



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 1.2

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY: MINUTES

Date: Wednesday 25 September 2019

Time: 10.30am – 13:15pm

Venue: Cambridgeshire County Council, Kreis Viersen Room, Shire Hall, Castle Hill, Cambridge, CB3 0AP

Present: J Palmer (Mayor)

Councillors A Bailey – East Cambridgeshire District Council, C Boden – Fenland District Council, G Bull – Huntingdonshire District Council, C Count - Cambridgeshire County Council, J Holdich – Peterborough City Council, L Herbert (from 10:40am) – Cambridge City Council and B Smith – South Cambridgeshire District Council (to 1.05pm)

A Adams – Interim Chair of the Business Board

Co-opted Members: J Bawden (Cambridgeshire Clinical Commissioning Group), R Bisby (Deputy Police and Crime Commissioner) and Councillor D Over (Vice Chairman, Cambridgeshire and Peterborough Fire Authority)

407. ANNOUNCEMENTS, APOLOGIES AND DECLARATIONS OF INTEREST

The Mayor opened the meeting by welcoming Austen Adams, Interim Chair of the Business Board, to his first meeting of the Combined Authority Board.

The Mayor stated that the week had seen the dreadful news of the collapse of Thomas Cook, which had resulted in more than 3,000 job losses for employees based in Peterborough. The Mayor had been part of a conference call with the Department of Transport Minister Paul Maynard MP and a minister from Department for Work and Pensions on 23 September 2019 which had led to the establishment of a cross Parliamentary and Mayoral task force in response to this issue. The Mayor would be working with the Deputy Mayor and Leader of Peterborough City Council, Councillor Holdich, as part of that cross-government task force to provide every assistance possible. He would be attending a meeting in Westminster the following day to continue discussions. Details of the support being offered by the Business Board had been published earlier that morning on the Combined Authority website and copies were made available at the meeting (copy attached at Appendix 1). The Mayor stated his hope that the strength of the economy within Cambridgeshire and Peterborough would make it possible to find alternative employment for all of the skilled staff previously employed by Thomas Cook.

Councillor Holdich stated that Opportunity Peterborough would be holding a jobs fair for former Thomas Cook employees to link them up with potential employers. Skills advice would also be available on the day. He thanked local businesses and Peterborough residents for the numerous offers of help and support which had been made to those affected by the collapse of Thomas Cook.

Jessica Bawden stated that the Clinical Commissioning Group was looking at options for supporting access to NHS health and wellbeing services for former Thomas Cook employees should these be needed. They would work with the Combined Authority and Peterborough City Council to make this information available to those who had been affected.

The Mayor stated that, on a more positive note, he was delighted to be able to report news that St Neots had been earmarked as one of 100 towns benefitting from the Future High Street Fund and that Peterborough had been chosen to bid for a Town Deal worth up to £25M. In announcing St Neots' success, the Communities Minister Robert Jenrick MP had referred directly to the St. Neots' Masterplan for Growth, which was a Combined Authority initiative. The Mayor welcomed this demonstration that the Combined Authority's work and partnership with local councils continued to support the county's success in attracting additional funding into the area.

During recent weeks the Mayor had welcomed several ministers to Cambridgeshire and Peterborough including Simon Clarke MP, Esther McVey MP and James Cleverly MP. These visits had allowed the Mayor to showcase some of the innovative transport and housing projects underway in Cambridgeshire and Peterborough including the CAM Metro, A10 dualling, Ely Ministry of Defence homes refurbishment and an interim rail station at Cambridge South and demonstrate how Government could support these transformational schemes.

Apologies were received from Police and Crime Commissioner Councillor J Ablewhite., substituted by Deputy Police and Crime Commissioner Councillor R Bisby.

There were no declarations of interest.

408. MINUTES – 31 JULY 2019

The minutes of the meeting on 31 July 2019 were agreed as an accurate record and signed by the Mayor.

409. PETITIONS

No petitions were received.

410. PUBLIC QUESTIONS

No public questions were received. The Mayor stated that a number of comments had been received from the Overview and Scrutiny Committee. These would be taken when the relevant agenda item was reached.

411. FORWARD PLAN – SEPTEMBER 2019

The Forward Plan was noted.

412. ANNUAL REPORT OF THE CHAIR OF AUDIT AND GOVERNANCE 2018-19

The Mayor welcomed Mr John Pye, the Independent Chair of the Audit and Governance Committee, to the meeting and invited him to share the Committee's findings with the Board.

Mr Pye stated that this was the second year since the Committee had been established. Its work was based around a quarterly meeting cycle and included a programme of regular reviews supplemented by specifically commissioned pieces of work. Examples of the latter included a strong focus on the development of the Combined Authority's Treasury Management Strategy and its application and the balance of prudent investment and rates of return. The Committee had been asked to carry out a review of the employment and dismissal procedures relating to the departures of a former Chief Executive and Chief Finance Officer and whether these had been proper. The Committee reviewed a report which provided the factual background to these cases and found that the agreed protocols had been followed. The Committee had conducted a further review of Internal Audit governance in September 2018, revisiting the work of the previous review to see if the recommendations had been put into practice. This gave a reasonable assurance on all areas with the exception of Human Resources where no assurance was given. Mr Pye noted that this was the first time in his experience that no assurance had been offered for a business area. However, since then he had met with the new Head of Human Resources and seen positive evidence of permanent appointments to posts which he judged boded well for the future. The Committee relied heavily on the work of Internal Audit and the 130 days spent on this in the previous year had been increased to 150 days for the current year. Mr Pye thanked officers for their openness in their dealings with the Audit and Governance Committee and the Mayor for his annual visit where he provided the Committee with an update and answered questions.

Councillor Smith thanked Mr Pye for a succinct report. She commented that the lack of an assurance relating to Human Resources was significant and worrying and asked whether this would be formally re-assessed. Mr Pye stated that the Audit and Governance Committee would be receiving a formal report from Human Resources later in the year.

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

Note the Annual Report of the Chair of Audit and Governance Committee for 2018/19 (Appendix 1) and provide any feedback to the Committee.

413. GOVERNANCE (DECISION MAKING) REVIEW

The Mayor stated that he had received notice that Councillor Count wished to propose an amendment to the report recommendations and invited him to address the Board.

Councillor Count commented that his amendment was designed to address a slight anomaly around appointments to committees. Members of the Overview and Scrutiny Committee were nominated directly by the constituent councils. However, where a committee system was introduced the law required that the Mayor and Combined Authority Board appoint members to committees. This meant that the Mayor and Combined Authority Board could choose to vote down or veto the appointment of a member chosen by a constituent council to represent them. In discussion with the Mayor, legal counsel and monitoring officers a form of words had been produced which

recognised the position in law, but which made clear the principle that neither the Mayor nor the Board would seek to exercise their voting rights to veto or vote against the appointment of constituent council members to executive committees. To this end, Councillor Count, seconded by Councillor Bull, proposed that recommendation (a) be revised to read:

- a) Agree the amendments to the Constitution set out at Appendix 2, *subject to the following wording being substituted for paragraph 6.3 in Chapters 8 (Transport & Infrastructure Committee), 9 (Skills Committee) and 10 (Housing & Communities Committee):*

6.3 The Combined Authority Board shall appoint the committee and substitute members. With the exception of the Chair, Board members may nominate another member from their constituent council to be a member of the committee in their place. The Board member shall also nominate a named substitute member. Nominations are in consultation with the Mayor and subject to approval by the Board. In principle, neither the Mayor nor the Board will seek to exercise their voting rights to veto or vote against the appointment of constituent council members to executive committees. See also Chapter 11, paragraph 2 of the procedure rules of executive committees and Chapter 4 paragraph 4.4.

On being put to the vote, the amendment was carried by a majority.

The Mayor invited Ms Sawyer, Joint Chief Executive, to introduce the report. Ms Sawyer stated that the governance review should be seen in the context of the wider work which the Chief Executives had been asked to undertake. This included reviewing the Combined Authority's key priorities, delivering a balanced budget, implementing a new staffing structure, monitoring the performance measures reported to the Board and reviewing how the Authority worked with the Business Board. The final part of this work was looking at how the Authority made decisions (governance). Given the increasing volume of business and the pressures which the monthly meeting cycle was placing on Board members and officers it was proposed to adopt a committee model. The Board would retain responsibility for the budget and the Medium Term Financial Strategy and would set the Authority's key strategies and policy frameworks. The Transport and Infrastructure Committee, Skills Committee and Housing and Communities Committee would have delegated decision-making powers and would work within the policy framework set by the Board. Committees would comprise a member of each of the constituent councils and be chaired either by the Mayor or by a member of the Board. Subject to the Board's agreement the new arrangements would take effect from 1 November 2019, so the Board would meet as planned in October 2019 to make appointments to committees.

Councillor Smith commented that a constitution must be free from errors, ambiguity and mistakes. However, the legal team at South Cambridgeshire District Council had identified a significant numbers of errors in the draft Constitution. Councillor Smith described in detail the issues identified by her officers and stated that in her judgement, this rendered the draft Constitution so flawed that it was not fit for purpose. She described the volume of errors as embarrassing and called on the Board not to support the adoption of the draft Constitution.

Ms Sawyer, Joint Chief Executive, stated that Councillor Smith had pointed out a number of typographical errors and that she would be happy for officers from the Combined Authority to work with officers at South Cambridgeshire District Council to

address these. Councillor Smith had also raised several substantive queries which she would address in turn:

1. Virements: Councillor Smith had noted that one section of the draft Constitution referred to the approval of virements of up to £100k by officers whilst another stated that Board approval was required for virements above £500k. She had asked who had authority to approve virements between £100k-£499k. Ms Sawyer stated that where there were any disputes in a Constitution the rule was that officer delegations were linked to the delegated level limit. This meant that officers' authority was limited to the lowest level set out, which in this case was £100k.
2. What was meant by 'exceptional' in the Board's right to call in a committee decision in 'exceptional circumstances'. Ms Sawyer stated that this right was not specified in law, but that Leaders had requested its inclusion. It would be for the Board to decide on a case by case basis what met the test for exceptional circumstances. Officers would then be able to draw up guidance based on the Board's decisions.
3. Why transparency rules did not apply to commissions set up by the Board. Ms Sawyer stated that decisions to establish and fund commissions were made in public by the Board. Closed sessions allowed those commissions to gather evidence and formulate their recommendations. These would be reported to the Board in public when their work was complete.
4. The political representation rule for the Employment Committee that required that a member be appointed from either South Cambridgeshire District Council or Cambridge City Council. Ms Sawyer stated that this arrangement had been agreed previously by the Board and that if any Board member wished to change this they could make a recommendation to the Board at any time.

Councillor Count commented that options for managing the workload placed on Board members whilst retaining the Board's oversight of key issues had been discussed on two or three separate occasions at Leaders' Strategy meetings. Having agreed in principle to move to a committee model all Leaders and their chief executives had the opportunity to review and comment on the draft proposals. At Councillor Herbert's suggestion all of the comments and representations received had been shared with all Leaders and chief executives. At no point in that process had Councillor Smith shared the criticisms of the draft Constitution which she had now voiced at the meeting.

Councillor Bailey commented that Board members had a responsibility as members of the Combined Authority to work together. Since joining the Board in May 2019 she had been impressed by the work which took place behind the scenes to ensure the smooth running of the Authority's business. She expressed disappointment that the points raised by Councillor Smith had not been communicated to officers in advance of the meeting to enable them to be addressed.

Councillor Boden commented that he welcomed the strategic intent of the proposals which would allow the Board to focus on strategy and Committees to concentrate on operational delivery. He agreed with Councillor Smith that the amended Constitution must be free from errors when it came into force, but expressed disappointment at Councillor Smith's approach to sharing her reservations. He was confident that officers from the Combined Authority and South Cambridgeshire District Council could work together to resolve the issues

raised, but judged that it was disrespectful to the Board not to have shared these in advance of the meeting.

Councillor Herbert commented that it was important to get the amendments to the Constitution right. The publication of the proposed amendments to the Constitution with the agenda for the meeting the previous week had not allowed much time to review such a complex document. Councillor Smith had raised a number of issues and, whilst it was unfortunate that these had not been raised sooner, they did now need to be resolved. Councillor Herbert commented that he understood that the constituent councils' chief executives were no longer invited to Leaders' Strategy meetings where proposals were discussed informally and that the Combined Authority's joint chief executives no longer met with their counterparts in the constituent councils. He judged that stronger informal governance arrangements would have produced a better result. He commented that he would continue to press for a review of the Board's informal governance arrangements and, should the Board agree to the proposal to move to bi-monthly public meetings, he judged that leaders should continue to meet informally on a monthly basis. The Mayor stated that the Constitution was a live document and that proposals to revise governance arrangements could be considered at any time.

Councillor Smith commented that it had not been her intention to be disrespectful to the Board and apologised if this was how it had seemed. The legal team at South Cambridgeshire had been working until late the previous evening and again on the morning of the meeting so she had not had the opportunity to circulate their findings any sooner. She would though circulate these in full to all Board members after the meeting. Councillor Smith commented that the informal discussions which had taken place at Leaders' Strategy meetings had considered the nature of the changes propose, but not how this would be presented in the Constitution.

Councillor Bull suggested that a corrected version of the Constitution be presented at the Board's next meeting in October. Ms Sawyer stated that, in accordance with standard practice, there was a delegation to the Monitoring Officer to make minor changes to the Constitution, such as correcting typographical errors. In her judgement the Board had raised no substantive issues other than those which she had already addressed. However, officers would review the points raised and if any other substantive matters had been raised which could not be resolved under the Monitoring Officer's delegated authority these would be brought back to the Board in October 2019 for decision.

Councillor Count suggested that the typographical errors should be corrected and the amended Constitution circulated informally to the Board with tracked changes. Any potential matters of substance should be highlighted so that the Board could decide whether these needed to be discussed at the October meeting.

Councillor Herbert commented that he broadly welcomed the move towards a committee model as it would allow greater use to be made of the specialist skills and knowledge which existed within the membership of constituent councils. However, it was important that the Board remained sovereign and that it should have the power to call in committee decisions, even if this was rarely exercised. He judged that the powers which were being delegated to committees could be made more clear as there was some room for confusion.

Councillor Boden commented that it would be important to review the impact of the changes proposed once the new arrangements had been in place for a reasonable

period. He further asked that a calendar of meeting dates for 2020/21 should be circulated to Board members and chief executives as soon as possible.

On being proposed by Councillor Bull, seconded by Councillor Count, it was resolved by a majority to:

- a) Agree the amendments to the Constitution set out at Appendix 2, subject to the following wording being substituted for paragraph 6.3 in Chapters 8 (Transport & Infrastructure Committee), 9 (Skills Committee) and 10 (Housing & Communities Committee):

6.3 The Combined Authority Board shall appoint the committee and substitute members. With the exception of the Chair, Board members may nominate another member from their constituent council to be a member of the committee in their place. The Board member shall also nominate a named substitute member. Nominations are in consultation with the Mayor and subject to approval by the Board. In principle, neither the Mayor nor the Board will seek to exercise their voting rights to veto or vote against the appointment of constituent council members to executive committees. See also Chapter 11, paragraph 2 of the procedure rules of executive committees and Chapter 4 paragraph 4.4.

- b) Agree that the amendments should take effect from 1 November 2019.
- c) Agree the size, membership and terms of reference of the Executive. Committees set out in Appendix 2
- d) Agree the revised calendar of meetings for 2019/20 at Appendix 3.

Councillor Smith asked that it be recorded that she voted against the recommendations.

414. QUARTERLY PERFORMANCE MONITORING REPORT

The Mayor stated that he had been advised of a comment on the report from the Overview and Scrutiny Committee. He invited Councillor Dupre, Chair of the Overview and Scrutiny Committee, to put this to the Board.

Councillor Dupre asked what impact the collapse of Thomas Cook would have, specifically in Peterborough, on the job growth trajectory. The Mayor stated that he did not have the precise figures available, but that the Combined Authority would work alongside Peterborough City Council to provide the Overview and Scrutiny Committee with a written response. He expressed the hope that the Committee was satisfied that everything possible was being done to support those who had lost their jobs.

The Director for Delivery and Strategy introduced the quarterly performance report. The status of one key project, the Cambridge Autonomous Metro, had changed from green to amber during the reporting period as this had been deemed appropriate while baselines were being set.

Councillor Herbert commented that he felt that there was a need to review the definition of a 'green' project and that the red, amber green (RAG) rating system was not fit for purpose in this context. He asked whether officers could be tasked with reviewing how the quarterly performance report was framed. The Director of Delivery and Strategy stated that the definitions of the RAG ratings could be shared with the Board and that

comments on the future presentation of performance data would be welcome. The Mayor suggested that the Transport and Infrastructure Committee might look at this.

Councillor Herbert asked for an update on the Kings Dyke project. Councillor Count stated that the County Council's Economy and Environment Committee had approved proposals to go back out to tender for the construction of the Kings Dyke project. Tender documents were due to be issued by the end of September 2019 and informal meetings had already taken place with potential bidders. Work should start by December 2020 at the latest. The Mayor stated that the Combined Authority was supportive of the County Council's position.

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

Note the September Delivery Dashboard

415. 2019-20 BUDGET & MEDIUM TERM FINANCIAL PLAN 2019-23

The Board noted a typographical correction to the report. The figures contained in the detailed breakdown of the capital programme referred to millions of pounds, and not thousands of pounds as stated.

Councillor Count, Portfolio Holder for Investment and Finance, stated that the refresh of the medium term financial plan (MTFP) was based on detailed discussions with project teams and directors and reflected decisions made by the Board to date. It reflected CIPFA review advice and represented an affordable and balanced budget. Table 1 set out additional and adjusted income sources and reflected an additional £16M in 2020/21, all of which was attributed to delivery activity. The table now reflected the exact income for the Adult Education Budget for the academic year, rather than the financial year as had previously been assumed. Staff costs were expected to increase slightly in the short term, but were expected to deliver savings over the life of the plan. Additional revenue costs were more than covered by income from investments. There had been some limited movement between revenue and capital budgets which reflected a better understanding of the nature of projects as they evolved.

Councillor Smith queried the figures relating to Enterprise Zone receipts and Business Board expenses funding, which she had expected to be higher. The Chief Finance Officer stated that the figures were best estimates at the present time and that these would be subject to review as part of the preparations for the 2020/21 budget. Councillor Count stated that a written update would be circulated to the Board to clarify the position.

Councillor Herbert commented that he had asked previously about the use of balances and the treasury management strategy and asked for an update on current thinking. Councillor Count stated that he had met with external experts regarding the treasury management strategy and that work on this was continuing. The best returns possible were being obtained under the normal treasury management process, but this reflected a traditional low risk, low return model. Further options were being explored and meetings had been arranged with the Mayor and chief executives to discuss these further. The Combined Authority's investments were out-performing the market under current arrangements, but it was prudent to test alternative options against the risk/reward balance. All existing investments were placed with UK institutions.

Councillor Boden welcomed the separation of platform and non-platform related costs in relation to the regeneration of Fenland stations which provided greater transparency. He

expressed the hope that further progress would be shown in the next report. Councillor Count commented that the challenge to Network Rail on this from the Mayor and Fenland District Council had delivered results. The Mayor stated that this was an example of the Combined Authority and a district council working together to deliver a project and welcomed the collaboration which had taken place.

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

- a) Approve the revised revenue budget for 2019/20 and Medium-Term Financial Plan 2019 to 2023
- b) Approve the revised capital programme 2019 to 2022

416. BUSINESS PLAN 2019-20 MID-YEAR UPDATE

The Mayor stated that he had been advised of a comment on the report from the Overview and Scrutiny Committee. He invited Councillor Dupre, Chair of the Overview and Scrutiny Committee, to put this to the Board.

Councillor Dupre commented that the 2019-20 business plan identified twelve key projects. As a result of the half year business plan update, the Board was being invited to add a further six projects to the key project list. The Overview and Scrutiny Committee asked whether the Combined Authority had the capacity to take on six additional key projects and where the resources for these would come from.

Ms Sawyer, Joint Chief Executive, stated that managing capacity issues was a matter for the Chief Executives. Four of the six new key priority projects being recommended to the Board were already underway and supported by the existing staff team which had been strengthened following the Board's approval of a new staffing structure. The Chief Executives would review, in a business case, what additional resources might be needed to support the two new key priority projects, £100k Homes and Community Land Trusts. Where additional resources were required as work on these projects progressed there were Human Resources processes in place to secure the additional staff. The Director of Delivery and Strategy stated that the aim going forward was to further align activity planning with financial planning. To this end the business plan would be brought to the Board alongside budget reports.

The Mayor stated that a number of key projects would be delivered over the next eighteen months so there was a need for new projects coming forward to replace them.

Councillor Boden welcomed the report and the widening ambition of the Combined Authority which it demonstrated. However, he questioned the title of the '£100k Homes' project given that the definition of an affordable home could vary significantly between different parts of the Combined Authority area. The Mayor undertook to reflect on this.

Councillor Herbert commented that it would be important for the credibility of the Combined Authority that the impacts and benefits should be assessed. In its current form he did not recognise the list of key projects as demonstrating the strategic and far-reaching nature of the Combined Authority's work. For example, he judged that it would be preferable to identify the Local Industrial Strategy or Skills Strategy as key projects rather than the Business Board. Councillor Smith endorsed this view, commenting that the Combined Authority had a convening role to make sure that all partners were delivering agreed outcomes.

Councillor Count welcomed the proposals, commenting that the proposed inclusion of the Business Board stated that this was to track and monitor progress ‘...to deliver the Local Industrial Strategy as a key project.’ He concurred with Councillor Boden’s comments in relation to the name of the ‘£100k Homes’ project, commenting that this could play a key role in energising the lower end of the housing market. Use of the Adult Education Budget (AEB) to deliver employment skills in addition to community-led projects was transforming the role of the AEB to support economic growth. A successful transformation of the AEB budget could also support a case for the Combined Authority taking greater control over the wider skills budget. There was significant public interest in the Bus Review Task Force which supported the case for its inclusion as a key project. Similarly, in Councillor Count’s judgement the importance of the Fenland Stations Regeneration project could not be over-estimated. The lack of a decent transport infrastructure had a significant impact on Fenland and its full potential could not be unlocked without the addition of early and late train services.

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

Approve the 2019-20 Business Plan mid-year update

The Mayor welcomed the Board’s decision to agree six additions to the key projects list. In relation to the £100k Homes project he stated that there were people across the county who could not imagine owning their own home. The Combined Authority’s remit was to address this. The average cost of social rent in the county was around £680 per month, rising to around £1,000 per month in Cambridge City. In contrast, a repayment mortgage on a £100k Home would be around £430 per month based on a deposit of around £2,500. This made delivery of the strategy imperative.

417. £100M AFFORDABLE HOUSING PROGRAMME SCHEME APPROVALS – WHADDON ROAD, MELDRETH, SOUTH CAMBRIDGESHIRE (SETTLE)

The Mayor stated that the report contained an exempt appendix and asked whether any members of the Board wished to discuss the information which it contained. No Board member expressed the wish to do so. The Mayor stated that he had been advised of a comment on the report from the Overview and Scrutiny Committee and invited Councillor Dupre, Chair of the Overview and Scrutiny Committee, to put this to the Board.

Councillor Dupre commented that the Overview and Scrutiny Committee understood that Peterborough City Council was working on a new Housing Strategy and might reconstitute its Housing Revenue Account with a view to building affordable new homes. The Committee asked what the implications of this would be for the delivery of affordable homes and the Combined Authority’s programme to deliver 2,000 affordable homes by March 2022. Councillor Holdich stated his belief that there were no implications for the delivery of affordable homes and the Combined Authority affordable housing programme.

The Director of Housing and Development stated that a grant of £215k was sought from the Combined Authority’s Affordable Housing programme for five new homes (four units for affordable rent and one unit for shared ownership) at Whaddon Road, Meldreth, to be delivered by Settle. This was consistent with the housing strategy approved by the Board in September 2018.

Councillor Herbert asked for more information about Settle and whether the homes would all be allocated to Cambridgeshire residents. The Director of Housing and

Delivery stated that Settle was formerly known as the North Hertfordshire Homes Partnership and was now looking at projects beyond the Hertfordshire area. Discussions had taken place with officers at South Cambridgeshire District Council and his understanding was that the homes would be offered to Cambridgeshire residents.

Councillor Smith welcomed the proposals as good news. She noted the importance of building the right types of property to suit an area and expressed the hope that decisions about tenure mix were discussed with parish councils.

Councillor Bull commented that a question had been raised with him in his capacity as chair of the Housing and Communities Committee and that he proposed that the report should be delegated to the Housing and Communities Committee for decision to allow this to be resolved. Councillor Count commented that he had raised a technical question relating to the exempt appendix and that he would not feel able to support the proposal until this had been addressed. On that basis he would welcome the report being deferred. The Director of Housing and Strategy confirmed that the decision was not time-critical, but that he would need to check with Settle whether a decision to defer the decision would have any project cost implications.

Councillor Bailey commented that she was content for the decision to be deferred to the Housing and Communities Committee, provided that there were no undue cost implications.

Councillor Holdich asked that the Chair of the Housing and Communities Committee should make clear that the query on the proposals related to local letting policy when it was considered by the Committee.

Councillor Herbert commented that Government would want to see evidence that work had started on site to deliver 2,000 affordable homes within the funding period which had been set, and in his judgement it was being left rather late to achieve this. The Mayor stated that the Board had approved proposals to deliver 1,000 affordable housing units to date and that he had the assurance of the Director of Housing and Strategy that the Authority remained on track to deliver or exceed the target of 2,000 affordable homes by the end of the funding period in 2022.

On being proposed by Councillor Bull, seconded by Councillor Boden, it was resolved by a majority to:

- a) Delegate approval of a grant of £215,000 from the £100m Affordable Housing programme to enable delivery of five new affordable homes at Whaddon Road, Meldreth, South Cambridgeshire to the Housing and Communities Committee.

418. SOHAM RAIL STATION – DETAILED DESIGN & CONSTRUCTION

The Director of Delivery and Strategy stated that officers had been working closely with Network Rail and were seeking approval to begin work on the detailed design and construction of the Soham Station Phase 1 project. This would authorise Network Rail to proceed into Governance for Railway Investment projects (GRIP) 4-8. With the approval of the Chairman, a supplementary note about the project's value for money had been tabled. Key project delivery dates were set out at paragraph 3.4 of the report and included a 'ready for use' date of 26 April 2022.

Councillor Count thanked officers for the supplementary note on value for money which he had found helpful in enabling him to support the proposals (copy attached at Appendix 2).

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

- a) Approval to commence detailed design and construction of the Soham Rail Station Phase 1 project by authorising Network Rail (NR) to proceed into GRIP (Governance for Railway Investment Projects) 4 to 8.
- b) Agree in principle the Implementation Agreement for the development and delivery of the single platform for Soham station (Phase 1), and delegate authority to the Monitoring Officer and Chief Finance Officer, in consultation with the Chair of the Transport Committee to approve this document once finalised.
- c) Approve additional budget of £18,636,899 with a potential termination clause liability of up to a maximum of 10%.
- d) Mandate continued discussions with Network Rail, Department for Transport, and the Freight Operating Companies for provision of a second track (Ely to Soham) and the development of the second platform at Soham station.

419. PUBLIC TRANSPORT TO SERVE ALCONBURY

The Mayor stated that he had been advised of a comment on the report from the Overview and Scrutiny Committee and invited Councillor Dupre, Chair of the Overview and Scrutiny Committee, to put this to the Board.

Councillor Dupre asked what assurances could be given to ensure that an interim public transport solution would be in place when Cambridgeshire County Council relocated its headquarters to Alconbury.

Councillor Count stated that the County Council was working with partners to address this question. However, it was important to note that the County Council was not relocating its headquarters to Alconbury. It was moving to a 'hub and spoke' model of service delivery which would see around 460 people moving to the Alconbury Hub compared to around 2,000 currently based at Shire Hall, Cambridge. The majority of staff would be moving to 'spoke' buildings located around the county to bring them closer to the communities which they served. The impact on demand for public transport at Alconbury would therefore be less and the County Council was working with the Mayor on this. The Director of Delivery and Strategy noted that the Alconbury Station project had been incorporated into the Cambridge Autonomous Metro (CAM) project which offered an assurance regarding public transport to Alconbury Weald. The Mayor commented that Cllr Count had assured him that there would be a solution in place by 2021 which both the Combined Authority and Cambridgeshire County Council could support.

Councillor Herbert commented that there was a need for sustainable non-car access to Alconbury to support public access to county council meetings and meetings with partners and stakeholders.

Councillor Boden welcomed the report and the better communication links which might be offered with the north of the county. If it was extended, the CAM could play an important role in ensuring access to skills training and employment opportunities to those in Fenland and Peterborough.

Councillor Count commented that the Greater Cambridge Partnership's (GCP) original City Deal aspirations had included the ambition to deliver infrastructure to the Alconbury Enterprise Zone. He judged that this was a good time to get that back onto the GCP's agenda to see how this could be accelerated. He would be asking the county council's representative on the GCP to raise the issue.

The Mayor stated that the Combined Authority did not have control over Network Rail's plans, but it could work proactively to put a public transport solution in place as part of the CAM project.

On being proposed by the Mayor, seconded by Councillor Count, it was resolved by a majority to:

Approve the removal of the project titled Alconbury Station from the Key Projects list and to include public transport to serve Alconbury within the scope of the CAM Key Project.

420. BUS REFORM TASKFORCE – BUDGET DRAWDOWN

The Mayor stated that he had been advised of a comment on the report from the Overview and Scrutiny Committee and invited Councillor Dupre, Chair of the Overview and Scrutiny Committee, to put this to the Board.

Councillor Dupre asked for an update on bus franchising and what else could be done to drive the bus system forward.

The Mayor stated that work to implement the Cambridgeshire and Peterborough Bus Review was under way and would report in time for a decision on the way forward to be taken by early 2021. This included a study of the options, including franchising, which met the statutory requirements. In the meantime, the Combined Authority was working with bus operators to explore service improvements that could be delivered in the near term. Some of these, such as improved services to Addenbrooke's hospital, had already been announced.

The Director for Delivery and Strategy stated that the Board had agreed to re-profile the budget for this project during its earlier discussion of the Medium Term Financial Plan 2019-23 (minute 415 refers). The report before the Board sought approval for the next drawdown of £400k from the 2019/20 Bus Reform Task Force budget.

Councillor Smith asked whether the Combined Authority would receive a copy of the Internal Audit report to the county council on community transport on buses. Councillor Count stated that the report could be made available to officers after it had been discussed with county council officers and the chair of the county council's Audit and Accounts committee.

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

Approve the next drawdown of £400,000 from the 2019/20 budget for the Bus Reform Task Force.

421. EUROPEAN UNION EXIT CAPABILITY PROGRAMME REPORT

The Director for Business and Skills stated that European Union (EU) Exit Capability Funding had been provided to the Combined Authority by Government for the purpose of supporting business resilience in the light of a deal or no deal Brexit. An adaptive and flexible programme of workshops was planned which would address key issues to local business such as the retention and recruitment of EU workers and encouraging existing EU workers to seek settled status. An additional member of staff would be employed to assist the Director of Business and Skills in his role as Senior Responsible Officer for Brexit (SRO Brexit).

Councillor Herbert commented that high numbers of applications for settled status had been made in Cambridge City and Peterborough and sought more information about the shape of the training and the delivery timescale. He expressed reservations about the use of the description 'EU workers' as many of the people described had been Cambridgeshire residents for many years and asked for more information about the SRO Brexit role. The Director of Business and Skills stated that current Government advice was to design the workshops and training on the basis of an exit from the EU on World Trade Organisation terms. This would be adapted as necessary to reflect the developing situation and officers would ensure that contracts allowed sufficient flexibility to achieve this. He acknowledged the reservations expressed around the language used to describe those who had lived in the county for a long time would revise this going forward. The SRO Brexit role was not particularly defined by Government, but would provide a single point of contact within the organisation.

Councillor Smith commented that South Cambridgeshire District Council had established a Brexit Advisory Group and asked whether officers would be willing to meet with the Chair. The Director of Business and Skills stated that officers had already been in contact with constituent council's lead officers for Brexit and that he would be happy for such a meeting to take place.

Councillor Boden commented that there seemed to be a significant variation in the number of applications for settled status being made by those of different nationalities. He asked that the officers take this into account as there could be a need to target support to particular nationalities as well as geographical areas.

Councillor Count commented that it would be important to avoid any duplication of work between the Combined Authority and local authorities. It was right to support local businesses' understanding of the implications of Brexit on their trading relationship with Europe, but he would not want to lose sight of the supply chain opportunities which existed beyond Europe.

Councillor Holdich noted that importance of continuity given that a member of the project team at the Combined Authority would shortly be leaving. The Director of Business and Skills stated that an interim appointment would be made to ensure this was maintained.

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

- a) Approve the schemes to provide support to businesses for the Brexit Basics import and export documentation and associated challenges workshops; and the retention and recruitment of EU workers programmes of support:

- b) Delegate authority to Chief Executive and Chief Finance Officer, in consultation with the Lead Member for Economic Growth, to confirm the approved tender(s) and award contracts.

BY RECOMMENDATION TO THE COMBINED AUTHORITY

422. FOR APPROVAL AS ACCOUNTABLE BODY – LOCAL GROWTH FUND PROJECT PROPOSALS SEPTEMBER 2019

At the Business Board meeting on 23 September it was decided to defer a decision on the September 2019 project proposal. The report to the Combined Authority Board was therefore withdrawn.

423. FOR APPROVAL AS ACCOUNTABLE BODY – LOCAL GROWTH FUND UPDATE

Mr Adams, Interim Chair of the Business Board, commented that all of the Business Board recommendations to the Combined Authority had been considered in detail by the Business Board when it met on 23 September 2019 and had been supported unanimously.

The Director of Business and Skills and Chief Officer to the Business Board stated that there had been no material changes since the last report. Between 2014 and 2017 Government had allocated £146.7m of funding to deliver new homes, jobs and skills across the Local Enterprise Partnership (LEP) area. £51m of these funds remained against proposals totalling £80m in the pipeline. Officers were working to develop a transparent and rigorous application procedure which would move away from a first come, first served basis to one which focused on identifying the highest scoring applications against specified criteria. Several large projects were being held for consideration in January 2020 so that they could be considered together and ranked against an agreed set of criteria.

In his capacity as Portfolio Holder for Investment and Finance, Councillor Count asked that the officers should ensure that both he and the Chief Finance Officer were notified as soon as possible if it was envisaged that there would be any difficulty allocating the full sum within the specified timescale.

On being proposed by Mr Adams, seconded by Councillor Bailey, it was resolved unanimously to:

- a) note the programme updates outlined in the report to the Business Board dated 23 September 2019.

424. GREATER SOUTH EAST ENERGY HUB

As part of the project prioritisation exercise conducted by the Combined Authority the role of Accountable Body for the Greater South East Energy Hub had been identified as a non-priority project. A governance process was required whilst an alternative Accountable Body was sought for the Energy Hub. To achieve this the Greater South East Energy Hub Board (Hub Board) had been established with members of each of the Local Enterprise Partnerships (LEPs). To fulfil its decision-making role the Hub Board needed to be formally recognised with the Combined Authority governance structure.

On being proposed by Mr Austin Adams, seconded by Councillor Bailey, it was resolved unanimously to:

- a) Agree that the Energy Hub is transferred to a new Accountable Body which will be decided by the Hub Board;
- b) Agree to the establishment of the Greater South East Energy Hub Board in line with the Terms of Reference included in this report, and authorise the Director of Business & Skills, in consultation with the Lead Member for Economic Growth, Chief Finance Officer and Monitoring Officer, to make minor amendments to terms of reference as required in their finalisation;
- c) Agree to delegate authority to the Energy Hub Board for the use of the Local Energy Capacity Support Grant and Rural Community Energy Fund where the decisions do not impact Cambridgeshire and Peterborough Combined Authority staffing arrangements; and
- d) Note the draft Accountable Body Agreement and authorise the Section 73 Officer to make minor amendments and finalise the agreement.

425. STRATEGIC PARTNERSHIP AGREEMENTS

The Government's Strengthened Local Enterprise Partnerships (LEPs) Review called for local areas to remove the overlaps between LEPs. In response, the Combined Authority Board had proposed in September 2018 that the Business Board should become co-terminus with the geography of the Combined Authority. The Board's approval was now sought to the first five Strategic Partnership Agreements (SRAs) which had been produced at officer level.

Councillor Herbert asked about the purpose of the proposed SRAs. The Director of Business and Skills and Chief Officer to the Business Board stated that as long as the current funding was being discharged those located within the Business Board's original footprint would be eligible to apply. The Mayor stated that there was no wish to shut off opportunities for joint working between the Business Board and neighbouring LEPs, but that its funding was primarily to be used for the benefit of Cambridgeshire and Peterborough.

Councillor Boden welcomed the report, commenting that it was essential that these arrangements be put in place while Government approval of the new geographies across the county was awaited.

Mr Adams commented that he wished to acknowledge the amount of work carried out by officers behind the scenes.

On being proposed by Mr Adams, seconded by Councillor Bailey, it was resolved unanimously to:

- a) Approve the first five Strategic Partnership Agreements for Rutland County Council, West Suffolk Council, Kings Lynn and West Norfolk Council, New Anglia LEP and South East LEP; and
- b) Approve the development of a LEP partnering strategy (to cover other contiguous and strategically important LEPs) once the remaining Strategic Partnership Agreements have been completed.

426. DATE OF NEXT MEETING

The Combined Authority would meet next on Wednesday 30 October 2019 in the Council Chamber, Town Hall, Peterborough.

(Mayor)

Business Board Programme of Support

A dedicated six-month Thomas Cook Task Force Advice Service, consisting of four full time employee and business advisors, supported by further business advisors from the Combined Authority Growth Hub, Peterborough City College, Peterborough Regional College and the National Careers Service, providing advice and access to funding as follows:

1. Advice and guidance for the redundant employees relating to re-employment

- a. Provided in partnership and coordinated with additional advisors from Peterborough City College, Peterborough Regional College and the National Careers Service, relating to Adult Education opportunities, funded by the Combined Authority and other employers through transfer of the Apprenticeship Levy, in regard to:
- b. Providing skills' audits and training needs analysis to develop a re-employment pathway with an action plan and follow-on progress tracking and support.
- c. Accessing business community information, external to the Job Centres, on current vacancies within Peterborough, looking at a range of in-demand employment sectors.
- d. Training on job Search, CV writing, interview training and employability
- e. Training and guidance on the financial aspects of redundancy, including counselling on the emotional and resilience aspects of redundancy
- f. Training for new career pathways relating to level 2 to 6 qualifications in digital, customer service, retail, business admin, business management, teaching, health and social care and counselling.
- g. Connecting employees with the Health and Care Sector Work Academy and the Edge Construction Skills Centre, for re-training into those sectors.
- h. Connecting employees with the SERCO delivered local project providing Redundancy Workshops and ACAS for employee and employer redundancy support.

2. Advice and funding for redundant employees to help them start their own business:

- a. Connecting to the Business Board's Growth Hub Advisors, supported by a volunteer pool of independent business advisors, the Growth Hub Expert in Residence from Natwest/RBS, and the Santander Breakthrough Programme, for guidance on business start-ups.
- b. Accessing up to £3m of start-up capital grants from the Business Board, of between £2k and £250k at between 80% and 50% grant support rates.

3. Advice and funding for businesses effected in the supply chain:

- a. Connecting to the Business Board's Growth Hub Advisors, supported by a volunteer pool of independent business advisors, the Growth Hub Expert in Residence from

Natwest/RBS, and the Santander Breakthrough Programme, for guidance on diversifying and re-growing their revenue lines.

- b. Accessing business growth capital grants from the Business Board, of between £10k and £1m at 50% grant support rates to re-grow and diversify their revenue lines.

4. Advice and guidance for other businesses to take on redundant employees

- a. Specifically, the 111 employers that have come forward so far, offering staff their vacancies, relating to the Adult Education Budget and Apprenticeship Levy transfer funding available for the re-training of employees, taken on from Thomas Cook.

COMBINED AUTHORITY BOARD

25 SEPTEMBER 2019

MATTERS ARISING SINCE PUBLICATION OF THE AGENDA AND REPORTS

Item 1.4 Public Questions

Please find attached at Appendix 1 the Questions to the Combined Authority Board from the Overview and Scrutiny Committee which met on 23 September 2019. The questions will be asked by the Chair of the Overview & Scrutiny Committee.

Item 1.7 Governance (Decision Making) Review

Councillor Count has proposed an amendment to recommendation (a), see attached at Appendix 2.

Item 3.2 Soham Rail Station – Detailed Design and Construction

A supplementary note setting out the value for money issues in more detail is attached.

Item 4.1 Local Growth Fund Project Proposals September

At its meeting on 23 September 2019 the Business Board deferred consideration of this item and requested further information. There is therefore no recommendation from the Business Board for the Combined Authority Board to consider and the report has therefore been withdrawn.

Questions to the CA Board (25th September 2019) from the Overview and Scrutiny Committee (23rd September 2019)

1.8 Quarterly Performance Monitoring Report

Following the collapse of Thomas Cook, what impact will this have, specifically in Peterborough, on the job growth trajectory?

2.2 Business Plan 2019-20 Mid-Year update

The 2019-20 business plan identified 12 key projects. As a result of the half year business plan mid-year update, the September Board will be invited to add 6 projects to the key project list

Does the authority have the capacity to take on 6 more projects and where are the resources coming from for the new projects?

3.1 £100m Affordable Housing Programme Scheme Approvals - Whaddon Road, Meldreth, South Cambridgeshire (Settle)

Peterborough City Council is working on a new Housing Strategy and may reconstitute its Housing Revenue Account with a view to building affordable new homes.

What are the implications for the delivery of affordable homes and the Combined Authority's programme to deliver 2,000 affordable homes by March 2022?

3.3 Public Transport to Serve Alconbury

What assurances can be given to ensure that an interim public transport solution will be in place when Cambridgeshire County Council relocate their headquarters to Alconbury?

3.4 Bus Reform Taskforce - Budget Drawdown

Can we be given an update on bus franchising and what else can be done to drive the bus system forward?

Item 1.7 Governance (Decision Making Review) – Proposed amendment to recommendation

Councillor Count will propose that recommendation a) be amended to read:

a) Agree the amendments to the Constitution set out at Appendix 2, *subject to the following wording being substituted for paragraph 6.3 in Chapters 8 (Transport & Infrastructure Committee), 9 (Skills Committee) and 10 (Housing & Communities Committee):*

- 6.3 *The Combined Authority Board shall appoint the committee and substitute members. With the exception of the Chair, Board members may nominate another member from their constituent council to be a member of the committee in their place. The Board member shall also nominate a named substitute member. Nominations are in consultation with the Mayor and subject to approval by the Board. In principle, neither the Mayor nor the Board will seek to exercise their voting rights to veto or vote against the appointment of constituent council members to executive committees. See also Chapter 11, paragraph 2 of the procedure rules of executive committees and Chapter 4 paragraph 4.4.*

(Additional text shown in italics)

ITEM 3.2 SOHAM RAIL STATION – DETAILED DESIGN & CONSTRUCTION

SUPPLEMENTARY NOTE: VALUE FOR MONEY

The Board is being invited to agree to begin the delivery phase of the Soham station scheme. Board members may appreciate further background on value for money. The Combined Authority's approach to value for money is set out in its Assurance Framework.

The usual measure of value for money in transport schemes is the benefit cost ratio (BCR). This is the result of dividing the costs of a scheme by its modelled benefits. The benefits are calculated in line with Department for Transport guidance and put cash values on the economic, social and safety gains from a scheme.

The Soham scheme has been the subject of an independent value for money review. The BCR for the full Soham station solution, which has two platforms, is estimated at 3.55 by that review. This may, however, understate the benefits as it uses a benefit calculation from the Strategic Outline Business Case, based on a lower number of new homes in Soham than are currently planned for.

The Board is being asked to agree an investment in a single platform solution as the first phase of the Soham station project. In terms of compliance with our Assurance Framework, the normal benchmark for approving an investment is a BCR of 2 or more. As a standalone, the BCR for the single platform is lower than the usual benchmark. However, since the single platform is designed as part of the two-platform solution, that BCR incorporates costs that would be different if the overall project were for a single platform only. The BCR for the single platform is also based on up-to-date costs, but an out-of-date benefits calculation. It would be a little higher if actual plans for housing delivery in Soham were included.

The Framework allows exceptions from the usual BCR benchmark. The exceptional circumstances in this case would be that:

- (i) the Board is being asked to approve the first phase of a project which offers strong value for money overall, and
- (ii) the full project, with two platforms, can only be delivered once this first phase, with one platform, has been delivered; and
- (iii) only the costs but not the benefits used in the BCR are up to date.