable the Combined Authority to further develop the processes and models required to access any new devolution deal, building on the work already undertaken with partner organisations over the summer, and ensuring that the Combined Authority can stay at the forefront of devolution.

Looking further forward, enhancing devolution was a key topic in the Labour, Lib Dem and Conservative conferences so building the case for key powers and fiscal devolution in our area will give us the best chance of securing what is needed to ensure the Combined Authority area can continue to thrive.

Sector Business Strategies - £400k

This funding will link to the work being undertaken on the refresh of the Cambridgeshire & Peterborough Independent Economic Review and drive forward action planning and delivery of the opportunities identified within our Business Strategies. Without this funding the Combined Authority's ability to successfully bid for new funds to support priority sector businesses in the future will be inhibited.

Inward Investment - £200k

The Inward Investment service for the Combined Authority will move from its existing outsourced provider to a partnership model, working closely with constituent councils, from the 1st January 2024. The new model is designed to be both more flexible and cost effective for the public purse than the existing model. However there will need to be additional support

provided to ensure that no potential Inward Investment opportunities are lost during the transition from one delivery model to another. This funding will be used to significantly mitigate that risk.

Support for key publicity campaigns - £150k

There are a number of strategic priorities for the Combined Authority – including encouraging modal shift and active travel, as well as climate related priorities identified in our plans and noted at the recent Climate Summit – where the Combined Authority does not have a dedicated budget to support effective publicity campaigns to encourage residents, communities and businesses in the region to think about, and potentially change, the way they approach these issues at the moment. The proposed funding will create a fund that can be drawn down from to support these priority campaigns in the future

Passenger Transport Services - £130k

The report on the proposed allocations of the 2023-24 Bus Service Improvement Programme+ (BSIP+) which was presented to the Transport & Infrastructure Committee earlier this month highlighted that there were some areas relating to bus improvement that could not be funded by the current level of the BSIP+ grant but which would be beneficial to fund should other resources be available. One of these was for the Combined Authority to take on bus networks supported by other constituent councils to help maximise the value for money of the public subsidy being used on these services.

To trial this approach in one area initially it is proposed to bring those passenger transport services funded by Cambridge City council into the CPCA from the start of 2024-25. The proposed funding would support the current level of subsidy provided by Cambridge City Council for a year whilst the supported services are reviewed in a similar way to the current network review and options developed for their future. If this approach is successful then it can be rolled out to other council areas in the region in future years.

Development of Strategic Infrastructure Fund - £100k

Other Combined Authorities have shown they have the power to bring together large institutional investors to unlock strategic infrastructure investments within their areas, in particular the work of Greater Manchester Combined Authority with CBRE. The Combined Authority intends to work with local institutional funds to identify what the opportunities and barriers in our region are to enable local funds to deliver more investment into our own region. This is a new area for the Combined Authority, and one of significant complexity, this funding would enable the Authority to engage appropriate expertise to support its development.