



**CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY**

**Wednesday, 27 June 2018**

**10:30a.m. – 1:00p.m.**

**Council Chamber, The Guildhall, Market Square, Cambridge CB2 3QJ**

**AGENDA**

**Open to Public and Press**

<b>Number</b>	<b>Agenda Item</b>	<b>Mayor/ Lead Member/ Chief Officer</b>	<b>Papers</b>	<b>Pages</b>
	<b>Part 1 – Governance Items</b>			
1.1	Announcements, Apologies and Declarations of Interests	Mayor	oral	-
1.2	Minutes – 30 May 2018	Mayor	yes	4-41
1.3	Petitions	Mayor	oral	-
1.4	Public Questions	Mayor	oral	-
1.5	Forward Plan	Mayor	yes	To follow
1.6	Appointment of Interim Deputy Chief Finance Officer and Business Board Chief Finance Officer	Portfolio Holder for Fiscal Strategy	yes	42-44
	<b>Part 2 – Key Decisions</b>			
2.1	St Neots Masterplan	Deputy Mayor	yes	45-73
2.2	Strategic Spatial Framework Phase 2	Portfolio Holder for Strategic Planning	yes	74-81

Number	Agenda Item	Mayor/ Lead Member/ Chief Officer	Papers	Pages
2.3	East-West (North) Corridor - A47 Dualling Study – Strategic Outline Business Case	Mayor	yes	82-95
2.4	Cambridgeshire and Peterborough Combined Authority Unified Staffing Structure – Combined Authority and Local Enterprise Partnership	Mayor	yes	96-110
2.5	Combined Authority and Business Board Offices  <i>[An Appendix to this report is confidential. If members wish to discuss this appendix, it will be necessary to exclude the press and public]</i>	Mayor	yes	111-117
2.6	Growth Programme Update (referral from Business Board)	Deputy Mayor	yes	118-123
	<b>Part 3 – Non Key Decisions</b>			
3.1	Local Energy East Strategy (referral from Business Board)	Portfolio Holder for Strategic Planning	yes	124-222
3.2	Strategic Community Land Trust (CLT) Programme Development	Mayor	yes	223-230
	<b>Part 4 - Finance</b>			
4.1	Budget Update	Portfolio Holder for Fiscal Strategy	yes	231-238
	<b>Part 5 – Date of next meeting</b>			
5.1	Date: Wednesday, 25 July 2018, East Cambridgeshire District Council, Council Chamber, The Grange, Nutholt Lane, Ely, CB7 4EE	Mayor	oral	-

The Combined Authority currently comprises the following members: Mayor: J Palmer

Councillors: G Bull, S Count, L Herbert, J Holdich, C Roberts, C Seaton and B Smith

Substitute members: Councillors A Bailey, W Fitzgerald, R Fuller, R Hickford, D Oliver, K Price & Aidan Van de Weyer

Observers: J Ablewhite (Police and Crime Commissioner), J Bawden (Clinical Commissioning Group), and Councillor K Reynolds (Chairman - Cambridgeshire and Peterborough Fire Authority)

The Combined Authority is committed to open government and members of the public are welcome to attend Committee meetings. It supports the principle of transparency and encourages filming, recording and taking photographs at meetings that are open to the public. It also welcomes the use of social networking and micro-blogging websites (such as Twitter and Facebook) to communicate with people about what is happening, as it happens.

Public speaking on the agenda items above is encouraged. Speakers must register their wish to speak by making a request in writing to the Democratic Services Manager (Michelle Rowe) no later than 12.00 noon three working days before the day of the meeting. The request must include the name, address and contact details of the person wishing to speak, together with the full text of the question to be asked. For more information about this meeting, please contact Michelle Rowe at the Cambridgeshire County Council's Democratic Services on Cambridge (01223) 699180 or by email at [michelle.rowe@cambridgeshire.gov.uk](mailto:michelle.rowe@cambridgeshire.gov.uk)



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

**CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY ANNUAL MEETING:  
MINUTES**

**Date:** Wednesday 30 May 2018

**Time:** 10.30a.m. – 12.50pm

**Present:** J Palmer (Mayor)

G Bull – Huntingdonshire District Council, S Count - Cambridgeshire County Council, L Herbert – Cambridge City Council, J Holdich – Peterborough City Council, C Roberts – East Cambridgeshire District Council, C Seaton – Fenland District Council and B Smith – South Cambridgeshire District Council

**Observers:** J Ablewhite - Police and Crime Commissioner and Dr G Howsam (substituting for J Bawden) - Clinical Commissioning Group

**172. MEMBERSHIP OF THE COMBINED AUTHORITY**

It was resolved:

- a) to note the Members and substitute Members appointed by constituent councils to the Combined Authority for the municipal year 2018/2019 as set out in the tabled paper (copy attached at Appendix 1);
- b) to note that the Business Board would nominate a Member and substitute Member to represent them on the Combined Authority for the municipal year 2018/2019 following the appointment of private sector members of the Board and the election of the Chair and Vice-Chair of the Business Board.
- c) that the following bodies be given co-opted member status for the municipal year 2018/19:
  - i) The Police and Crime Commissioner for Cambridgeshire;
  - ii) Cambridgeshire and Peterborough Fire Authority representative;
  - iii) Clinical Commissioning Group representative.
- d) to note the named representative and substitute representative for each organisation as set out in the report.



### **173. DEPUTY MAYORS OF THE COMBINED AUTHORITY**

The Mayor announced the appointment of Councillor J Holdich as the Constitutional Deputy Mayor and Councillor C Roberts as the Statutory Deputy Mayor of the Combined Authority.

### **174. ANNOUNCEMENTS, APOLOGIES AND DECLARATIONS OF INTEREST**

The Mayor welcomed Councillor B Smith to the Combined Authority Board and offered congratulations to all those leaders who had all been successful in the recent elections.

Apologies were noted from J Bawden, Clinical Commissioning Group, substituted by Dr G Howsam.

Councillor J Holdich declared a non-statutory disclosable interest under the Code of Conduct in Item 2.4: £100m Affordable Housing Programme (Minute 188 below refers) in relation to Medesham Homes, a joint venture partnership between Peterborough City Council and Cross Keys Homes. Councillor Holdich had sought advice from the Monitoring Officer and confirmed that there was no reason he should not take part in and vote on this item.

### **175. MINUTES – 28 MARCH 2018**

The minutes of the meeting on 28 March 2018 were agreed as a correct record and signed by the Mayor.

### **176. PETITIONS**

No petitions were received.

### **177. PUBLIC QUESTIONS**

The Mayor invited Councillor Mike Sargeant, Claire Ruskin and Antony Carpen to address the Board.

Councillor Sargeant said that he understood that the Mayor had met recently with representatives of Addenbrooke's Hospital in Cambridge. He asked whether the Mayor agreed with them that blocking extra Park and Ride capacity for Addenbrooke's and the Bio Medical Campus would cause additional congestion around the Campus that would leave hospital staff, ambulances and patients delayed or unable to get to the site with potentially disastrous consequences. The Mayor confirmed that he had with representatives from Addenbrooke's hospital. He stated that there had never been any intention to stop short-term measures that provided interim transport solutions around the City.

Councillor Sargeant welcomed the Mayor's response. He commented that the Greater Cambridge Partnership had made a slow start, but was now making real progress. Having been working hard with local residents on this issue he was glad to hear that their hard work would not be lost. The Mayor confirmed that he had no intention to stop short-term solutions around the City, but stated that he did not see Park and Ride schemes as a long-term solution to the problems faced. He was sure that some short-term solutions would go ahead and had never said anything to the contrary.

Claire Ruskin said that organisations like the Combined Authority and Greater Cambridge Partnership (GCP) had to bring together many different viewpoints and it took a while to reach a point of delivery. She had seen the GCP progress to having a strong and capable team, bringing together input from residents, businesses and relevant groups to reach the point where delivery could be based on evidence and option analysis. The GCP had put considerable effort into bringing the Mayor and his team up to speed on their findings and the options they were assessing. They had all seen tunnels as a great potential solution for years, but in the short term she had not heard any evidence that Park & Ride schemes would not help, especially in relation to growth on the Addenbrooke's site this year. Ms Ruskin believed that the GCP had far more evidence from business and residents than the Combined Authority to date and strongly believed there was a need to act now. She asked how the Mayor could assist the GCP to help get people to their destinations reliably in the next one to five years.

The Mayor stated that his ambition was to have world class public transport for Cambridgeshire. In the south that revolved around public transport under the City with connections out to towns, and the GCP had in fact rejected tunnelling some time ago. Growth in business around Cambridge was significant and welcome, but it also placed more pressure on the transport system. There was pressure on housing as well and it was not possible to create jobs without creating housing. To this end he favoured the creation of garden villages. It was these garden villages that would pay for the underground system and light rail out into the county. The Mayor stated that he understood the pressures for short-term solutions, but a long-term solution was needed that matched the ambitions of business people around the county.

Antony Carpen asked the Mayor to make a statement on the future of transport in and around Cambridgeshire and its governance, the working relationship with the Greater Cambridgeshire Partnership and on restructure of local government in Cambridgeshire. The Mayor stated that the amendment of the transport plan would bring the Combined Authority and Greater Cambridge Partnership much closer together. There were short-term projects that needed to be implemented and he would work alongside them to do so. It was important to ensure that they were aligned on what was possible for the future and that was why the Board was considering the Interim Mayoral Interim Transport Strategy Statement today. Proposals relating to public sector reform would be brought before a future meeting of the Board for discussion and agreement.

## **178. FORWARD PLAN**

The Mayor stated that the Forward Plan was published online and updated regularly. The most recent version was tabled for approval (copy attached at Appendix 2). It was resolved to:

- a) approve the Forward Plan of Executive Decisions published on 25 May 2018.

## **179. APPOINTMENT OF THE OVERVIEW AND SCRUTINY COMMITTEE**

The Monitoring Officer stated that details of the Members and Substitute Members nominated by Constituent Councils to the Overview and Scrutiny Committee for the municipal year 2018/19 had been tabled (copy attached at Appendix 3) and invited the Board to confirm the appointments.

It was resolved to:

- a) confirm that the size of the Overview and Scrutiny Committee should be 14 members; two members from each constituent council and two substitute members for the municipal year 2018/2019;
- b) agree the political balance on the Committee as set out in Appendix 1;
- c) confirm the appointment of the Member and substitute Member nominated by Constituent Councils to the Overview and Scrutiny Committee for the municipal year 2018/2019 as set out in the tabled paper.

#### **180. APPOINTMENT OF THE AUDIT AND GOVERNANCE COMMITTEE**

The Monitoring Officer stated that details of the Members and Substitute Members nominated by Constituent Councils to the Audit and Governance Committee for the municipal year 2018/19 had been tabled (copy attached at Appendix 4). Last year the Board had allowed the Committee to appoint its own Vice Chairman and she invited Members to consider whether they would wish to follow the same practice this time. The Mayor proposed a resolution, seconded by the Portfolio Holder for Rural Areas, Culture, Parks and Open Spaces to add the following recommendation *e) to agree that the Audit and Governance Committee appoint its Vice Chair for the municipal year 2018/19 in accordance with previous practice.* On being put to the vote, the resolution was carried.

It was resolved to:

- a) confirm that the size of the Audit and Governance Committee should be 8 members; one member and one substitute from each Constituent Council and one independent person for the municipal year 2018/2019;
- b) agree the political balance on the Committee as set out at Appendix 1;
- c) confirm the appointment of the Member and substitute Member nominated by Constituent Councils to the Committee for the municipal year 2018/2019 as set out in the tabled paper;
- d) appoint a Chair of the Audit and Governance Committee for the municipal year 2018/2019;
- e) agree that the Audit and Governance Committee appoint its Vice Chair for the municipal year 2018/19 in accordance with previous practice.

#### **181. REVIEW OF CONSTITUTION**

The Monitoring Officer stated that a review of the Constitution was part of the usual business at the Board's Annual Meeting, although it was kept under regular review throughout the year and could be considered at any meeting. She had been notified by a Member that they had some comments they would like to be considered. She would follow this up outside of the meeting and reflect it in the report to the next meeting which would report any changes proposed by the Overview and Scrutiny Committee.  
(**Action:** Monitoring Officer)

It was resolved to:

- a) approve the amendments to the constitution set out in Appendix 1, subject to consultation with the Overview and Scrutiny Committee on the scrutiny arrangements set out in chapter 8 of the constitution;
- b) agree the Monitoring Officer be requested to report to the next meeting on any recommended changes proposed by the Overview and Scrutiny Committee.

## **182. CALENDAR OF MEETINGS**

It was resolved to approve the calendar of meetings for 2018/19 as attached at Appendix 1 to the report.

## **183. REFERENCE FROM THE AUDIT AND GOVERNANCE COMMITTEE**

The Monitoring Officer gave an overview of the business to date of the Audit and Governance Committee, highlighting in particular its work in relation to the Code of Corporate Governance, a whistleblowing policy and confidential reporting of complaints and an anti-fraud, bribery and corruption policy. In relation to the Treasury Management Strategy the Committee had recommended that the Board undertake an immediate review of its investment strategy and risk appetite to maximise the yield from funds held by the Combined Authority. This recommendation would be addressed in discussion of the Treasury Management Strategy later in the meeting (minute 193 below refers).

It was resolved to:

- a) approve and adopt:
  - i. the code of corporate governance (Appendix 1)
  - ii. the whistleblowing and confidential reporting of complaints policy (Appendices 2 and 3)
  - iii. the anti-fraud, bribery and corruption policy and strategy (Appendix 4)
  - iv. the Corporate Risk Strategy (Appendix 5)
- b) note the recommendation of the Audit and Governance Committee in relation to the Treasury Management Strategy that the Board should undertake an immediate review of its investment strategy and risk appetite to maximise the yield from funds held by the Combined Authority.

## **184. BUSINESS BOARD – DECISION NOTICE**

The Monitoring Officer stated that it had been agreed previously that all decisions taken by the Business Board would be referred to the Combined Authority Board for ratification. The Business Board would make recommendations on funding with decisions being taken by the Combined Authority Board.

It was resolved to:

- a) ratify the decisions of the Business Board meeting held on 30 April 2018.

## **185. CAMBRIDGESHIRE AND PETERBOROUGH 2030 PROSPECTUS**

The Chief Executive stated that the Combined Authority had been established to provide leadership for the whole area. The 2030 Prospectus set out the vision of the

future which it was working towards, providing clarity in relation to its aims and how these would be monitored. Its overarching ambition was to establish Cambridgeshire and Peterborough as a leading place in the world to live, learn and work. This would be underpinned by five core ambitions for the area's future development: access to a good job within easy access of home; healthy, thriving and prosperous communities; a workforce for the modern world founded on investment in skills and education; a high quality sustainable environment; and being the United Kingdom's capital for innovation and productivity. The Prospectus explored the impact in real terms which this could make on the lives of local residents and set out the proposed stakeholder consultation. It would sit alongside the Four Year Plan 2018/19 – 2021/22 (Minute 186 below refers) which would set out the particular challenges faced in each area, priority programmes to address these and delivery targets.

The following issues were raised in discussion of the report:

- A Member noted that some of the projects described had clear delivery plans while others did not. They subscribed to the ambition of looking ten years ahead and asked about Government commitment to the M11 and A47 improvement projects. The Mayor stated that he was working alongside the A47 Alliance and felt the business case would be strong. Proposals would be brought forward in the summer. The job of the Mayor and Combined Authority was to engage with Government on projects of this type. Improvements to the M11 would need significant private funding with either the entirety or majority of the project being privately funded;
- A Member noted that the original Combined Authority plan had included £100m for affordable housing across the region and asked about the allocation to South Cambridgeshire. The Mayor stated that he agreed that there was a need for more affordable housing in South Cambridgeshire, but that he was mindful of the need to look after the interests of all of the District and City Council areas. He had agreed to meet with the Member to discuss the particular issues facing South Cambridgeshire, including key worker homes in Northstowe, and he extended the same offer to the Leaders of all of the District and City Councils within the area. In future he would rather see less grant funding and more rolling funding used to provide affordable homes across the region;
- A Member contrasted their experience as the Leader of a local Council where they were severely disadvantaged by the lack of Government funding and faced difficult decisions arising from this on a daily basis with the opportunities afforded through the Combined Authority which had brought serious sums of money into the area. This would be used to deliver real improvements to the lives of those living, working and studying across Cambridgeshire and Peterborough and they hoped that the launch of the Prospectus brought out how exciting this opportunity was;
- A Member emphasised the importance of demonstrating the ability to deliver the plans already identified in order to be able to seek further funding.

The Mayor stated that the Combined Authority provided an arena in which to plan for the future and to create opportunities to make society better. There was a clear need to invest in infrastructure links both across Cambridgeshire and Peterborough and between the north and south of the county and beyond. The region had one of the most profitable economies per head and it was unacceptable that areas of deprivation should still exist alongside this. The opportunity available to the Board to address these issues though both short and long term investment was exceptional and must not be missed.

It was resolved to:

- a) agree the overarching ambition and five core ambitions;
- b) note the intention to commence a programme of engagement with stakeholders across the area;
- c) note the Combined Authority's Four Year Plan (Item 2.2) setting out the actions that would be taken to progress the 2030 ambitions in the period 2018/19 to 2021/22.
- d) agree a budget of up to £40k in 2018/19 from the revenue gainshare allocation to support the launch, promotion and conversation with residents across the region.

#### **186. CAMBRIDGESHIRE AND PETERBOROUGH FOUR YEAR PLAN 2018/19 – 2021/22**

The Chief Executive stated that the Four Year Plan 2018/19 – 2020/21 sat alongside the Cambridgeshire and Peterborough Prospectus 2030 (Minute 186 above refers) and set out a challenging but achievable series of objectives. Clearly there was more work to be done in confirming the schemes and funding involved, but bringing the report now offered the opportunity to share this information with residents. Work would continue to develop and refine the proposals and regular updates would be brought to the Board to keep Members informed as the plans progressed.

In discussion of the report a Member welcomed the ambition of the plans, but commented that they were keen to have a spreadsheet to form the basis for monitoring the large number of projects described and to ensure sufficient transparency. Some additional information about who would deliver the projects would also be beneficial. Part of the Board's role was to monitor the projects which had been approved. This information could be brought back periodically beginning around October 2018 so that Members could satisfy themselves that projects were on course. A second Member endorsed this proposal and suggested that a traffic light scheme might be used to indicate the status of each project.

**(Action:** Chief Executive)

It was resolved to:

- a) approve the first year of the Four Year Plan;
- b) note the intention to keep the Four Year Plan under review and to refresh it on an annual basis;
- c) approve the draft Medium Term Financial Plan;
- d) note the intention to present an updated draft of the Medium Term Financial Plan to the September Board meeting

#### **187. LOCAL TRANSPORT CAPITAL GRANT ALLOCATION 2018/19**

The Mayor drew Members' attention to one correction to the table in the recommendations where the total figure should read £23,077,091 rather than £23,77,091. The Director of Transport stated that in accordance with the Cambridgeshire and Peterborough Combined Authority Order 2017, the Mayor was responsible for the payment of grants to Cambridgeshire County Council and Peterborough City Council to meet expenditure incurred by them as Highways

authorities. Before making that grant the Mayor was required to consult the Combined Authority. The funding allocation was made up of four key components covering the Integrated Highway Block; Highway Maintenance Block needs element; Highway Maintenance Block incentive element; and the Pothole Action Fund.

A Member commented that the County Council continued to receive regular petitions regarding work related to the Integrated Transport Block and that work on this now needed to be taken up at Combined Authority rather than County Council level. The Mayor acknowledged these concerns and offered to meet to discuss them.

It was resolved to:

- a) note that the Combined Authority Board was consulted regarding the Mayor's intention to allocate grants totalling £23,077,091 to Cambridgeshire County Council and Peterborough City Council in line with the Department for Transport formula as set out in the table below. Further details of this breakdown by funding stream were contained within the paper;
- b) subject to a), the Mayor was recommended to allocate the grants as set out in this paper:

Constituent Council	Allocation /£
Peterborough City Council	4,863,357
Cambridgeshire County Council	18,213,734
Total	£23,077,091

## 188. £100M AFFORDABLE HOUSING PROGRAMME

Councillor J Holdich declared a non-statutory disclosable interest under the Code of Conduct in relation to this item at the start of the meeting (Minute 174 refers).

The Chief Executive stated that the report provided a general commentary on the current position together with details of a specific scheme which would support the provision of 23 affordable homes for rent in Peterborough. The proposed rent would be set at local housing allowance level and would be targeted to help alleviate the growing issue of homelessness in Peterborough. In March 2017 the Board had agreed the business case to enable work to start on an additional 2,000 affordable new homes during the five year period beginning on 1 April 2017. Members had indicated their wish to see a more ambitious strategy and it was hoped to bring this to the Board in July 2018.

The Portfolio Holder for Fiscal Strategy stated that he had previously highlighted the need to avoid making unconditional grants. He now proposed that the payment of all future grants should be subject to conditions and that authority be delegated to the Section 151 Officer to monitor that these grant conditions were being met in accordance with their agreed timescale and purpose. He confirmed that where delegations of detail were made by officers these would always be reported back to the relevant Board or Committee and published. This need not be in the form of a formal report, but it would ensure that the detail was open to scrutiny and challenge. To this end the Portfolio Holder for Fiscal Strategy proposed a resolution, seconded by the Portfolio Holder for Employment and Skills, to add the following recommendation *c) that any grant funding, for this and all other affordable housing schemes, must contain grant conditions as*

*agreed by the Chief Finance Officer in consultation with the Portfolio Holder for Fiscal Strategy. On being put to the vote, the resolution was carried*

The following points were made in discussion of the report;

- A Member commented that they were gratified by the Chief Executive's optimism in relation to delivering the 2,000 new affordable homes previously agreed. However, only around 15% of the available funds had been committed this year and they felt numbers needed to be increased to allow for project slippage. It was imperative that the full £100m be used as agreed and they did not feel that plans were currently on track to deliver this;
- The Police and Crime Commissioner commended the Board's work on this issue and in particular the proposal to deliver affordable homes to rent to help tackle the problem of homelessness in Peterborough. Initiatives like this could also be used to hold other partners to account in providing a wider package of support to the homeless, for example in meeting their health needs;
- A Member commented that it was important to keep schemes on track and monitor any delays. The Peterborough project represented good value for money, but it was important to acknowledge the wider issues relating to homelessness and that not all of these could be met by local councils;
- A Member commented that there were currently around 2,300 people on the waiting list for housing in South Cambridgeshire and the available funding must be put to work rather than sitting in a bank. The Mayor stated that there were examples of similar pressures across the Combined Authority area which needed to be addressed.

It was resolved:

- a) to commit grant funding of £905,000 for the next Phase of affordable housing schemes.
- b) to note that the next quarterly progress report will be to the Board in July 2018;
- c) that any grant funding, for this and all other affordable housing schemes, must contain grant conditions as agreed by the Chief Finance Officer in consultation with the Portfolio Holder for Fiscal Strategy.

## **189. CAMBRIDGESHIRE AND PETERBOROUGH INDEPENDENT ECONOMIC REVIEW**

The Mayor stated that he would be proposing an amendment to the recommendations that the Combined Authority should produce a formal response to the headlines and key messages contained in the interim Cambridgeshire and Peterborough Independent Economic Review (CPIER) and consider the principles by which the Business Board should engage partners in the development of the Local Industrial Strategy. A report would be brought to the Board in July.

The Interim Director for Business and Skills stated that the CPIER would be a major milestone for the Combined Authority and the region and would form the bedrock of the strategy to take forward to central Government. The Review was chaired by the acclaimed economist Dame Kate Barker and contained a mix of members with first-hand knowledge of the region and others from different regions who brought an external perspective to its work. The Commissioners had taken evidence from a wide range of



individuals and organisations including the Mayor, local councils, business leaders and key influencers. It recognised that whilst the Combined Authority covered a single region it contained three distinct areas - Cambridge, Peterborough and the county's rural areas - each with their own particular character and needs. It also recognised the need to engage both beyond its immediate geographical borders and further afield. The interim report had found growth in the region to be around 1% higher than shown in Office of National Statistics (ONS) figures and officers were working with the ONS to clarify this.

The following points were made in discussion of the report:

- A Member commended the clear and concise nature of the report and welcomed the assurance that the Commission's work would look beyond the Combined Authority's geographical borders;
- Officers confirmed that there would be opportunities for further engagement with local councils during the next round of work to draw on their local knowledge and expertise in relation to the micro-economies existing within their areas;
- A Member welcomed the recognition of the three distinct areas which existed within the region, but highlighted the need within this to further recognise the particular needs that existed in areas like Fenland. The next phase of work would need to link with strategic spatial planning and long-term job projection forecasts looking 10, 20 or even 30 years ahead. An economic projection was critical to inform strategic thinking on the number of homes needed and where they should be located;
- The Management Board had mapped out a number of areas of research still to be done. This included income levels of under 25s to inform an understanding of the housing that they could afford. The Mayor stated that those earning the minimum wage had virtually no chance of being able to buy an affordable home costing £250,000. Houses were needed at a cost of around £100,000 which should be achievable and would be affordable to most working couples;
- The Portfolio Holder for Fiscal Strategy stated that crippling damage was being done to the area due to the difference between the ONS mapping of growth and the figures seen locally. Significant sums of money were involved and the Government needed to adopt a new method to deliver reasonable funds based on the correct figures being used in the formula. He further commented that it was important to raise standards across the whole region, including in those areas most in need of help, and to do this the Board needed answers to the questions which the Commission was identifying, not just evidence that the issues existed;
- The Police and Crime Commissioner commented that the creation of new homes and communities would impact on the costs to public services and that he would welcome additional work by the Commission on this point.

The Mayor stated that the report underlined with some clarity the issues being faced. The strong local economy was testament to the productivity of the workforce, but it also created its own issues and required the infrastructure required to sustain it.

It was resolved to:

- a) welcome the publication of the Interim Cambridgeshire and Peterborough Independent Economic Review (CPIER);
- b) consider the headlines and key messages that had emerged from the Interim CPIER;
- c) consider the principles by which the Business Board should engage partners in the development of the Local Industrial Strategy, in response to the CPIER; and
- d) produce a formal response to (b) and (c) for the July meeting of the Combined Authority Board.

## **190. MAYORAL INTERIM TRANSPORT STRATEGY STATEMENT**

The Chief Executive stated that responsibility for local transport planning had transferred to the Combined Authority in February 2017. This included responsibility for the development of a new Local Transport Plan (LTP). To ensure that the Combined Authority complied with its statutory duty an Interim LTP was established. Whilst this had served its purpose as an interim measure it did not align with the bolder transport plans which the Board had discussed previously. Until the new LTP was put in place there was a need for the Board to clarify its transport priorities which this statement would do. By creating clarity of direction all schemes would be consistent within the wider framework and ensure value for money for all transport and infrastructure investments. The Combined Authority was committed to delivering a world class transport system which would become the system of choice for all users. It was a bold undertaking, but was deliverable through technologies available today. The system would allow users to move freely between home, work and leisure activities, drive the economic agenda and provide equity of access to good quality transport across the region. It would also encourage active transport choices like walking and cycling. The aim was to transform the network to create a truly integrated system. At its heart was the Metro system, building the infrastructure to join the Metro at key points and identifying how to connect those living in rural areas with the new Metro and light rail systems. Consideration was beginning of how to work around key corridors in the region and it would be crucial to understand how individual schemes would integrate to provide a solution across these corridors. Uncertainty about delivery timeframes and funding had created delay, but there was now an opportunity to rethink how a model transport scheme could be delivered and to develop an informed view of what was truly possible. The report before the Board proposed further work on this in the next two months and, although it was acknowledged that this might lead to some difficult decisions in the short-term, it was not certain that it would conclude that current plans were wrong.

The Portfolio Holder for Strategic Planning proposed an amendment, seconded by Councillor Smith, to amend recommendations 2 and 3 to read:

*2. Agree that a review of the features and timeframes for all transport corridors will be undertaken and completed in June and July 2018. This will include:*

- A. Providing a clear and evidence based delivery plan for short and medium term improvements, that address specific sites in Local Plans and related transport scheme commitments and wider constraints on growth, which is agreed with partners;*

*B. That the CA's progress on CAM Metro, including evidence based options for funding and a plan for the next twelve months and beyond, be a key component of the review, and are reported six monthly to the CA starting in September.*

3. *Agree that a further report to include the above evidence and information will be brought to the Combined Board on 25 July 2018.*

The Portfolio Holder for Strategic Planning stated that the wider Cambridgeshire economy was not pausing and that growth in the Greater Cambridgeshire area was still 5% per year. There was a need to focus on seeking agreement between the Combined Authority and the Greater Cambridge Partnership (GCP) and member authorities. As an enthusiastic supporter of the Metro concept he asked that the Mayor bring forward a delivery plan for the timescale and clarity on the timing and coverage of the transport strategy. The report stated that 'In the interim all current bus way and park and ride plans must be paused until the Combined Authority is confident there is full alignment with its plans.' The 239 places proposed at Trumpington was a stop gap measure in view of the 4,000 jobs going to the area and was essential until a bigger scheme came along. The location of other park and ride schemes could be reviewed. Whilst agreeing there should be a joined up strategy he did not agree to pre-determining the outcome of the discussions. The GCP had not rejected the concept of tunnelling and a lot of work had been put into aligning the work of the GCP and the Combined Authority. This needed to continue with the GCP's constituent Councils and the Mayor working together.

Speaking in support of the amendment, Councillor Smith stated that the proposals contained in the report posed a threat to South Cambridgeshire in relation to its Local Plan, a financial risk and the risk of losing the confidence of local businesses. Internal disagreements about existing projects risked losing second or third tranches of funding. The business sector had confidence in the GCP, but this could be irreparably damaged by the proposals in the report. Business was concerned about addressing the problems being faced now as well as in the longer term. She questioned what evidence existed to justify the proposed pause against the risks she had described and whether it would be perceived that the Combined Authority was looking to take over the funding of the GCP.

The Portfolio Holder for Fiscal Strategy stated that he could not support the amendment. Both the original recommendation and the amendment proposed a pause for review and he judged the amendment would introduce the risk of more delay. The Mayor had already given a clear answer earlier in the meeting that some schemes like the Trumpington Park and Ride could go ahead and it was assumed that the Mayor would give a clear commitment on behalf of the Board on many of the short-term projects proposed before the June and July Board meetings.

On being put to the vote the amendment was defeated. In discussing the report and its original proposals, individual members of the Board raised the following issues:

- congestion in Cambridge City. Around three million people each year used the park and ride schemes and without them congestion would be even worse. A range of options had been identified to tackle congestion before the Metro came on line. The GCP had done much work on this already which it was hoped would be picked up and a major intervention was needed in the next five years to reduce the number of cars going into the City;
- a Member commented that congestion charging would place a new tax burden on the public and would for them be the option of last resort. Reducing the number of parking spaces available in the City could be one way to reduce congestion and they

would want to see all possible options explored. Local government had got used over time to relying on sticking plaster measures to address problems, but there was now an opportunity to deliver more fundamental change and improvement which was something to strive for;

- a call to use the time between now and July when it was proposed a further report would be brought to the Board to develop a very clear statement of both interim and long-term measures;

- whilst acknowledging the challenges faced in Cambridge City and the surrounding areas there was a need to look at the position across the whole of the Combined Authority area. Discussion repeatedly focused on the issues facing the City and South Cambridgeshire and it should be widened out;

- the South Cambridgeshire Local Plan has been suspended over issues on transport. There was a need for more flexible solutions and congestion charging or intelligent charging could produce a sustainable revenue scheme of the kind which was working in Durham.

Summing up, the Mayor stated that certain realities needed to be faced. This included the reality of an economy which was growing at around 4% per year and plans to build 2,300 new homes in South Cambridgeshire alone. While there were short-term measures that needed to be addressed, buses alone could never solve the problems in South Cambridgeshire. There was also a need to address the huge differential between those who could afford homes and those who could not. Growth could not be maintained without infrastructure, but bolting housing developments onto existing towns and villages was often controversial and the infrastructure did not yet exist to support new garden villages. World class housing solutions needed world class infrastructure. Those using park and ride schemes still needed to drive to the park and ride hub which moved rather than solved the problem. A Land Value Cap could raise funds for the Metro in the south of the county and the M11 extension in the north and possibly other projects such as a third river crossing at Huntingdon where there were substantial costs, but which offered substantial rewards. A window of opportunity existed to do something exceptional, but an over-commitment to short-term solutions could mean never being able to deliver a long-term world class solution. In the long-term park and ride schemes were not a solution, they were part of the problem. Any schemes which were agreed now would only be an interim measure. Without a quality transport system it would not be possible to deliver affordable homes. The report was the right paper at the right time to set out what could be achieved working with the GCP and others.

The request for a recorded vote having been agreed, it was resolved by a majority to:

1. approve the Mayoral Interim Transport Strategy Statement;
2. note that a review of the features and timeframes for all transport corridors will be undertaken and completed in June and July 2018;
3. note that a further report will be brought to the Combined Board on 25 July 2018.

<b>Name:</b>	<b>Voting for the recommendations:</b>	<b>Voting against the recommendations:</b>
Mayor J Palmer	X	
Councillor G Bull	X	
Councillor S Count	X	
Councillor L Herbert		X

Councillor J Holdich	X	
Councillor C Roberts	X	
Councillor C Seaton	X	
Councillor B Smith		X

## 191. CONSENT TO BUSINESS RATE SUPPLEMENTS ORDER

The Portfolio Holder for Fiscal Strategy stated that the raising of funds through business rates was referred to in the original Devolution Deal. Due to the timing of the General Election in 2017 the legislation which would have set this in statute had not been progressed so the Ministry of Housing, Communities and Local Government had now produced a draft Statutory Instrument to establish this power. The Mayor stated that there were no plans for the Combined Authority to levy any business rates at this point of time.

It was resolved to:

- a) approve the transfer of functions to Cambridgeshire and Peterborough Combined Authority ("CPCA") conferred by the Business Rate Supplements Act 2009;
- b) give consent on behalf of the CPCA to the making of an Order giving effect to this transfer;
- c) give delegated authority to the Legal Counsel and Monitoring Officer in consultation with the Portfolio Holder and the Mayor to approve the final draft Order in order to meet the timetable for transfer of the powers;
- d) note that the constituent councils have been requested to give their consent to the making of an Order giving effect to this transfer including the necessary delegation to approve the final draft Order;
- e) note that only the draft Order can be approved, as the Order cannot be deemed finalised until it has been presented to and approved by Parliament.

## 192. ADULT EDUCATION BUDGET (AEB) DEVOLUTION OF POWERS TO COMBINED AUTHORITY

The Portfolio Holder for Employment and Skills stated that the Devolution Deal had included the transfer of the Adult Education Budget to the Combined Authority and that the report before the Board set out the process and timescale by which the relevant powers would be devolved. Work was progressing in relation to apprenticeships, school readiness and an innovative alternative curriculum for some students to support engagement which it was hoped would be brought to the Board in July 2018.

A Member raised the question of the Combined Authority's role in relation to 16-19 year olds and Further Education. The Cambridgeshire and Peterborough Independent Economic Review had identified that current provision was not meeting the needs of either students or potential employers. They would welcome the opportunity to discuss this further and to challenge the Government on this if necessary.

It was resolved to approve:

- a) approve the transfer of functions to Cambridgeshire and Peterborough Combined Authority ("CPCA") to ensure the successful devolution of the Adult Education Budget ("AEB") in 2019;
- b) give consent on behalf of the CPCA to the making of an Order giving effect to this transfer;
- c) give delegated authority to the Legal Counsel and Monitoring Officer in consultation with the Portfolio Holder and the Mayor to approve the final draft Order in order to meet the timetable for transfer of the powers.
- d) note that the constituent councils had been requested to give their consent to the making of an Order giving effect to this transfer including the necessary delegation to approve the final draft Order.

### 193. TREASURY MANAGEMENT STRATEGY

The Portfolio Holder for Fiscal Strategy stated that it was right and proper to have a Treasury Management Strategy. This had been reviewed by the Audit and Governance Committee who had recommended that the Board undertake an immediate review of its investment strategy and risk appetite to maximise the yield from funds held by the Combined Authority (Minute 183 above refers). During the first year of the Combined Authority's operation his primary concern as Portfolio Holder had been to ensure that the money controlled by the Combined Authority was safe. Having ensured that was the case he was now in a position to look at how best to make use of the money without incurring and unreasonable risk. A few issues had been identified within the Strategy which required tidying up, for example the omission of a description of the role and responsibilities of the Portfolio Holder. Subject to the Board's agreement responsibility for this could be delegated to the Chief Finance Officer in consultation with the Portfolio Holder. To ensure full transparency any proposed amendments would be reported to the Audit and Governance Committee and the Combined Authority Board and published electronically. This exercise could also pick up any comments which other Board members wanted to raise. To this end the Portfolio Holder Fiscal Strategy proposed an amendment, seconded by Councillor Smith, *that responsibility for any additional minor amendments required to the Treasury Management Strategy be delegated to the Chief Finance Officer in consultation with the Portfolio holder for Fiscal Strategy. All such amendments to be circulated to the Audit and Governance Committee and members of the Combined Authority Board.* On being put to the vote, the amendment was carried.

In discussion of the report a Member commented that they would welcome a further report being brought to the Board which explored how best to make use of the significant cash flow and borrowing opportunities available. The Portfolio Holder for Fiscal Strategy confirmed that this would be done.

It was resolved to:

- a) receive and adopt the Treasury Management Strategy for 2018/19;
- b) to note the recommendation of the Audit and Governance Committee to undertake a review of the Combined Authority's investment strategy and risk appetite;
- c) to approve funding of up to £20k to undertake the review.

- d) that responsibility for any additional minor amendments required to the Treasury Management Strategy be delegated to the Chief Finance Officer in consultation with the Portfolio holder for Fiscal Strategy. All such amendments to be circulated to the Audit and Governance Committee and members of the Combined Authority Board.

#### **194. DATE OF NEXT MEETING**

The Combined Authority Board will meet next on Wednesday 27 June 2018 in the Council Chamber, Cambridge City Council, The Guildhall, Market Square, Cambridge CB2 3QJ.

(Mayor)

## CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD MEMBERSHIP 2018-2019

Nominating Body	Member	Substitute Member
<b>Constituent Authorities</b>	<b>Leader</b>	
Cambridge City Council	Cllr Lewis Herbert	Cllr Kevin Price
Cambridgeshire County Council	Cllr Steve Count	Cllr Roger Hickford
East Cambridgeshire District Council	Cllr Charles Roberts	Cllr Anna Bailey
Fenland District Council	Cllr Chris Seaton	Cllr David Oliver
Huntingdonshire District Council	Cllr Graham Bull	Cllr Ryan Fuller
Peterborough City Council	Cllr John Holdich	Cllr Wayne Fitzgerald
South Cambridgeshire District Council	Cllr Bridget Smith	Cllr Aidan Van de Weyer
Business Board		To be advised



# **CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY'S FORWARD PLAN OF EXECUTIVE DECISIONS**

PUBLISHED: 25 MAY 2018

## FORWARD PLAN

### **KEY DECISIONS**

In the period commencing 28 clear days after the date of publication of this Plan, the Cambridgeshire and Peterborough Combined Authority intends to take 'key decisions' where indicated in the table below. Key decisions means a decision of a decision maker, which in the view of the overview and scrutiny committee for a combined authority is likely—

- (i) to result in the combined authority or the mayor incurring significant expenditure, or the making of significant savings, having regard to the combined authority's budget for the service or function to which the decision relates; or
- (ii) to be significant in terms of its effects on persons living or working in an area comprising two or more wards or electoral divisions in the area of the combined authority.

This Plan should be seen as an outline of the proposed decisions for the forthcoming month. Any questions on specific issues included on the Plan should be included on the form which appears at the back of the Plan and submitted to Kim Sawyer, the Monitoring Officer for the Combined Authority. For each decision a public report will be available one week before the decision is taken.

### **NOTIFICATION OF NON-KEY DECISIONS**

For complete transparency relating to the work of the Combined Authority, this Plan also includes an overview of non-key decisions to be taken by the Combined Authority.

You are entitled to view any documents listed on the Plan, or obtain extracts from any documents listed or subsequently submitted to the decision maker prior to the decision being made, subject to any restrictions on disclosure. There is no charge for viewing the documents, although charges may be made for photocopying or postage. Documents listed on the notice and relevant documents subsequently being submitted can be requested from Kim Sawyer, the Monitoring Officer for the Combined Authority.

All decisions will be posted on Cambridgeshire County Council website, or the Combined Authority website, once established. If you wish to make comments or representations regarding the decisions outlined in this Plan, please submit them to Kim Sawyer, the Monitoring Officer for the Combined Authority using the form attached.

<b>DECISION REQUIRED</b>		<b>DECISION MAKER</b>	<b>DATE DECISION EXPECTED</b>	<b>KEY DECISION / DECISION</b>	<b>CONSULTATION</b>	<b>CONTACT DETAILS / REPORT AUTHORS</b>	<b>LEAD MEMBER</b>	<b>DOCUMENTS RELEVANT TO THE DECISION SUBMITTED TO THE DECISION MAKER (INCLUDING EXEMPT APPENDICES AND REASONS FOR EXEMPTION)</b>
1.	Membership of the Combined Authority	Cambridgeshire and Peterborough Combined Authority	Annual Meeting 30 May 2018	Decision	Relevant internal and external stakeholders	Kim Sawyer, Legal Counsel and Monitoring Officer for Combined Authority	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
2.	Minutes of the Meeting on 28 March 2018	Cambridgeshire and Peterborough Combined Authority	Annual Meeting 30 May 2018	Decision	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager		It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
3.	Forward Plan	Cambridgeshire and Peterborough Combined Authority	Annual Meeting 30 May 2018	Decision	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
4.	Appointment of the Overview and Scrutiny Committee	Cambridgeshire and Peterborough Combined Authority	Annual Meeting 30 May 2018	Decision	Relevant internal and external stakeholders	Kim Sawyer, Legal Counsel and Monitoring Officer for Combined Authority	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.

5.	<b>Appointment of the Audit and Governance Committee</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 30 May 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Kim Sawyer, Legal Counsel and Monitoring Officer for Combined Authority	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
6.	<b>Calendar of Meetings</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 30 May 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Kim Sawyer, Legal Counsel and Monitoring Officer for Combined Authority	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
7.	<b>Review of Constitution</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 30 May 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Kim Sawyer, Legal Counsel and Monitoring Officer for Combined Authority	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
8.	<b>Reference from the Audit and Governance Committee</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 30 May 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Kim Sawyer, Legal Counsel and Monitoring Officer for Combined Authority/Rachel Mussen	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
9.	<b>Business Board – Decision Notice</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 30 May 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Kim Sawyer, Legal Counsel and Monitoring Officer for Combined Authority	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
10.	<b>Cambridgeshire and Peterborough 2030 Prospectus</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 30 May 2018</b>	<b>Key Decision 2018/007</b>	Relevant internal and external stakeholders	Pearl Roberts, Strategy & Planning Lead	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
11.	<b>Cambridgeshire and Peterborough Four Year Plan 2018-19-2021-22</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 30 May 2018</b>	<b>Key Decision 2018/017</b>	Relevant internal and external stakeholders	Pearl Roberts, Strategy & Planning Lead, Rachel Musson Interim Finance Director	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published

12.	<b>Cambridgeshire and Peterborough Independent Economic Review</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 30 May 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Martin Whiteley, Chief Executive	Councillor Lewis Herbert Portfolio Holder for Strategic Planning	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
13.	<b>£100M Affordable Housing Programme</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 30 May 2018</b>	<b>Key Decision 2018/004</b>	Relevant internal and external stakeholders	Pearl Roberts, Housing Lead	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
14.	<b>Mayoral Interim Interim Transport Strategy Statement'</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 30 May 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Keith McWilliams, Interim Director of Transport and Infrastructure	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
15.	<b>Local Transport Capital Grant Allocation 2018-19</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 30 May 2018</b>	<b>Key Decision 2018/008</b>	Relevant internal and external stakeholders	Keith McWilliams, Interim Director of Transport and Infrastructure	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
16	<b>Treasury Management Strategy</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 30 May 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Rachel Musson Interim Finance Director	Councillor Steve Count Portfolio Holder for Fiscal	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
17.	<b>Consent to Business Rate Supplements Order</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 30 May 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Kim Sawyer Legal Counsel & Monitoring Officer	Mayor James Palmer/ Portfolio Holder for Governance	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
18.	<b>Adult Education Budget (AEB) Devolution of Powers to Combined Authority</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 30 May 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Kim Sawyer Legal Counsel & Monitoring Officer	Mayor James Palmer/ Portfolio Holder for Governance	It is not anticipated that there will be any documents other than the report and relevant appendices to be published

19.	Minutes of the Meeting on 30 May 2018	Cambridgeshire and Peterborough Combined Authority	27 June 2018	Decision	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager		It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
20.	Forward Plan	Cambridgeshire and Peterborough Combined Authority	27 June 2018	Decision	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
21.	Review of Constitution – Committee Structure and Overview and Scrutiny Arrangements	Cambridgeshire and Peterborough Combined Authority	27 June 2018	Decision	Relevant internal and external stakeholders	Kim Sawyer, Legal Counsel and Monitoring Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
22.	Local Energy East Strategy	Cambridgeshire and Peterborough Combined Authority	27 June 2018	Decision	Relevant internal and external stakeholders	Paul Bourgeois Head of Sustainability	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
23.	Eastern Agri-Growth Initiative	Cambridgeshire and Peterborough Combined Authority	27 June 2018	Key Decision 2018/016	Relevant internal and external stakeholders	Harriet Fear, Interim Director of Business & Skills	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
24.	Wisbech Access Strategy Growth Deal	Cambridgeshire and Peterborough Combined Authority	27 June 2018	Key Decision 2018/019	Relevant internal and external stakeholders	Harriet Fear, Interim Director of Business & Skills	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
25.	Growth Fund Programme	Cambridgeshire and Peterborough Combined Authority	27 June 2018	Key Decision 2018/024	Relevant internal and external stakeholders	Harriet Fear, Interim Director of Business & Skills	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published

26.	<b>Business Board – Progress Report and Recommendations of the last meeting</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>27 June 2018</b>	<b>Key Decision 2018/020</b>	Relevant internal and external stakeholders	Kim Sawyer, Legal Counsel and Monitoring Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
27.	<b>Adult Education Budget Devolution</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>27 June 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Neil Cuttall, AEBD Programme Manager,  Stephen Rosevear Interim Director of Skills	Councillor John Holdich Portfolio Holder for Employment and Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
28.	<b>St Neots Masterplan</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>27 June 2018</b>	<b>Key Decision 2018/015</b>	Relevant internal and external stakeholders	Dan Thorp, Interim Assistant Director	Councillor Charles Roberts, Deputy Mayor	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
29.	<b>Cambridgeshire and Peterborough Strategic Spatial Framework</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>27 June 2018</b>	<b>Key Decision 2018/006</b>	Relevant internal and external stakeholders	Adrian Cannard, Strategy & Planning  Pearl Roberts, Strategy and Planning Lead	Councillor Lewis Herbert, Portfolio Holder for Strategic Planning	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
30.	<b>A407 Dualling</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>27 June 2018</b>	<b>Key Decision 2018/002</b>	Relevant internal and external stakeholders	Keith McWilliams, Transport Director	Mayor James Palmer/ Portfolio Holder for Transport and Infrastructure	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
31.	<b>Relocation of Offices at Alconbury Weald</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>27 June 2018</b>	<b>Key Decision 2018/025</b>	Relevant internal and external stakeholders	Martin Whiteley, Chief Executive	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published

32.	<b>Organisational Structure</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>27 June 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Martin Whiteley, Chief Executive	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
33.	<b>Budget Update</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>27 June 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Rachel Musson Interim Chief Finance Officer	Councillor Steve Count, Portfolio Holder for Fiscal	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
34.	<b>Minutes of the Meeting on 27 June 2018</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>25 July 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager		It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
35..	<b>Forward Plan</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>25 July 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
36.	<b>Adult Education Budget Devolution</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>25 July 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Neil Cuttall, AEBD Programme Manager,  Stephen Rosevear Interim Director of Skills	Councillor John Holdich Portfolio Holder for Employment and Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
37.	<b>Skills Strategy</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>25 July 2018</b>	<b>Key Decision 2018/009</b>	Relevant internal and external stakeholders	Stephen Rosevear Interim Director of Skills	Councillor John Holdich Portfolio Holder for Employment and Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.



38.	University of Peterborough	Cambridgeshire and Peterborough Combined Authority	25 July 2018	Key Decision 2018/010	Relevant internal and external stakeholders	Stephen Rosevear Interim Director of Skills	Councillor John Holdich Portfolio Holder for Employment and Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
39.	Housing Strategy	Cambridgeshire and Peterborough Combined Authority	25 July 2018	Decision	Relevant internal and external stakeholders	Roger Thompson, Director of Housing and Development	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
40.	£100m Housing Programme	Cambridgeshire and Peterborough Combined Authority	25 July 2018	Key Decision 2018/004	Relevant internal and external stakeholders	Roger Thompson, Director of Housing and Development	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
41.	£70m Cambridge City Devolution Housing Programme – Quarterly Report	Cambridgeshire and Peterborough Combined Authority	25 July 2018	Decision	Relevant internal and external stakeholders	Suzanne Hemingway, Strategic Director Cambridge City Council and Roger Thompson, Director of Housing and Development	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
42.	CLT Programme	Cambridgeshire and Peterborough Combined Authority	25 July 2018	Key Decision 2018/013	Relevant internal and external stakeholders	Roger Thompson, Director of Housing and Development	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
43.	Growth Fund Programme	Cambridgeshire and Peterborough Combined Authority	25 July 2018	Key Decision 2018/024	Relevant internal and external stakeholders	Harriet Fear, Interim Director of Business & Skills	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
44.	Appointment of Finance Director	Cambridgeshire and Peterborough Combined Authority	25 July 2018	Decision	Relevant internal and external stakeholders	Martin Whiteley, Chief Executive	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.

45.	Mayoral Interim Transport Strategy statement'	Cambridgeshire and Peterborough Combined Authority	25 July 2018	Decision	Relevant internal and external stakeholders	Keith McWilliams, Transport Director	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
46.	Public Service Reform	Cambridgeshire and Peterborough Combined Authority	25 July 2018	Decision	Relevant internal and external stakeholders	Pearl Roberts, Strategy and Planning Lead	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
47.	Business Board – Recommendations of the last meeting	Cambridgeshire and Peterborough Combined Authority	25 July 2018	Key Decision 2018/021	Relevant internal and external stakeholders	Kim Sawyer, Legal Counsel and Monitoring Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
48.	Minutes of the Meeting on 25 July 2018	Cambridgeshire and Peterborough Combined Authority	26 September 2018	Decision	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager		It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
49.	Forward Plan	Cambridgeshire and Peterborough Combined Authority	26 September 2018	Decision	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
50.	Business Board – Recommendations of the last meeting	Cambridgeshire and Peterborough Combined Authority	26 September 2018	Key Decision 2018/022	Relevant internal and external stakeholders	Kim Sawyer, Legal Counsel and Monitoring Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
51.	Housing Programme	Cambridgeshire and Peterborough Combined Authority	26 September 2018	Key Decision 2018/004	Relevant internal and external stakeholders	Roger Thompson, Director of Housing and Development	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published

52.	<b>Growth Fund Programme</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>26 September 2018</b>	<b>Key Decision 2018/024</b>	Relevant internal and external stakeholders	Harriet Fear, Interim Director of Business & Skills	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
53.	<b>Adult Education Budget Devolution</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>26 September 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Neil Cuttall, AEBD Programme Manager,  Stephen Rosevear Interim Director of Skills	Councillor John Holdich Portfolio Holder for Employment and Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
54.	<b>Medium Term Financial Strategy</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>26 September 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Rachel Musson Interim Chief Finance Director	Councillor Steve Count Portfolio Holder for Fiscal	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
55.	<b>Budget Monitor Update</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>26 September 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Rachel Musson Interim Chief Finance Officer	Councillor Steve Count, Portfolio Holder for Fiscal	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
56.	<b>Minutes of the Meeting on 26 September 2018</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>31 October 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager		It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
57.	<b>Forward Plan</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>31 October 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
58.	<b>Housing Programme Scheme Approvals</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>31 October 2018</b>	<b>Key Decision 2018/004</b>	Relevant internal and external stakeholders	Roger Thompson, Director of Housing and Development	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published

59.	Growth Fund Programme	Cambridgeshire and Peterborough Combined Authority	31 October 2018	Key Decision 2018/024	Relevant internal and external stakeholders	Harriet Fear, Interim Director of Business & Skills	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
60.	Adult Education Budget Devolution	Cambridgeshire and Peterborough Combined Authority	31 October 2018	Decision	Relevant internal and external stakeholders	Neil Cuttall, AEBD Programme Manager,  Stephen Rosevear Interim Director of Skills	Councillor John Holdich Portfolio Holder for Employment and Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
61.	Minutes of the Meeting on 31 October 2018	Cambridgeshire and Peterborough Combined Authority	28 November 2018	Decision	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager		It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
62.	Forward Plan	Cambridgeshire and Peterborough Combined Authority	28 November 2018	Decision	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
63.	Growth Fund Programme	Cambridgeshire and Peterborough Combined Authority	28 November 2018	Key Decision 2018/024	Relevant internal and external stakeholders	Harriet Fear, Interim Director of Business & Skills	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
64.	Business Board – Recommendations of the last meeting	Cambridgeshire and Peterborough Combined Authority	28 November 2018	Key Decision 2018/023	Relevant internal and external stakeholders	Kim Sawyer, Legal Counsel and Monitoring Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
65.	Mayoral Allowance Scheme - Review	Cambridgeshire and Peterborough Combined Authority	28 November 2018	Decision	Relevant internal and external stakeholders	Kim Sawyer, Legal Counsel and Monitoring Officer		It is not anticipated that there will be any documents other than the report and relevant appendices to be published

66.	<b>Adult Education Budget Devolution</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>28 November 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Neil Cuttall, AEBD Programme Manager,  Stephen Rosevear Interim Director of Skills	Councillor John Holdich Portfolio Holder for Employment and Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
67.	<b>Housing Programme Scheme Approvals</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>28 November 2018</b>	<b>Key Decision 2018/004</b>	Relevant internal and external stakeholders	Roger Thompson, Director of Housing and Development	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
68.	<b>Budget Update</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>28 November 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Rachel Musson Interim Chief Finance Officer	Councillor Steve Count, Portfolio Holder for Fiscal	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
69.	<b>Minutes of the Meeting on 28 November 2018</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>19 December 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager		It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
70.	<b>Forward Plan</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>19 December 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
71.	<b>Adult Education Budget Devolution</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>19 December 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Neil Cuttall, AEBD Programme Manager,  Stephen Rosevear Interim Director of Skills	Councillor John Holdich Portfolio Holder for Employment and Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published

72.	<b>Growth Fund Programme</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>19 December 2018</b>	<b>Key Decision 2018/024</b>	Relevant internal and external stakeholders	Harriet Fear, Interim Director of Business & Skills	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
73.	<b>Housing Scheme Approvals</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>19 December 2018</b>	<b>Key Decision 2018/004</b>	Relevant internal and external stakeholders	Roger Thompson, Director of Housing and Development	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
74.	<b>Budget Update</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>19 December 2018</b>	<b>Decision</b>	Relevant internal and external stakeholders	Rachel Musson Interim Chief Finance Officer	Councillor Steve Count, Portfolio Holder for Fiscal	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
75.	<b>Minutes of the Meeting on 19 December 2018</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>30 January 2019</b>	<b>Decision</b>	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager		It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
76.	<b>Forward Plan</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>30 January 2019</b>	<b>Decision</b>	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
77.	<b>Growth Fund Programme</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>30 January 2019</b>	<b>Key Decision 2019/005</b>	Relevant internal and external stakeholders	Harriet Fear, Interim Director of Business & Skills	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
78.	<b>Business Board Recommendations of the last meeting</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>30 January 2019</b>	<b>Key Decision 2019/002</b>	Relevant internal and external stakeholders	Kim Sawyer, Legal Counsel and Monitoring Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published

79.	<b>Adult Education Budget Devolution</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>30 January 2019</b>	<b>Decision</b>	Relevant internal and external stakeholders	Neil Cuttall, AEBD Programme Manager,  Stephen Rosevear Interim Director of Skills	Councillor John Holdich Portfolio Holder for Employment and Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
80.	<b>Budget Report 2019/20 to 2022/23 including Mayor's Budget</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Budget Meeting 13 February 2019</b>	<b>Key Decision 2019/001</b>	Relevant internal and external stakeholders	Rachel Musson Interim Chief Finance Officer	Councillor Steve Count, Portfolio Holder for Fiscal	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
81.	<b>Minutes of the Meeting on 30 January 2019</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Budget Meeting 13 February 2019</b>	<b>Decision</b>	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager		It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
82.	<b>Minutes of the Meeting on 13 February 2019</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>27 February 2019</b>	<b>Decision</b>	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager		It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
83.	<b>Forward Plan</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>27 February 2019</b>	<b>Decision</b>	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
84.	<b>Growth Fund Programme</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>27 February 2019</b>	<b>Key Decision 2019/005</b>	Relevant internal and external stakeholders	Harriet Fear, Interim Director of Business & Skills	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published

85.	<b>Adult Education Budget Devolution</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>30 January 2019</b>	<b>Decision</b>	Relevant internal and external stakeholders	Neil Cuttall, AEBD Programme Manager,  Stephen Rosevear Interim Director of Skills	Councillor John Holdich Portfolio Holder for Employment and Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
86.	<b>Minutes of the Meeting on 27 February 2019</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>27 March 2019</b>	<b>Decision</b>	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager		It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
87.	<b>Forward Plan</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>27 March 2019</b>	<b>Decision</b>	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
89.	<b>Growth Fund Programme</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>27 March 2019</b>	<b>Key Decision 2019/005</b>	Relevant internal and external stakeholders	Harriet Fear, Interim Director of Business & Skills	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
90.	<b>Business Board Recommendations of the last meeting</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>27 March 2019</b>	<b>Key Decision 2019/003</b>	Relevant internal and external stakeholders	Kim Sawyer, Legal Counsel and Monitoring Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
91.	<b>Adult Education Budget Devolution</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>27 March 2019</b>	<b>Decision</b>	Relevant internal and external stakeholders	Neil Cuttall, AEBD Programme Manager,  Stephen Rosevear Interim Director of Skills	Councillor John Holdich Portfolio Holder for Employment and Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published



92.	Budget Update	Cambridgeshire and Peterborough Combined Authority	27 March 2019	Decision	Relevant internal and external stakeholders	Rachel Musson Interim Chief Finance Officer	Councillor Steve Count, Portfolio Holder for Fiscal	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
93.	Minutes of the Meeting on 27 March 2019	Cambridgeshire and Peterborough Combined Authority	24 April 2019	Decision	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager		It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
94.	Forward Plan	Cambridgeshire and Peterborough Combined Authority	24 April 2019	Decision	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
95.	Growth Fund Programme	Cambridgeshire and Peterborough Combined Authority	24 April 2019	Key Decision 2019/005	Relevant internal and external stakeholders	Harriet Fear, Interim Director of Business & Skills	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
96.	Adult Education Budget Devolution	Cambridgeshire and Peterborough Combined Authority	24 April 2019	Decision	Relevant internal and external stakeholders	Neil Cuttall, AEBD Programme Manager,  Stephen Rosevear Interim Director of Skills	Councillor John Holdich Portfolio Holder for Employment and Skills	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
97.	Budget Update	Cambridgeshire and Peterborough Combined Authority	24 April 2019	Decision	Relevant internal and external stakeholders	Rachel Musson Interim Chief Finance Officer	Councillor Steve Count, Portfolio Holder for Fiscal	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.

98.	<b>Annual Meeting:– To consider actions detailed in Section 3.2 of the Combined Authority’s Constitution</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 29 May 2019</b>	<b>Decision</b>	Relevant internal and external stakeholders	Kim Sawyer, Legal Counsel and Monitoring Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
99.	<b>Minutes of the Meeting on 24 April 2019</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 29 May 2019</b>	<b>Decision</b>	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager		It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
100	<b>Forward Plan</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 29 May 2019</b>	<b>Decision</b>	Relevant internal and external stakeholders	Michelle Rowe, Democratic Services Manager	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
101	<b>Growth Fund Programme</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 29 May 2019</b>	<b>Key Decision 2019/005</b>	Relevant internal and external stakeholders	Harriet Fear, Interim Director of Business & Skills	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
102	<b>Business Board – Recommend- ations of the last meeting</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 29 May 2019</b>	<b>Key Decision 2019/004</b>	Relevant internal and external stakeholders	Kim Sawyer, Legal Counsel and Monitoring Officer	Mayor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
103	<b>Budget Update</b>	<b>Cambridgeshire and Peterborough Combined Authority</b>	<b>Annual Meeting 29 May 2019</b>	<b>Decision</b>	Relevant internal and external stakeholders	Rachel Musson Interim Chief Finance Officer	Councillor Steve Count Portfolio Holder for Fiscal,	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.

**SUBMIT YOUR COMMENTS OR QUERIES TO  
CAMBRIDGESHIRE AND PETERBOROUGH COMBINED  
AUTHORITY**

Your comment or query:

How can we contact you with a response?  
(please include a telephone number, postal and/or e-mail address)

Name .....

Address .....

.....

Tel: .....

Email: .....

Who would you like to respond?

Combined Authority Overview and Scrutiny Committee

Council	Member	Substitute
Huntingdonshire District Council	Councillor Doug Dew (Cons) Councillor Tom Sanderson (Ind)	Councillor Jon Neish (Cons) Councillor Barry Chapman (Ind)
East Cambridgeshire District Council	Councillor Mike Bradley (Cons) Councillor Alan Sharp (Cons)	Councillor Julia Huffer (Cons) Councillor Chris Morris (Cons)
South Cambridgeshire District Council	Councillor Philip Allen (LD) Councillor Grenville Chamberlain (Cons)	Councillor Pippa Heylings (LD) Councillor Peter Topping (Cons)
Fenland District Council	Cllr Chris Boden (Cons) Cllr David Hodgson (Cons)	Cllr Maureen Davis (Cons) Cllr Sam Clark (Cons)
Cambridge City Council	Cllr Sargeant (Lab) Cllr Gehring (LD)	Cllr Thornburrow (Lab) Cllr Holt (LD)
Cambridgeshire County Council	Cllr David Connor (Cons) Cllr Lucy Nethsingha (LD)	Cllr Lina Joseph (Cons) Cllr David Jenkins (LD)
Peterborough City Council	Councillor David Over (Cons) Councillor Ed Murphy (Lab)	Councillor Irene Walsh (Cons) Councillor Ansar Ali (Lab)

## Cambridgeshire and Peterborough Combined Authority

## Audit and Governance Committee - Membership

Council	Member	Substitute
Huntingdonshire District Council	Councillor Mac McGuire	Councillor Gaskin
East Cambridgeshire District Council	Councillor Chris Morris	Councillor Alan Sharp
South Cambridgeshire District Council	Councillor Tony Mason	Councillor Peter Fane
Fenland District Council	Councillor Anne Hay	Councillor Will Sutton
Cambridge City Council	Councillor Richard Robertson	Councillor Mark Ashton
Cambridgeshire County Council	Councillor Nicola Harrison	Councillor Graham Wilson
Peterborough City Council	Councillor David Seaton	Councillor Lynne Ayres
Independent Member	Mr John Pye	



<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 1.6</b>
<b>27 JUNE 2018</b>	<b>PUBLIC REPORT</b>

## **APPOINTMENT OF INTERIM DEPUTY CHIEF FINANCE OFFICER AND BUSINESS BOARD CHIEF FINANCE OFFICER**

### **1.0 PURPOSE**

- 1.1 The purpose of this report is to ask the Board to appoint Noel O'Neill as interim statutory Deputy Chief Finance Officer for the Combined Authority, and also to act as the Chief Finance Officer for the Business Board.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Cllr Steve Count, Portfolio Holder Fiscal</b>
<b>Lead Officer:</b>	<b>Martin Whiteley, Chief Executive</b>
<b>Forward Plan Ref: Not applicable</b>	<b>Key Decision: No</b>
It is recommended that the Board appoints Noel O'Neill as interim deputy Chief Finance Officer to the Combined Authority, and also to act as the Chief Finance Officer for the Business Board	<b>Voting arrangements</b>  Simple majority of the Members (or their Substitute Members)

### **2.0 BACKGROUND**

- 2.1 Chapter 4, paragraph 1.5, of the Constitution states that the appointment of statutory officers is reserved to the Board. The Chief Finance Officer is a statutory officer of the Combined Authority and a 'proper officer' for this purpose.
- 2.2 The Employment Committee has approved the appointment of a permanent Deputy Chief Finance Officer, which will also act as the Chief Finance Officer for the Local Enterprise Partnership (LEP) to ensure a proper separation of duties between the Chief Finance Officer acting primarily for the Cambridgeshire and Peterborough Combined Authority and the Chief Finance Officer acting primarily for the Business Board. This principle was also presented to the Business Board in May 2018. The Business Board Chief

Finance Officer will be responsible for ensuring that the local enterprise partnership complies with all national financial and assurance frameworks for government grant funding.

2.3 It is recommended that the Board confirm the appointment of Noel O'Neill as the interim deputy Chief Finance Officer for the Combined Authority, and Chief Finance Officer for the Business Board. Noel is a qualified accountant and is CIPFA qualified.

2.4 Noel has senior management experience as both a S151 Officer and has been responsible for a range of property and economic regeneration projects. His most recent experience includes:

- (a) Interim Specialist Advisor, South Ribble BC – s151 and Regeneration
- (b) AD Regeneration, Stevenage BC
- (c) Strategic Head of Delivery, London Borough of Redbridge
- (d) Head of Property and Regeneration, Cheshire West
- (e) Director of Resources s151, Vale Royal Borough Council, Cheshire

2.5 Noel is considered a strong candidate for this role.

### **3.0 FINANCIAL IMPLICATIONS**

3.1 The funding for the role is within the existing budget. The agreed day rate is at market rates.

### **4.0 LEGAL IMPLICATIONS**

4.1 The concept of a Chief Finance Officer was established by s.151 Local Government Act 1972. Any new authorities, such as the Combined Authority, has a duty to establish a Chief Finance Officer role by virtue of s73 of the Local Government Act 1985. The responsibilities of the Chief Finance Officer for administration of financial affairs is set out in s.114 of the Local Government Act 1972 and includes the duty to appoint a Deputy s.73 Chief Finance Officer.

4.2 The appointment of this role is reserved to the Board.

### **5.0 OTHER IMPLICATIONS**

5.1 There are no equalities or other implications arising from this report.

### **6.0 APPENDICES**

6.1 None

<b><u>Source Documents</u></b>	<b><u>Location</u></b>
Constitution Local Government Act 1972 Local Government and Housing Act 1989	Combined Authority website <a href="http://cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/Combined-Authority-Constitution.pdf">http://cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/Combined-Authority-Constitution.pdf</a>  Legislation can be found on Government websites





<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 2.1</b>
<b>27 JUNE 2018</b>	<b>PUBLIC REPORT</b>

## **ST NEOTS MASTERPLAN**

### **1.0 PURPOSE**

- 1.1. The Combined Authority is committed to the future prosperity and success of every market town in the county, and is investing in making this a reality through the masterplan programme. This programme was piloted in St Neots as part of the Mayor's 100 Day Plan, and the St Neots Masterplan for Growth was subsequently approved by the Combined Authority Board in October 2017.
- 1.2. The St Neots Masterplan for Growth establishes a vision for the future of the town, based upon industrial strengths in manufacturing and knowledge intensive industries, and it sets out a route map for how to achieve that. The Masterplan will accelerate and manage the delivery of £185m of extra economic output by 2036. This report represents the first phase of that route map, it includes:
- (a) For the first time, a holistic range of interventions that will rejuvenate St Neots Town Centre. as the linchpin of the Masterplan strategy to bring more industry and local jobs to St Neots
  - (b) Plans to boost the future growth of the St Neots manufacturing and KIBS (knowledge intensive business services) sectors, including a commitment from Urban&Civic to accelerate the provision of incubator space on Wintringham Park
  - (c) A brand new central bridge alongside an improved riverside area – opening up new spaces as part of a more vibrant town centre
  - (d) St Neots becoming the first Smart Town in the country – bringing the digital connectivity programme from our cities to our market towns for the first time
  - (e) Establishing a new joint investment vehicle to take direct control over commercial space in St Neots where intervention is needed to unlock prime sites

- (f) Bringing major employers like Kier Group and the St Neots Manufacturing Club together to invest in better provision of skills training and career opportunities to residents
- (g) A comprehensive transport study, linked to the future Metro and CaMkOx Corridor, which will take traffic away from St Neots town centre

1.3. This proposal is the product of a brand-new Masterplan Steering Group that has been established through this work. For the first time ever, all local authorities are working closely together alongside the business community in a single team that is devoted to the future success of St Neots.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Councillor Charles Roberts, Deputy Mayor</b>
<b>Lead Officer:</b>	<b>Dan Thorp, Interim Assistant Director</b>
<b>Forward Plan Ref: 2018/15</b>	<b>Key Decision: Yes</b>
<p>The Combined Authority Board is recommended to:</p> <ul style="list-style-type: none"> <li>(a) Note the impact the St Neots Masterplan is already having in providing vision and strategic direction for the town</li> <li>(b) Note the recognition the St Neots Masterplan received in the Interim Cambridgeshire and Peterborough Independent Economic Review (CPIER)</li> <li>(c) Welcome the partnership with Kier Group and the St Neots Manufacturing Club to provide skills provision and career opportunities within St Neots</li> <li>(d) Approve the £4.1m package of funding in order to deliver the first phase of the St Neots Masterplan</li> </ul>	<p><b>Voting arrangements</b></p> <p>Simple majority of all Members</p>

## **2.0 BACKGROUND**

2.1. The Combined Authority has committed to supporting market towns as economic and social hubs in their own right. It has launched the Masterplan for Growth programme in order to achieve this in a connected way under the emerging Local Industrial Strategy. In this way the identity and role of each

town will be brought to prominence, and how each town is contributing to the overall doubling of our economy over the next 25 years.

- 2.2. This focus on market towns has been heralded by Government, by the Cambridgeshire and Peterborough Independent Economic Commission, and by other partners as a bold and progressive step towards inclusive growth.
- 2.3. St Neots is the first market town backed by the Combined Authority with the publication of the St Neots Masterplan for Growth in October 2017. The Combined Authority Board welcomed the Masterplan and encouraged the new St Neots Steering Group to develop the first strategic business case to bring forward investment and begin delivery of the Masterplan. This report represents that first strategic business case, alongside updates on other key areas of progress.
- 2.4. The full St Neots Masterplan for Growth can be found at;  
<http://www.cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/St-Neots-Masterplan-Phase-1.pdf>.
- 2.5. The strategic position of St Neots within the Cambridge – Milton Keynes – Oxford Growth Corridor means that the town represents a particularly prime opportunity for future prosperity in high-value industries. The current St Neots Masterplan is focussed on the accelerated and strategic delivery of growth within the current Local Plan. However, the work of the Masterplan Steering Group has already begun to look beyond this and the Strategic Business Case concludes by outlining the ambitions to create 4,000 extra jobs in addition to the 3,600 within the current Local Plan.

### **Strategic Business Case**

- 2.6. The Strategic Business Case included as **Appendix A** of this report describes the overall vision of the Masterplan and the packages of work that have been developed to begin delivery of that vision. It has been drafted with the intention that it can describe to Board Members and St Neots residents alike the place that St Neots can become with the right interventions, and the power of making those interventions in a strategic way – the Masterplan approach.
- 2.7. Crucially, the St Neots community has been instrumental in coming together to develop this work
  - (a) The Neotists – a collective of St Neots residents working in creative industries – have visualised what the town could look like once the Masterplan has been delivered, as can be seen throughout the document
  - (b) The St Neots Manufacturing Club are shaping plans for a vastly improved skills offer to help St Neots residents into manufacturing jobs. There has also been agreement from Urban & Civic that new commercial space on the Eastern expansion of St Neots will be brought forward in line with the needs of the manufacturing industry

- (c) St Neots Town Council, Huntingdonshire District Council, Cambridgeshire County Council, and the Combined Authority are working together to shape exciting joint ventures and align behind key schemes

### **A Vibrant Town Centre as a Bedrock of Future Growth**

- 2.8. This Strategic Business Case takes as the starting point of the Masterplan a programme to revitalise St Neots town centre, boosting business activity in the centre as well as the overall attractiveness of the centre as a destination.
- 2.9. This approach is significant in two ways beyond the direct economic gain of a more active town centre. Firstly, it provides the residents of St Neots with the town centre offering which they deserve – so that they are more inclined to stay in St Neots. Secondly, it is an absolutely crucial factor in attracting businesses to locate and grow in St Neots.
- 2.10. Since the development of this approach Government has launched an inquiry into the future of town centres and high streets, recognising that across the country these are facing major threats and an answer is needed. The Combined Authority has responded to this inquiry using the model developed in this Masterplan as well as other strong examples like Ely.
- 2.11. The Combined Authority Board are asked to approve the Strategic Business Case and the associated £4.1m of direct investment into St Neots. This investment comes alongside £1.7m of partner investment, making a total investment of £5.8m in the future success of St Neots, this is made up of:
  - (a) £3.1m contribution from the CA to the £4.6m scheme to provide a new foot and cycle bridge in St Neots town centre, alongside improvements to the riverside area which the new bridge will link to the market square
  - (b) £259,000 contribution from the CA to the £310,000 project to create an enhanced events programme that will be the springboard to creating a Business Improvement District for St Neots, which in turn will place future town events on a sustainable financial footing
  - (c) £30,000 to work with Connecting Cambridgeshire to establish St Neots as the first Smart Town in the country, and understand what further investment is necessary
  - (d) £175,000 to undertake a comprehensive transport study to solve the issue of traffic flow in St Neots town centre, in alignment with upcoming major schemes like the CaMkOx corridor and the Metro
  - (e) £40,000, alongside c. £10,000 from the Town Council (figure TBC) to improve street furniture in St Neots town centre so that makes it more attractive and easier for people to travel to the centre
  - (f) £12,000 to undertake a business demand survey to understand in more granular detail the future growth needs of St Neots businesses, in order to be able to respond to these in the next phase

- (g) £471,000 towards the programme management of the ongoing delivery of the St Neots Masterplan as well as the other Masterplans that will be coming onboard within the District from this year onwards

2.12. The Strategic Business Case sets out at a high level the governance delivery arrangements for each of the schemes contained within this package, and specific delivery plans for each scheme have also been produced and are available if requested.

### 2.13. Phase 2 of the St Neots Masterplan

2.14. Alongside the development of this first phase of activity, the Masterplan Steering Group has also begun development of the activity that will form Phase 2 of the Masterplan delivery. This second phase will bring forward ambitious programmes in:

- (a) **Skills and Employment** – a skills strategy for St Neots that brings the St Neots Manufacturing Club, Kier Group, and other major stakeholders together to put in place short / medium / long-term interventions so that skills provision in and around St Neots is matched to the current and future needs of the key sectors identified in the Masterplan (set out in more detail on page 14 of the Strategic Business Case)
- (b) **Accelerating the delivery of commercial space in line with the industrial needs set out in the St Neots Masterplan** – beginning already with the commitment from Urban&Civic to accelerate the delivery of incubator space on Wintringham Park, this programme will take a strategic view of commercial space across the whole of St Neots. This will draw upon the in-depth market research undertaken through Phase 1 investment

## 3.0 FINANCIAL IMPLICATIONS

3.1. The report seeks approval for £4.1m to deliver the Combined Authority support to this programme. The table below shows the detail of how the money is to be spent and the timing of the expenditure.

	2018/19 £000's	2019/20 £000's	2020/21 £000's	Total £000's
<b>Bridge &amp; Riverfront</b>	500	2,000	600	3,100
<b>Traffic Management Study</b>	75	100		175
<b>Enhanced Marketing (BID)</b>	8	110	154	272
<b>Street Furniture</b>	40			40
<b>Business Survey</b>	12			12
<b>Smart Town</b>	30			30
<b>Project Management</b>	143	164	164	471
	<b>808</b>	<b>2,374</b>	<b>905</b>	<b>4,100</b>

- 3.2. It should be noted by the Board that £3.1m of this investment is for the new bridge and river frontage improvements. This scheme has been part of the Combined Authority's Transport Programme since October 2017 and re-confirmed in the report to Board on 28<sup>th</sup> March 2018 and is part of the budget.
- 3.3. Specific budget allocations have not been made for the remaining £1m of spend. If the Masterplan is approved by the Board, funds will be allocated to meet the programme outlined and reflected in the Medium Term Financial Plan.

#### **4.0 LEGAL IMPLICATIONS**

- 4.1 In order to further the objectives of the Combined Authority, as set out in the devolution deal agreed with Government in June 2016, the Combined Authority was granted a general power of competence. The general power of competence is set out in Article 11 of the Cambridgeshire and Peterborough Combined Authority Order 2017. It permits the Combined Authority to exercise the authority under section 1 Localism Act 2011 to do anything which an individual may do. This power permits the Combined Authority to further its economic ambitions for the area by making grants to improve the economic development through the master planning process.

#### **5.0 SIGNIFICANT IMPLICATIONS**

- 5.1. None

#### **6.0 APPENDICES**

- 6.1. Appendix 1 – Strategic Business Case

<b><u>Source Documents</u></b>	<b><u>Location</u></b>
St Neots Masterplan for Growth	<a href="http://www.cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/St-Neots-Masterplan-Phase-1.pdf">http://www.cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/St-Neots-Masterplan-Phase-1.pdf</a> .



# **ST NEOTS MASTERPLAN FOR GROWTH STRATEGIC BUSINESS CASE PHASE ONE**



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

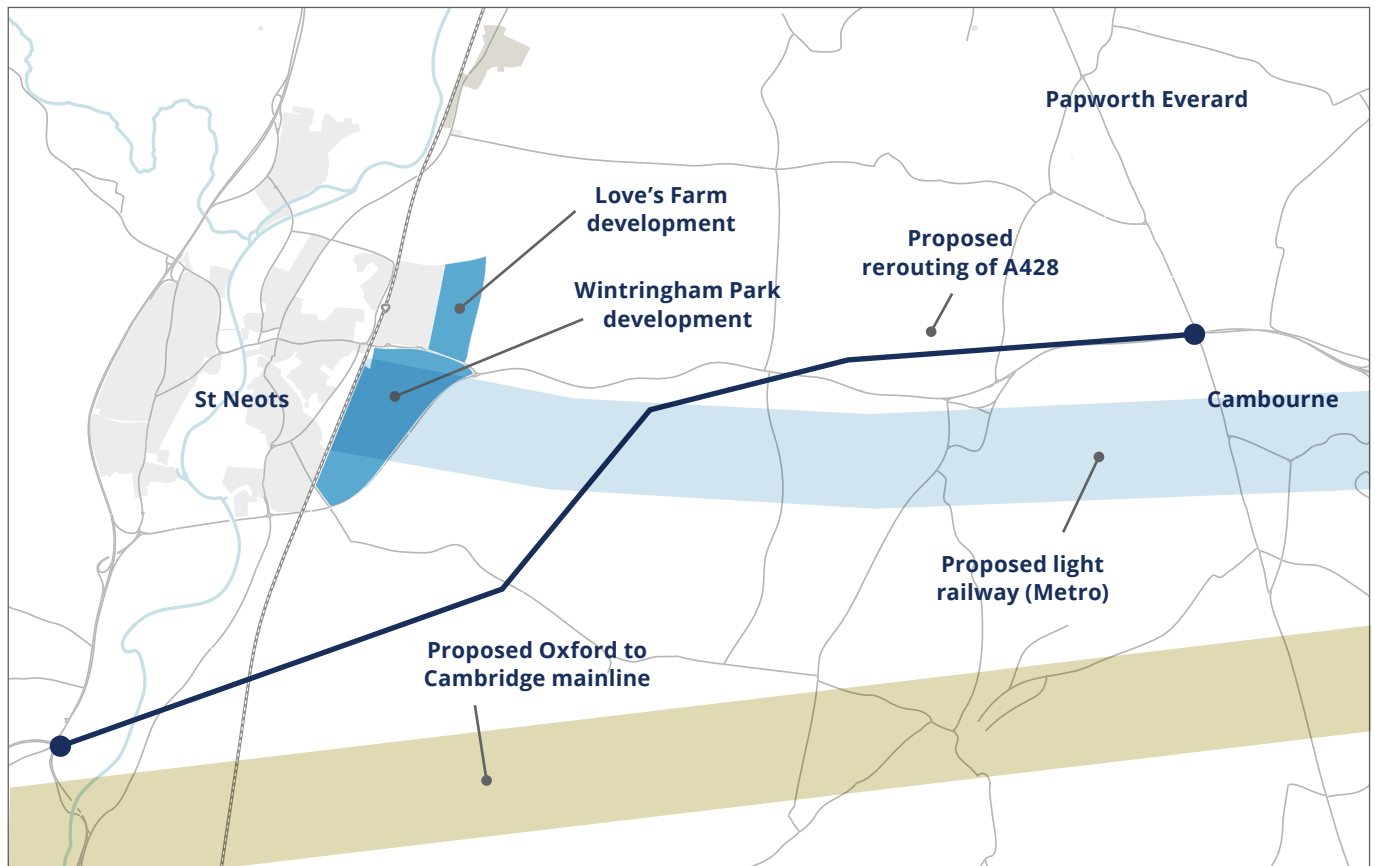
**JUNE 2018**

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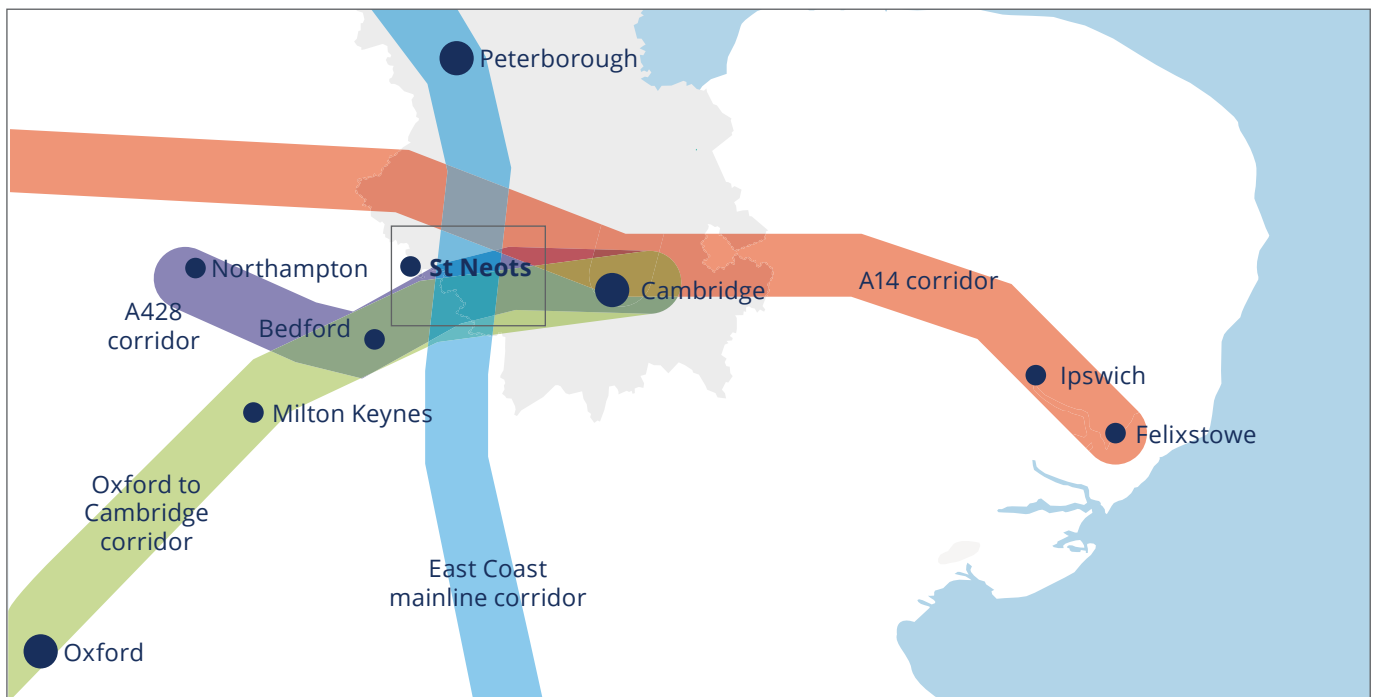
2	St Neots in context
3	Executive summary
4	Introduction and background
5	The economic case
7	The strategic case
8	Phasing the St Neots Masterplan
	Phase one strategic business case – a vibrant town centre
9	— Improving footfall in the town centre
12	— Generation business activity in the town centre
13	— St Neots smart town
14	Phase two – programmes currently in development
17	Programme management
18	The commercial case
19	The financial case
20	Monitoring and evaluation
	Appendixes – scheme delivery plans
	<i>Available from lead delivery partners</i>



# ST NEOTS IN CONTEXT



Proposed route for Oxford to Cambridge mainline and light railway (Metro) are for illustrative purposes only.





## EXECUTIVE SUMMARY

St Neots will be a sub-regional manufacturing dynamo, a town that interacts with neighbouring towns and cities as part of a balanced economic system, where local people work in local jobs and enjoy a vibrant and well-connected town with a thriving centre.

This is the vision at the heart of the St Neots Masterplan for Growth. This report brings forward £5.8 million of investments and initiatives which the Steering Group believe will pave the way for accelerated growth, £4.1 million from the Cambridgeshire & Peterborough Combined Authority (CPCA). This is a vital first stage in the delivery of an additional £185 million of Gross Value Added (GVA) which includes the following initiatives.

### INITIATIVES FROM PHASE ONE

- 1** For the first time, a holistic range of interventions that will rejuvenate St Neots town centre as the linchpin of the Masterplan strategy to bring more industry and local jobs to St Neots.
- 2** Plans to boost the future growth of the St Neots manufacturing and KIBS (Knowledge Intensive Business Services) sectors, including a commitment from Urban&Civic to accelerate the provision of incubator space on Wintringham Park.
- 3** A brand new central bridge alongside an improved riverside area – opening up new spaces as part of a more vibrant town centre.
- 4** St Neots becoming the first smart town in the country – bringing the digital connectivity programme from our cities to our market towns for the first time.
- 5** Establishing a new joint investment vehicle to take direct control over commercial space in St Neots where intervention is needed to unlock prime sites.
- 6** Bringing major employers like Kier Group and the St Neots Manufacturing Club together to invest in better provision of skills training and career opportunities to residents.
- 7** A comprehensive transport study, linked to the future Metro and Expressway, which will take traffic away from St Neots town centre.

Image credit: Vision of what St Neots town centre might look like in the future. With prominent vacant properties brought back into use, a vibrant Market Square, and better environment for visitors (Image created pro bono by the Neotists on behalf of the masterplan).

The Combined Authority objective is to double the GVA across the region. Such growth is unlikely in our market towns without strategic intervention and detailed planning.

The St Neots Masterplan for Growth arose from this strategy. The aim is to deliver a plan which stimulates the St Neots economy to grow faster, increasing business growth and the quality of life for residents. This will act as a template for the delivery of masterplans for other towns. When the programme has been fully rolled out these towns will be enjoying a revitalised central-area economy, have a thriving employment base with reducing daily commuting numbers, a well-established education and skills systems in tune with local employers, an advanced digital economy which supports the daily movements of the town, sufficient affordable homes to support the growing population.

The St Neots Masterplan for Growth was produced independently by Inner Circle Consulting as the result of extensive stakeholder consultation and economic analysis. It was approved by the Combined Authority board in October 2017 and a Steering Group was appointed to develop business cases for the initiatives proposed. It is firmly believed that this masterplan approach, and investment in the complete first package of interventions, will position St Neots as a strategic hub in the Cambridge/Milton Keynes/Oxford Corridor as a priority growth engine for Government over the next thirty years.

“ This is a very positive example of a market town taking responsibility for its own destiny, deciding the sort of place it wants to be, and partnering to achieve it.”

*Cambridgeshire and Peterborough  
Independent Economic Review – May 2018*

## INTRODUCTION AND BACKGROUND

St Neots has been the subject of many initiatives in recent years; each designed to regenerate the economy of the town centre and make the town a better place to live. A strong community spirit exists, with more than 17,000 members of the town's Facebook page, stimulated by an active cultural and amenities programme, but the town centre Initiative and the recently completed neighbourhood plan have been unable to arrest the slow decline of the town centre and the steady fall in employment opportunities in the town area.

The masterplan identified that a regeneration plan must be developed and delivered by a multi-discipline group and demands the simultaneous development and delivery of all aspects of social, economic and transportation reforms; supported by consistent and substantial funding. Above all it demands unwavering support from all those stakeholders who represent the source of the funding, the social and economic organisation of the town, and finally a strictly non-partisan approach to local politics.

To this end the Steering Group was established which brings together representatives from the town, district, county, combined authority, the local manufacturing sector, the creative industry, adult learning and skills, community development and resilience, town amenity and cultural programming, town centre development, and transport infrastructure. The Steering Group has met monthly since October and has also formed into smaller working groups assisted by specialist outside skills, for example digital technology and transport modelling, whenever appropriate.

The Steering Group terms of reference confirms the importance of solid financial businesses cases to support all interventions and to that end the Cambridgeshire and Peterborough Independent Economic Commission, Chaired by Dame Kate Barker, represents a vital guide and arbiter of the proposed outcomes and their impact upon the growth of GVA.

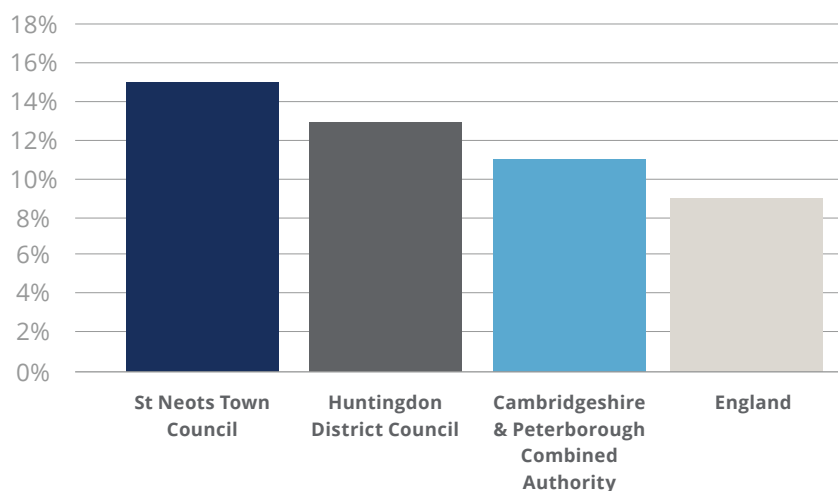
# THE ECONOMIC CASE

The development of the St Neots Masterplan for Growth assessed the economic growth potential of the town within the existing statutory framework, including the local plan and neighbourhood plan. This identified a growth potential of; 3,600 new jobs and 4,000 new homes by 2036. This has the potential to generate a £185 million increase in the Gross Value Added (GVA) generated by the town. The accelerated delivery of this growth, in line with the strategic economic strategy for the wider area, will be ensured by the masterplan approach.

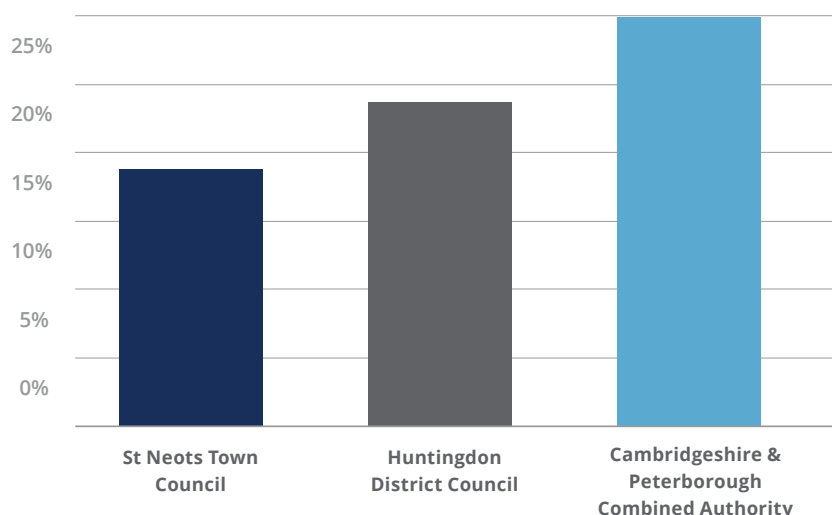
For example, the masterplan identified two specific sectors which provide growth opportunity for St Neots based upon their current footprint within the town alongside future growth plans for the wider area; manufacturing industries and KIBS.

Furthermore, the Interim Cambridgeshire and Peterborough Independent Economic Review (CPIER) outlines advanced manufacturing and materials as one of the strategic growth sectors which the region should seek to prioritise in strategies, noting its high levels of productivity and its interrelationship with other high-growth sectors that are fuelled by the products of manufacturing businesses.

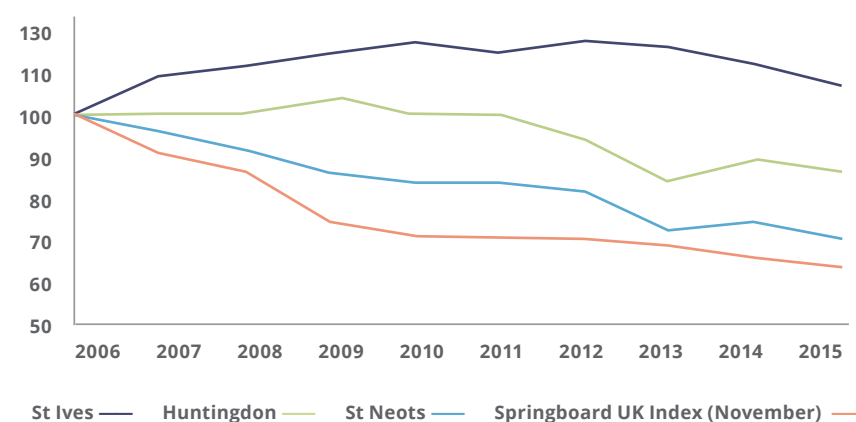
Manufacturing employment 2014<sup>1</sup>



Kibs supporting industries<sup>2</sup>



Footfall change (indexed 2006 + 100)



1 Source: ONS Crown Copyright Reserved, <https://data.gov.uk/dataset/gva-per-workforce-job-in-london-and-the-uk>

2 Source: GLA Economics, <https://data.gov.uk/dataset/gva-per-workforce-job-in-london-and-the-uk>, ONS Crown Copyright Reserved

The analysis that underpins the masterplan identifies that currently approximately 25% of the GVA generated by those that live in the town is lost because it is generated outside of the Combined Authority area. St Neots has a wealth of highly-trained professionals living in the town but working outside of the area. For example, there is a net outward migration of nearly 3,000 workers from St Neots every day, and nearly 400 people work in the high-value and high-growth KIBS industries but commute out of St Neots.

It is a central vision of this masterplan to capture that lost economic activity by creating the conditions that will enable those currently commuting to start up businesses and work in St Neots.

Thriving market towns are dependent upon vibrant town centres. These act as economic hubs in their own right but have a larger role to play in the overall economy of a town. A critical factor in the decisions taken by major businesses to relocate or grow will always be the attractiveness and vibrancy of a place. Like many towns up and down the country St Neots is finding itself competing with major cities, and the decline of the town centre is not only exemplifying but adding to this challenge.

Therefore, the masterplan is focused on not only achieving a GVA uplift of £185 million, but in doing so building the foundation for a town that is home to productive and prosperous industries in its own right which will drive even further economic gain.

This will be measured through a comprehensive basket of key indicators and associated targets. These are outlined in detail on page 20 of this report. They include:

- town centre footfall
- the national Javelin Venuescore measure for town centres
- the number of vacant retail premises
- the impact of the events programmes, and
- visitor satisfaction.

These measures around the vibrancy of the town centre are in turn contributors to the wider economic measures of the masterplan as a whole, namely the GVA of the town and the total number of jobs in the town.



# THE STRATEGIC CASE

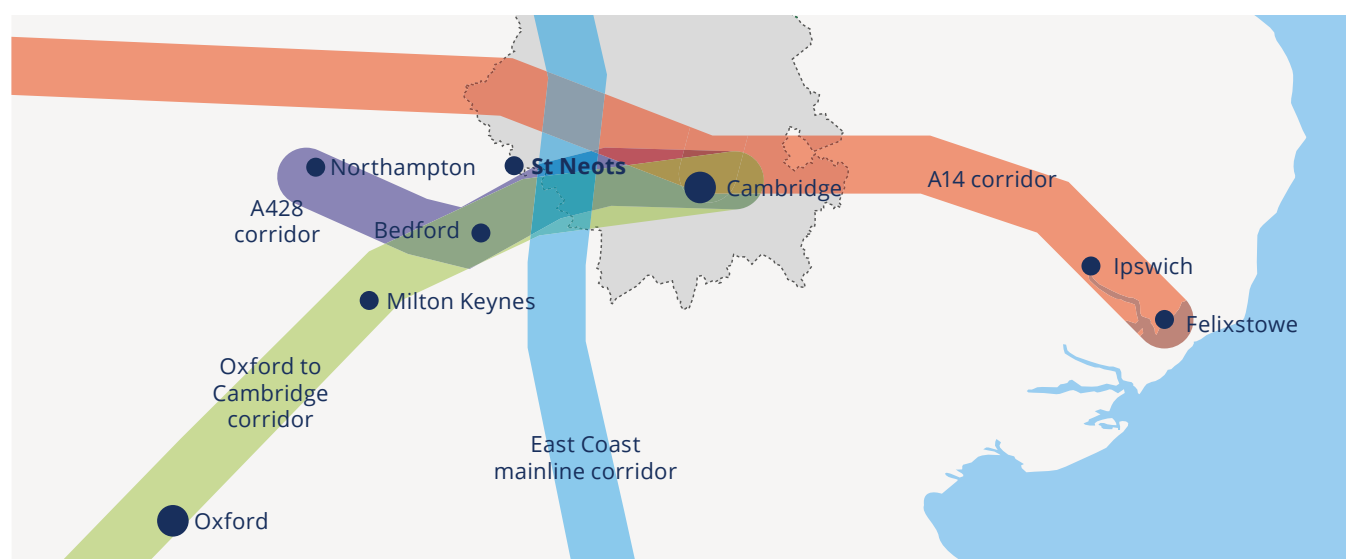
The St Neots Masterplan for Growth sits within the strategic context of the Combined Authority's development of a Local Industrial Strategy for Cambridgeshire and Peterborough.

The Local Industrial Strategy is currently being developed by the Combined Authority and will pick up recommendations made by the Cambridgeshire and Peterborough Independent Economic Review which was published in interim form on 9 May and which had the following findings which are significant for St Neots.

“The consultation has revealed strong and perhaps unusually high levels of excellence, such as the work of the Combined Authority, Huntingdonshire District, and St Neots Town Council on the St Neots Masterplan for Growth. Clearly this is one example of the new system starting to work, underpinning by the principle of subsidiarity which has been key to the ‘devolution revolution.’ We also note that this is a very positive example of a market town taking responsibility for its own destiny, deciding the sort of place it wants to be, and partnering to achieve it. Other market towns should look to develop their own futures, by allowing themselves to grow, and by creating jobs for local people to ensure that economic vibrancy does not just become the preserve of larger settlements.”

Within the context of the Local Industrial Strategy the Combined Authority has already committed to the development of a Masterplan for Growth for every market town in Cambridgeshire. St Neots has benefited from being the trail blazer market town for this initiative and is therefore well placed to take a prime position within this strategic setting.

Furthermore St Neots is located within the strategically significant Cambridge/Milton Keynes/Oxford Arc which has been assessed by the National Infrastructure Commission as being “a single knowledge-intensive cluster that competes on the global stage. The Commission identifies opportunities to create well-designed, well-connected new communities and deliver one million new homes and jobs in the area by 2050” [www.nic.org.uk/our-work/growth-corridor](http://www.nic.org.uk/our-work/growth-corridor). The corridor is therefore of strategic importance for government as well as the Combined Authority and other local partners, and the progression of the St Neots masterplan within that context is a strategic opportunity.





## PHASING THE ST NEOTS MASTERPLAN

The Steering Group has initiated a number of programmes to deliver the Masterplan for Growth. By necessity these are being brought forward in a number of phases as set out below. Each of these phases are of course connected by the overarching strategic context of the masterplan itself.

It should be noted at this point that the long-listing of options, and the options appraisal process itself was carried during the exercise of developing the masterplan. This was carried out through a Place DNA Tool run by Inner Circle Consulting;

“The Place DNA Tool analyses performance across seven key areas — regeneration, planning, infrastructure, transport, housing, community and industry.

The skill of application of the findings from the Place DNA analysis is the incorporation of subjective information. This subjective information forms external influences on the activation of certain parts of the towns’ genome.

To identify the external influences and their importance we combined the Place DNA data backed analysis with the feedback that we have secured from local stakeholders, politicians, community activists and business groups. The results allow the identification and confirmation of issues and influences that are underlying the economy of the town.

Appropriate interventions are then formed from the combined analysis. Programme and policy interventions form the basis for a holistic masterplan for growth that supports and invigorates the towns unique economic place DNA genetic make-up.”

Therefore in the development of this strategic business case these options have been taken forward and been further tested and developed in their own right.

“ As the pilot market town within the Combined Authority market town programme, it is pertinent to bring forward a first phase of activity that addresses the heart of these towns across our whole county – a vibrant and thriving town centre and market which act as the hub for community and business life in the town.”

Caption: Vision of redevelopment potential of priory quarter, utilising currently vacant properties as part of masterplan approach.

# PHASE ONE STRATEGIC BUSINESS CASE

## — A VIBRANT TOWN CENTRE

The Phase One Strategic Business Case brings together packages under the banner of creating a more vibrant town centre.

- Improving footfall in the town centre.
- Generating business activity in the town centre.
- St Neots smart town.

This strategic business case is being sponsored by the St Neots Masterplan Steering Group for endorsement and collective investment by Cambridgeshire & Peterborough Combined Authority (CPCA), Cambridgeshire County Council (CCC), Huntingdonshire District Council (HDC), and St Neots Town Council (SNTC).

This strategic business case is a collective proposition bringing together the following programmes, with the associated funding sought. Detailed outlines and implementation plans for each scheme are complete and available from the relevant delivery organisation.

### SUMMARY OF EACH PROPOSAL

## IMPROVING FOOTFALL IN THE TOWN CENTRE

### NEW TOWN BRIDGE AND THE RIVERSIDE

St Neots Riverside area has already seen a number of recent improvements, including the development and opening of the Riverside Miniature Railway (RMR) which operates as a community interest company (CiC) and is run entirely by volunteers. Since opening in 2017 it has received overwhelming support from the St Neots community, town and district councils, and many local businesses that have helped fund its development.

This has greatly increased footfall to Riverside Park and has subsequently benefited the Ambiance Cafe also located there. As a result, the café has re-opened the pitch and putt in the park, further adding to the leisure offer for visitors. They are also considering bringing back a rowing boat hire service on the boating lake. This illustrates the latent potential of the Riverside area.



Image of St Neots Masterplan preferred statement bridge design by Knights Architects.



The construction of a new pedestrian and cycle bridge for St Neots town centre was therefore identified as a major opportunity in the masterplan and has also been prioritised as part of the Combined Authority's Priority Transport Schemes [www.cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/Transport-Delivery-2018-19-280318.pdf](http://www.cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/Transport-Delivery-2018-19-280318.pdf). As part of this process the bridge has been evaluated through the Combined Authority's infrastructure funding criteria and is therefore included as part of the infrastructure programme.

The wider opportunity now is that this new bridge will be brought forward in line with the strategic context of the masterplan, as a result this scheme has been combined with another masterplan recommendation to create a more attractive riverside area. This wider scheme will now play a key role in linking the Market Square with the riverfront and will include; the new bridge, an improved riverfront paths linked to the bridge, this will also include the provision of a riverfront bandstand (linked to the project to deliver an enhanced events programme).

## ENHANCED MARKETING AND EVENTS PROGRAMME

St Neots already has a comprehensive annual community events programme; the majority of the larger scale events are organised and funded by St Neots Town Council, although several well-established local organisations also successfully contribute towards the annual programme. Across the year St Neots has more than twenty large scale, well supported events, all of which are free to attend. The largest annual events include the Armed Forces Day Gala, Dragon Boat Festival, Rowing Regatta and Christmas Lights Switch On which all attract in excess of 5,000 attendees and are well supported by local businesses. Other popular cultural events include the Museum's Living History Festival, Food and Drink Festival, Business Showcase, Summer Band Concerts, Film Festival and May Day Fete.

In August 2018 the Inland Waterways have chosen to hold their annual Festival of Water in St Neots, which will see visitors from near and far descend upon the town. The festival attracts more than 100 boaters, campers and 7,000 attendees are expected to visit St Neots over the course of the weekend.

The county council's library service is programming arts activities as part of The Library Presents programme. Two seasons, Autumn and Spring, will be hosted by St Neots Library in the town centre. These will be a mix of evening and family-friendly daytime events, which are selected by local people from a menu of high quality activity. Some events may be held in alternative St Neots locations, as the Library may not be large enough. The Library Presents is funded for four years by Arts Council England (previous programmes available, next season begins September 2018). [www.cambridgeshire.gov.uk/residents/libraries-leisure-&-culture/libraries/library-news/library-presents](http://www.cambridgeshire.gov.uk/residents/libraries-leisure-&-culture/libraries/library-news/library-presents).

As there is already a wide breadth of events taking place across the town, the masterplan project should look to build on the success of established events, opening them to a wider audience and enhancing the offer. St Neots Town Council has already started engaging with town centre stakeholders to gain opinion on which events and activities would benefit businesses in the town centre and increase footfall.

But there is currently insufficient human resource to deliver the quantum of desired activity. This project will see the two-year provision of a full-time events and promotions manager and a small additional operational budget to work alongside the town council to enhance the delivery of the

existing events programme with additional and/or bigger events and promotion campaigns. In the first instance the detailed feasibility of a Business Improvement District (BID) being established will be pursued as it is proposed that the BID mechanism could be used to provide a longer-term source of funding to support this additional activity for up to five additional years and possibly beyond.

Since the national legislation was passed in the UK 14 years ago, BIDs have become one of the most popular and sustainable place management funding tools in the country. With almost 300 BIDs operating in the UK, they have proven to be a sustainable source of funding to help places proactively manage improvements and initiatives that promote the growth and well-being of a locality. BIDs are established by means of a ballot of potential levy payers and where they have been in operation for a five-year period and gone to a second or third term ballot, support is almost always increased, clearly demonstrating the value perceived by the businesses that are paying for them.

In 2017 51% of BIDs reported other external investment income as a direct result of their BID activity. With a leverage factor of 0.31, BIDs in total increased the income into their community above their own levy income by 31%.

## TOWN CENTRE TRAFFIC IMPROVEMENTS

A major identifiable reason for the current under-performance of St Neots town centre is the large amount of traffic which, by necessity, uses the High Street. This has built as an issue over time as a result of St Neots' expansion and inadequate sticking plaster measures to address the pressures between vehicles and pedestrians. This has resulted in a High Street and a Market Square which are unpleasant for pedestrians and therefore at odds with creating a vibrant town centre.

Therefore the masterplan will tackle this issue strategically. A transport study will be undertaken which will examine traffic flows in and around the town centre and will report back solutions. This study will take into account the impending upgrade to the A428 as part of the Expressway between Cambridge and Oxford, as well as the two bridges on the B1041 on the approach to Little Paxton.

The potential for reopening Priory Lane for one-way traffic has been discussed and tested by the masterplan group and will be strongly considered as an option within this study. This option has been identified as a priority by the Steering Group and will therefore be considered in the first phase of the study.

## MARKET SQUARE STREET FURNITURE

These collective interventions to boost the vibrancy of the town centre can only be successful if the town centre is a visually appealing and easily accessible space. These are the final aspects which need to fall in place to increase footfall and therefore economic activity in the centre.

This needs to be done in line with existing character and heritage of St Neots – bringing a distinctiveness to the town centre that will add to appeal. Therefore the masterplan package includes provision to; provide cycle parking in and around the town centre, and to improve bus stop infrastructure.

# GENERATING BUSINESS ACTIVITY IN THE TOWN CENTRE

## INVESTMENT VEHICLE TO UNLOCK COMMERCIAL SPACE

Being developed by Huntingdonshire District Council is the concept of a revolving capital fund to support targeted interventions. This would create a vehicle whereby prominent vacant properties could be acquired and developed in line with the strategic direction of the masterplan, stimulating the economic vibrancy of the town centre at the same time as creating a recyclable fund.

Huntingdonshire District Council already operates a Commercial Investment Fund (CIF) that has seen significant investment within and beyond the district, aimed primarily at commercial floor space but also potential towards accelerating the housing market. The purposes of that fund are clear and indeed currently involve the likely acquisition of a major commercial asset in the town which would secure its longer term future and thereby the vibrancy of the town, and so can be seen already complimentary to supporting the economic success of the district. Based on that successful track record, the council is seeking to explore a separate Market Town Investment Fund gyratory financing model. The purpose of that would

- enable strategic financial interventions, whether that be through acquisition of property (often not driven by commercial return)
- implementation of minor capital projects where there is a proven business case (the bottom lines of which may be related to financial return, but more likely to be linked to social or environmental benefits and creation of place), or
- fund partnership working with other agencies to deliver community benefit (including the Combined Authority).

The operational principles and potential funding mechanisms are currently being refined for endorsement, with a view to establishing an approach that could be replicated and applied across the districts other market towns within the ongoing masterplan programme. It is envisaged that within such an investment approach, the Community Infrastructure Levy receipts of the St Neots Town Council could similarly be utilised, at least a proportion, to support and supplement a proactive local investment strategy.

## BUSINESS GROWTH DEMAND MARKET SURVEY

It is critical to the success of this masterplan that all the constraints facing local businesses are understood. For example, a commercial property audit of unused and available premises (action 01S) has been produced and has identified there is very limited appropriate and/or available commercial space in the town at present.

Therefore, as part of the Masterplan for Growth's first phase of delivery, the project Steering Group propose a targeted market research study is commissioned to identify the core needs of St Neots' existing business community and provide qualitative and quantitative insight into the key factors restricting commercial growth. This research is essential in order to prepare an effective strategy to deliver the above medium and long-term programmes aimed at increasing commercial activity within the town.

This research will underpin a huge amount of the next phase of masterplan activity, including the application of the investment vehicle to be established – so that investments are targeted against demonstrable business and industrial need.

A second phase of this work, to come later, will also extend the scope to those businesses currently outside of St Neots and what it would take to incentivise them to move to the town.

## ST NEOTS SMART TOWN

Through this programme St Neots will become the first smart town in Cambridgeshire. Digital technology now underpins almost all aspects of modern living in every sphere across work, travel, leisure, and health; and increasingly it impacts on economic strength. Across the county and in Cambridge the smart cities concept has arisen to discover practical ways in which data, innovative technology and better connectivity can be used to transform the way people live, work and travel.

This agenda though has not yet made it across to our market towns. As part of the Combined Authority's market town programme, and using the opportunity of St Neots as the pilot of that programme, it is proposed that St Neots is established as the first smart town in Cambridgeshire.

This will involve an initial discovery phase which will involve the testing of Smart Cambridge products in St Neots (such as smart data dashboards), consider how the libraries Makerspace initiative will promote the development of high end technology skills to support the smart town, and carry out engagement with the St Neots community to identify priority projects.

St Neots Scheme	Lead delivery partner	Funding in place	Funding sought from CPCA	Total investment
<b>Smart St Neots</b>				
Roll-out of St Neots smart town: Discovery phase	Connecting Cambridgeshire	Nil	£30,000	£30,000
<b>Town Centre Footfall</b>				
New town bridge and regatta riverfront	Cambridgeshire County Council	£1.5 million (CCC inc HDC S106 provisions)	£2.5 million £0.6 million	£4.6 million
Enhanced marketing and events programme / Business Improvement District	St Neots Town Council and Huntingdonshire District Council	£51,048 (SNTC/HDC)	£258,941	£309,989
Town centre traffic study	Cambridgeshire County Council	Nil	£175,000	£175,000
Market Square street furniture	Cambridgeshire County Council	£10,000* SNTC	£40,000	£50,000

Town Centre business development				
Business growth demand market testing	St Neots Town Council	Nil	£12,000	£12,000
Investment vehicle to unlock commercial space	Huntingdonshire District Council	Being scoped currently		
Programme				
Programme management	Huntingdonshire District Council	£95,333 (HDC)	£471,130 (All Hunts Towns)	£566,463
Total		£1.7 million	£4.1 million	£5.8 million

## PHASE TWO (PROGRAMMES CURRENTLY IN DEVELOPMENT)

Alongside the development of this vibrant town centre Strategic Business Case the Masterplan Steering Group has also been developing a pipeline of activity and further programmes. There are significant relationships and interdependencies between the Strategic Business Case and this pipeline.

The use of industrial and commercial space in line with the industry recommendations of the masterplan assessment.

The St Neots Masterplan for Growth identifies the key sectors that can play a major role in the future prosperity of the town, but only if the right interventions are made to support these sectors to grow. While Phase 1 is largely focused on the regeneration of the town centre, the second phase is focused on this sector-based industrial support and a significant amount of work is already underway. A key element of this sectoral growth support is ensuring appropriate land supply to meet current and future demands.

For example, the masterplan identifies the provision of future space for KIBS businesses as an industrial priority. This is emphasised by the fact that the current provision (Wyboston Lakes and the town centre based Workstation) are at full capacity, with waiting lists of businesses wanting to move in.

There are significant opportunities to prototype this approach in the existing growth allocations in the St Neots eastern expansion sites at Loves Farm and Wintringham Park, both of which are at advance stages of development consent. And include mixed communities of housing, employment and services space and community and education facilities.



The opportunity is even more timely during these beginning stages of development of the Cambridge/Milton Keynes/Oxford Corridor, into which the town should position itself strongly.

The Masterplan Steering Group have engaged with Urban&Civic as developers of the Wintringham Park site which is a major aspect of the eastern expansion of St Neots. Wintringham Park has in principle planning permission for 2,800 homes and includes 63,500m<sup>2</sup> of employment space. This is quite simply a once-in-a-generation opportunity to shape and stimulate the next phase of St Neots' economic growth.

The Masterplan Steering Group has successfully agreed with Urban&Civic that this employment space can be brought forward in line with the masterplan, namely that creative space will be designed to support the development of the KIBS and Creative sector, and light-industrial and research and development space will be provided to support the development of the manufacturing sector.

The aspiration runs much deeper than this headline and the Masterplan Group has now invited a representative from Urban&Civic to work with the Steering Group to ensure that the site is designed and delivered to the highest possible standards, and in a way which is connected to the town centre and the wider plans for St Neots.

Similar engagement is planned with Gallaghers who have already delivered Loves Farm Phase 1 and have embarked upon Phase 2 of that plan for an additional 1,020 new homes, 5.52 hectares of B1 employment space and 2.08 hectares of other commercial and servicing facilities, likely to generate circa 2,900 new job opportunities.

## PROVISION OF SKILLS TO MEET BUSINESS NEEDS

The masterplan analysis identified that there is a lack of industry ready training within St Neots and that industry leaders in the town have expressed concern over the limited availability of trained labour that is suitable for the type of production and design work that is required. In order to address this key issue the chair of the St Neots Manufacturing Club and the County Council's head of Adult Learning and Skills have been appointed to the Steering Group and are developing a specific skills and training programme for St Neots.

Through this it has been agreed that St Neots will be used as a case study for the Combined Authority's emerging skills strategy for the whole of Cambridgeshire and Peterborough. This will position the research and business engagement undertaken in St Neots at the forefront of strategic thinking for the county, and will also allow for the fast-tracked development of investment proposals.



The St Neots Skills workstream programme is developing against the following timetable:

<b>Plan to support skills</b>	<b>Actions</b>	<b>Resource</b>	<b>Milestones</b>	<b>Target/outcomes</b>
Short term	Research business need now and in the future including replacement staffing	SR to undertake research with key business contacts	Report on need produced by 11 May 2018	A clear picture of need will be articulated to assist a skills plan by September 2018
Medium term	<p>Provide support for careers staff in schools to understand the St Neots business landscape</p> <p>Raise aspiration and increase access for young people to a wide range of career choices and post-16 routes</p>	<p>Work with the Careers Enterprise Company and local schools one full time employee support worker</p> <p>*Included in costing</p>	Work to start in September 2018	<p>By 2021 the schools in St Neots will have achieved at least six of the eight Gatsby Benchmarks.</p> <p>By 2021 60% of young people in St Neots will go on to apprenticeships, vocational qualifications and higher education.</p> <p>By 2021 90% of disadvantaged young people will be in a sustained positive destination.</p>
Long term	Provide integrated bespoke training to support the growth of inward investment and existing business	<p>Work with iMET to establish the programme</p> <p>*Cost to be determined</p>	Plan ready by September 2018	Clear link to business growth-business report good access to available skilled staff in the local workforce.

# PROGRAMME MANAGEMENT

Governance arrangements have been established in to achieve collective community ownership of the St Neots Masterplan for Growth, responsibility for delivery of masterplan initiatives, and as a vehicle to oversee future iterations of the masterplan itself. This is made up of a Steering Group and Delivery Team.

Masterplan Steering Group	Masterplan Delivery Team
<b>Cllr Robin Howe</b> Huntingdonshire District Council <i>Chair</i>	<b>Nigel McCurdy</b> Huntingdonshire District Council <i>Chair</i>
<b>Tony Moscrop</b> St Neots Manufacturing Club <i>Deputy Chair</i>	<b>Dan Thorp</b> Cambridgeshire & Peterborough Combined Authority
<b>Cllr Derek Giles</b> St Neots Town Council	<b>Katie Williams</b> St Neots Town Council
<b>Mayor of St Neots Barry Chapman</b> St Neots Town Council	<b>Jack Eagle</b> Cambridgeshire County Council
<b>Cllr David Wells</b> Cambridgeshire County Council	<b>Elaine Matthews</b> Cambridgeshire County Council
<b>Richard Slade</b> Neotists	<b>Lynsi Hayward-Smith</b> Cambridgeshire County Council
<b>Gordon Round</b> Town Centre Initiative	<b>Sue Bedlow</b> Huntingdonshire District Council
	<b>Stuart Rushby</b> Cambridgeshire County Council

The Combined Authority commissioned the development of the masterplan and retain involvement as a strategic partner and funding partner. Lead responsibility for the implementation of the masterplan is with Huntingdonshire District Council, as demonstrated through their leadership of the two governance groups.

Specific schemes that are launched as a result of the masterplan will each be subject to specific delivery arrangements, and in each case a lead delivery partner will be identified. The delivery partner will be responsible to the funding organisation(s) for their specific scheme, and the Masterplan Steering Group and Delivery Team will play a coordinating role in ensuring delivery and assurance.



The high-level delivery timetable for the Phase One Strategic Business Case is:

	Delivery Date															
	2018/19				2019/20				2020/21				2021/22			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Town Centre footfall</b>																
Bridge (1) and Riverside (2)					2							1				
Enhanced marketing																
Town Centre traffic																
Street furniture																
<b>Town Centre business development</b>																
Business survey																
Investment vehicle																
<b>St Neots smart town</b>																
Smart town discovery phase																
Programme management																

## THE COMMERCIAL CASE

The fundamental commercial case for the masterplan is the unique benefit of all partners acting together as part of a holistic approach, rather than acting in isolation.

The masterplan approach means that maximum strategic alignment, programme delivery, and therefore value for money and impact can be achieved.

Acting in isolation, partners risk duplication, contradiction and unintended overlap – all of which lead to inefficient use of public and private resources.

Therefore, the development of the masterplan itself and the subsequent formation of the Masterplan Steering and Delivery Groups are a demonstrable commitment to strong commercial actions, and provide an ongoing check-and-balance against non-commercial approaches.

It should be further noted that, if considered and examined individually, some interventions will not have a commercial or financial case with strong returns. But the purpose and benefit of the masterplan approach is that a holistic set of interventions can be progressed, many of which would not come forward in isolation but which are nevertheless critical as part of an overall package – which is the masterplan ethos.

# THE FINANCIAL CASE

The implementation of the St Neots Masterplan is a collective financial investment from across the local authorities involved in the partnership; The Cambridgeshire and Peterborough Combined Authority, Cambridgeshire County Council, Huntingdonshire District Council, and St Neots Town Council.

The Combined Authority has invested £50,000 to develop the masterplan itself, and has noted the initial findings of a £5.8 million package of interventions necessary to achieve the £185 million GVA uplift possible within current statutory planning parameters.

When the Combined Authority board received the masterplan in October 2018 it noted that business cases should be brought forward in line with the combined authorities investment principles, namely that where possible capital should be recycled and long-term sustainable funding models should be sought. Two major schemes are being brought forward within these specific principles; the proposal for the implementation of a Business Improvement District as a sustainable funding source for town centre activity and events planning, and the creating of an investment vehicle to acquire and re-purpose prominent commercial spaces in the town centre.

Each scheme within the business case has a lead partner identified. The lead partner will be responsible and accountable for the financial management of the scheme, accountable directly to the relevant funding partner.

# MONITORING AND EVALUATION

To ensure that the impacts realised by this programme of investment are in line with expectations the following measure for monitoring and evaluation will be undertaken:

Town Centre vibrancy key indicators and targets		
Indicator	Baseline (and date)	Target (and date)
Town Centre footfall 1. PMRS methodology	At Boots, High Street 26,820 per week; average across 20 locations 9,450 per week (November 2015)	Springboard national average year on year change to November +4% by 2021 +9% from 2021 to 2026 +7% 2026 to 2031 +3% 2031 to 2036 <sup>1</sup>
Town Centre footfall 2. Footfall counters	To be established during first year following installation of counters (Autumn 2018)	Springboard national average year on year change plus: +4% by 2021 +9% from 2021 to 2026 +7% 2026 to 2031 +3% 2031 to 2036
Javeline venuescores	Rank 437 (2014-2015)	Rank higher than 420 by 2023
Vacant retail premises	18 units 9.8% (2016)	Less than 15 units, 8.8% of total and better than national average by 2% by 2023
Events programme	Data being finalised	Data being finalised
Visitor satisfaction (surveys to be conducted annually at 4 points in the year)	Baseline to be established by survey of 380 visitors (Autumn 2018)	Year on year increases in the overall rating of the visitor experience
Wider St Neots Masterplan Key Indicators and Targets		
GVA	£497,247,864 <sup>2</sup>	National average change plus: +4% by 2021 +9% from 2021 to 2026 +7% 2026 to 2031 +3% 2031 to 2036 <sup>3</sup>
Total jobs	11,500 (BRES 2016 - 4 wards)	National average change in employment plus: +4% by 2021 +9% from 2021 to 2026 +7% 2026 to 2031 +3% 2031 to 2036 <sup>4</sup>

1 Target % increase equates to projected population growth over the same period according to November 2017 trajectory update to the CRG MID-2015 population estimates and forecasts

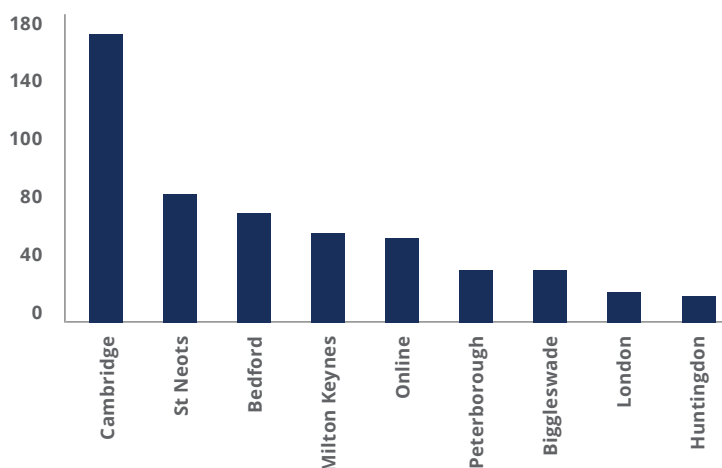
2 Blue Circle method 2 Based on census 2011 total jobs

3 Target % increase equates to projected population growth over the same period according to November 2017 trajectory update to the CRG MID-2015 population estimates and forecasts

4 Target % increase equates to projected population growth over the same period according to November 2017 trajectory update to the CRG MID-2015 population estimates and forecasts

To assess the impact on the revitalisation of St Neots town centre footfall monitors will be installed in at least four locations and impact on footfall measured 24 hours a day, every day of the year, reviewed and reported back to the Steering Group at six-month intervals. HDC has footfall data which has been collected over a ten year period between 2006 and 2015 so additional annual counts will be commissioned using the same methodology in order that impact can be measured against this baseline data too.

Number of occurrences of non-food shopping\*



\*386 households responded and many listed multiple locations.

Recent surveys of the Loves Farm residential area also produced data which corroborated evidence gathered for the masterplan regarding the large degree of residents who travel outside of St Neots for their non-food shopping (see diagram above). As part of the monitoring and evaluation of this programme further surveys will be undertaken annually to identify any changes in these trends and visitor perception surveys will be conducted in the town centre to assess the overall impact of the programme on perceptions of the town. Visitor perception surveys will measure factors such as visitor ratings of various aspects of the town (cleanliness, atmosphere, facilities, choice and quality of shops etc), areas of the town, what would make visitors stay longer as well as the overall visit experience. This breadth of information will help to shape projects in future phases of the masterplan programme.

## THE NEXT PHASE OF ST NEOTS' DEVELOPMENT

It is worth referencing at this point in the life of the masterplan that the Steering Group has also set its sights firmly on the future development of St Neots.

There will be major opportunities for future development within and outside of the town in the years to come, and the Masterplan Steering Group are committed to working together and working proactively so that these opportunities can be assessed thoroughly and can be promoted within a wider strategy for the town, rather than coming forward on an ad hoc and unplanned basis.

This is a joint commitment to a strategic partnership approach at this stage, but one which has the potential to bring a fundamentally new dimension to future development in this key market town by collaboratively identifying and influencing its locational advantages for future employment, commercial and housing growth and positively exploiting the CaMkOx Corridor and A1/East Coast mainline opportunities to leverage profile and investment, particularly for future rail and road infrastructure.

Specifically the Masterplan Steering Group has identified that the accelerated provision of the 3,600 jobs currently within the local plan is just the starting point. The true impact of the masterplan will be in paving the way for the accelerated delivery of the circa 4,000 extra jobs which will come to St Neots above and beyond the current local plan, and how the next local plan can be shaped to best support the local industries that will underpin future expansion of the town.





<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 2.2</b>
<b>27 JUNE 2018</b>	<b>PUBLIC REPORT</b>

## **STRATEGIC SPATIAL FRAMEWORK PHASE 2**

### **1.0 PURPOSE**

- 1.1. The recent interim report by the Cambridgeshire and Peterborough Economic Commission identified historic levels of growth in this area. Planning has never been more important, especially to provide both a strategic and local response to the demands on infrastructure, housing and the enablement of economic growth. In this context, and building on the initial phase, this report brings forward the next stage of work on the Cambridgeshire and Peterborough (Non-Statutory) Strategic Spatial Framework.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Cllr Lewis Herbert, Portfolio for Strategic Planning</b>
<b>Lead Officer:</b>	<b>Adrian Cannard, Strategy and Planning</b>
<b>Forward Plan Ref: 2018/006</b>	<b>Key Decision: Yes</b>
The Combined Authority is recommended to:  (a) Agree the work programme and approach for Phase 2 of the Strategic Spatial Framework;  (b) Agree a budget provision of up to £135,000 for Phase 2.	<b>Voting arrangements</b>  Simple majority of all Members

### **2.0 BACKGROUND**

- 2.1. The Cambridgeshire and Peterborough Strategic Spatial Framework brings together the growth ambitions of the area. The Framework will support the early delivery of developments set out in existing Local Plans whilst also

defining the Combined Authority's ambitions, particularly in relation to jobs and housing growth, infrastructure needs and inclusive growth. The Framework will provide significant additionality to the existing local planning framework and will support the case to Government for further reforms and freedoms / flexibilities to support growth to 2050.

- 2.2. The devolution deal for Cambridgeshire and Peterborough is centred around achieving ambitious levels of growth across Cambridgeshire and Peterborough for the benefit of all our communities, including over 100,000 new homes and 90,000 new jobs by 2036, with the Strategic Spatial Planning Framework acting as a framework for planning across the Combined Authority area and for the future development of Local Plans.
- 2.3. The Combined Authority Board set an overarching timetable and process for the development of the Strategic Spatial Framework, with a Phase 1 report produced by the end of February 2018, and a Phase 2 report by the end of 2018.
- 2.4. The Phase 1 Report was approved by the Combined Authority Board in March 2018. It set out:
  - How the Combined Authority will support the implementation of development strategies and growth in Local Plans to 2036, so that jobs and homes ambitions are met. It also identified 13 strategic objectives where the Combined Authority can add value to the delivery of that growth, including tackling disadvantage, housing affordability and the disparities of our local economies.
  - The opportunities for longer-term strategic planning between the Combined Authority and Planning Authorities from 2036 to 2050 including through ongoing stakeholder engagement.
  - The intention for Cambridgeshire and Peterborough's authorities and other public and private sector partners to continue to work together collaboratively and strategically to achieve growth – in line with the direction set out in Government's current planning reforms.
- 2.5. Since the publication of the Phase 1 report, the Cambridgeshire and Peterborough Independent Economic Commission (CPIER) has published its interim report. The CPIER is the most in-depth economic analysis ever undertaken for Cambridgeshire and Peterborough and its neighbouring areas and the advice and evidence base will be used to inform future economic strategies and investment decisions and future discussions and negotiations with Government around further devolution of funding and powers.
- 2.6. The headlines and key features from the interim CPIER were considered by the Combined Authority Board in May 2018. The analysis suggests:
  - That the Cambridgeshire and Peterborough economy is stronger than Government figures say.

- The economy has the potential to grow more than current Local Plans suggest.
  - The area's sector specialisms are strategically important to the UK.
  - That there are broadly three economic sub-regions within the region and that strategies and interventions are needed to the specific needs of each to stimulate growth and achieve better overall outcomes.
  - We need to prioritise skills provision and training, starting with early years schooling.
  - There is a significant infrastructure deficit that is constraining growth, so we need to find ways to fund and deliver it
- 2.7. The CPIER will undertake further analysis and investigate a number of lines of enquiry (including amongst others, housing supply and affordability, infrastructure priorities, utilities, digital connectivity, tackling inequality and deprivation, improving health outcomes) over the summer with a view to bringing forward a set of policy recommendations in the final version of the CPIER in September 2018.
- 2.8. The Combined Authority is also progressing work in the development of the Housing Strategy, Local Transport Plan etc and a Strategic Review of the features and timeframes for all transport corridors.
- 2.9. In this context, and building on the initial phase of the Strategic Spatial Framework, this report brings forward proposals for the approach and resources needed to deliver the next stage of work of the Framework to 2050.

### 3.0 STRATEGIC SPATIAL FRAMEWORK PHASE 2

#### Scope

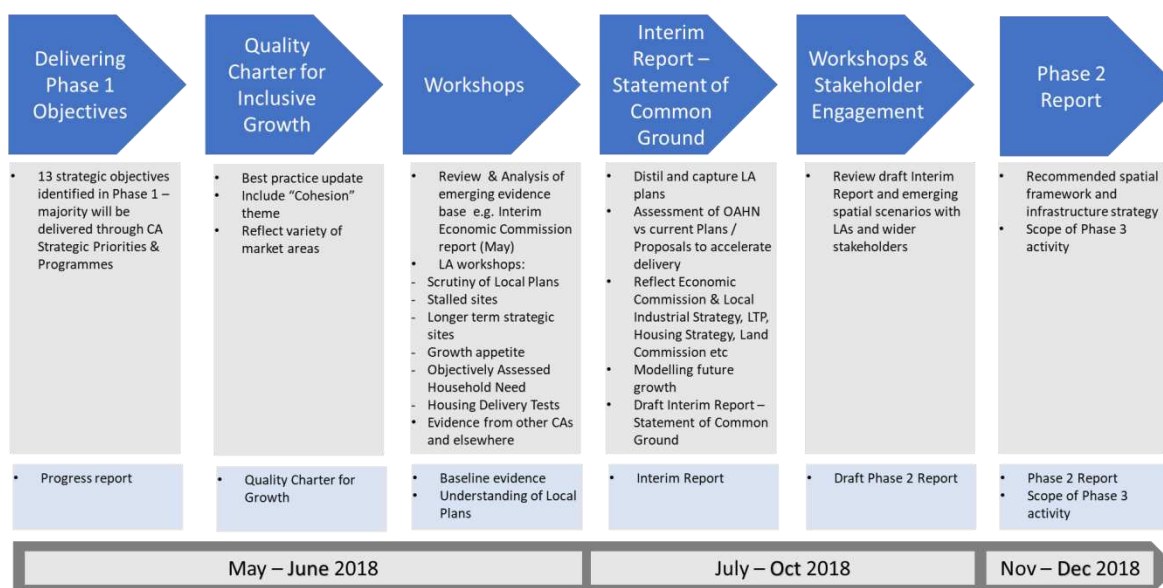
- 3.1. **Planning horizon** - Phase 2 of the Strategic Spatial Framework will consider growth ambitions and infrastructure needs beyond that currently addressed in Local Plans extending to 2050. Future growth ambitions will be presented in time blocks (e.g. 2025, 2030...to 2050), to take into account existing Local Plans and the practicalities of reviewing policies.
- 3.2. **National Policy** – the Government is bringing forward changes to the statutory planning process (anticipated Summer 2018). The Strategic Spatial Framework affords Cambridgeshire and Peterborough an opportunity to make a coordinated response and to consider the policy and technical/operational implications across the region. The changes are expected to include:
- A greater emphasis on deliverability.
  - Viability questions being addressed at the plan-making stage.
  - Presumption in favour of new developments if areas are assessed to be under-delivering.
  - Strengthened requirements to demonstrate effective cross-boundary working through a "Statement of Common Ground".
  - A standard method of determining housing need.



- 3.3. **Cambridgeshire and Peterborough emerging strategies and evidence** – in addition to national policy changes, the Strategic Spatial Framework will be informed by the Combined Authority's emerging strategies and evidence including the CPIER and its view of the region's three local economies and jobs growth to 2050; the Local Industrial Strategy that will flow from CPIER; the Local Transport Plan, and the Skills and Housing Strategies; the priority transport programmes (including the Cambridge Autonomous Metro, M11 extension, A10, A47 dualling, new rail stations and rail studies) and the Strategic Sites identified in the Strategic Spatial Framework Phase 1 report.
- 3.4. The Strategic Spatial Framework provides the opportunity to draw these strategies and evidence together, alongside the plans and strategies of other public sector partners such as Health and Bluelight, and private sector partners such as utilities and telecommunications, ensuring growth and delivery are considered together in support of the region's wider ambitions as set out in its Four Year Plan.
- 3.5. **Housing** – the Framework will seek to establish the long-term plans for housing growth across the area. CPIER will be asked to produce their job forecasts at a sub-regional and District level over the periods 2030, 2040 and 2050, and to link this to income levels and the impact on home ownership/affordable housing. Taking into account existing housing stock, the forecasts of jobs growth and demographic changes, Phase 2 will set out the implications for the balance and net additions of (a) affordable housing (across tenures) and (b) market sale housing by District and sub-regions/zones of growth for 2030, 2040 and 2050. It would also outline the mix of infill/intensification and new settlements to deliver this and make wider recommendations on tackling disadvantage through planning and soft infrastructure.

### **Approach**

- 3.6. The Combined Authority provides a mechanism to coordinate the development of the Strategic Spatial Framework for all Cambridgeshire and Peterborough's local authorities and partners. The approach to the development of Phase 2 will embed the engagement of the collective technical and political expertise of the local authority and partner stakeholders (including neighbouring authorities with strong connections to the three local economies).
- 3.7. It is proposed that Phase 2 work is to be undertaken in stages as outlined in the figure below.



3.8. **Delivering Phase 1 Objectives** – implementation of the 13 strategic objectives identified in Phase 1 is programmed into the Combined Authority’s Four Year Plan and Phase 2 of the Framework. **Appendix 1** outlines the activity against the 13 strategic objectives.

3.9. **Quality Charter for Inclusive Growth** – will review and refresh the Cambridgeshire Quality Charter so that it covers the whole of Cambridgeshire and Peterborough and addresses more fully the principles of cohesion and inclusive growth. Phase 2 will work with member local authorities and partners to promote the adoption of the charter as guidance to inform current development and as an integral part of future plans.

3.10. **Workshops** – a series of workshops with local authorities and partners, involving the Combined Authority Portfolio Holder for Strategic Planning, and Leaders/Planning Policy Portfolio Holders and senior officers (or a wider audience if requested by that authority) will explore each authority’s overall growth ambitions and priorities and the opportunities and potential blockages to growth. There will also be workshops with key organisations including the wider public sector, utilities and private sector delivery partners.

3.11. **Interim Report: Statement of Common Ground** – will bring together the emerging studies and evidence (such as the final CPIER report due in September) with a view to preparing a draft report for November 2018, brought forward as a “Statement of Common Ground First Report”.

3.12. **Local Authority / Stakeholder Workshops** – the emerging findings and initial draft report will be discussed and debated.

3.13. **Phase 2 Report** - the Phase 2 Strategic Spatial Framework would be completed by December (reporting to the January Board). This would describe overall growth ambitions to 2050 (split into time periods) and show the region’s spatial growth patterns (it is proposed, where possible, to describe ‘potential zones of significant growth’ or areas of search). It would set out the implications of this growth patterns at a sub-regional level including housing mix and affordability as set out in the Scope section above.

3.14. The Strategic Spatial Framework will articulate the Combined Authority's strategy and investment plans. As a non-statutory document it would form part of the context for the statutory review of plans and will be material to discussions around the viability of different long term spatial patterns and to the development of local planning policy, as a continuation of the Statement of Common Ground process.

## **Delivery Team**

3.15. Phase 1 was developed using a mix of external consultancy support and the Local authorities Planning Policy Forum (PPF), guided by a Project Team chaired by the Combined Authority's Portfolio Holder for Strategic Planning.

3.16. It is proposed that the PPF continue to provide the 'technical sounding board' for Phase 2. PPF will also provide a more substantive role in supporting the evidence gathering and analysis of spatial implications of the economic and housing projections, key infrastructure and environmental implications and views on strategic sites.

3.17. The Cambridgeshire and Peterborough Public Service Board has undertaken to identify appropriate personnel to support the programme. A secondment offer is also being developed by the Defra group of environmental agencies, who are particularly interested in using this work as an exemplar for other Combined Authorities. The proposed budget for Phase 2 includes an indicative sum for the delivery team.

## **Budget**

3.18. The Combined Authority Board in February 2018 identified an indicative budget of £200,000 for Phase 2 in 2018/19, to be funded from Revenue Gainshare. This report brings forward specific proposals totalling £135,000 in 2018/19 within that indicative budget value, as follows:

	£	Notes
Delivery Team	85,000	To support secondments and/or external consultancy
Commissioning evidence /technical analysis	30,000	Additional requirements such as flood risk, strategic sites, transport or other modelling.
Engagement	6,000	Support for stakeholder events
Cambridgeshire Quality Charter	9,000	Updating the Quality Charter
Overheads	5,000	Legal advice, Phase 2 document production
Total	135,000	

## **4.0 FINANCIAL IMPLICATIONS**

4.1 The financial impact of this proposal was identified as an indicative budget item in the Budget information presented to the February 2018 Board and Draft Medium Term Financial Plan presented to the May 2018 Board. This report

seeks approval of the £135k spending plans as detailed in this report funded from Revenue Gainshare.

## **5.0 LEGAL IMPLICATIONS**

- 5.1. The Spatial Framework is a non-statutory document. However, the content may give rise to certain requirements under environmental legislation, depending on its scope. Therefore legal advice will be sought on Phase 2 scope and kept under review.

## **6.0 SIGNIFICANT IMPLICATIONS**

- 6.1. The Spatial Framework is both a mechanism for accelerating planned growth, and setting the longer term context for growth. As such it will be an important component of how the Combined Authority delivers on the 2030 ambitions and four year plan. Successful delivery has positive benefits to residents, businesses and workers within the Combined Board area.

## **7.0 APPENDICES**

- 7.1. Appendix 1 – Activities against Phase 1, 13 Strategic Objectives

<b><u>Source Documents</u></b>	<b><u>Location</u></b>
Non-statutory Spatial Framework Phase 1	<a href="http://cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/Cambridgeshire-and-Peterborough-Strategic-Spatial-Framework-non-statutory-280318.pdf">http://cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/Cambridgeshire-and-Peterborough-Strategic-Spatial-Framework-non-statutory-280318.pdf</a>

## Appendix 1: Phase 1 Objectives

Strategic Spatial Objectives	Addressed through:	Action Owner
1. The CA will work with the local planning authorities and new Business Board to ensure the effective delivery of the strategic employment locations identified in Local Plans and economic strategies including the designated Alconbury & Cambridge Compass Enterprise Zones	CPIER & Local Industrial Strategy Alconbury and Cambridge Compass Enterprise Zones programme CA Sector Plans	Harriet Fear Domenico Cirillo Harriet Fear
2. Beginning in 2018 the CA will rollout the Market Town Masterplan for Growth Initiative to other market towns with the support of local authorities. These will complement proposals set out in Local Plans	Market Town Masterplans for Growth programme	Dan Thorp
3. The CA will work with local planning authorities, developers, Homes England and other agencies to ensure the effective delivery of the strategic housing sites identified in Local Plans. This will include through its investment decisions, affordable housing investment, the work of the Land Commission and other practical support where the CA can assist local authorities or facilitate other external inputs.	£100m Housing Programme Strategic, high impact sites Programme Development of CA Housing Strategy, Investment Criteria and Toolkit Land Commission	Roger Thompson Roger Thompson Roger Thompson  Adrian Cannard
4. Working with local authorities and energy, water and digital utilities providers the CA will develop a MOU that will set out new, agreed ways of working to achieve more timely and effective delivery of utilities infrastructure	Energy Hub Digital Connectivity Programme	Paul Bourgeois Noelle Godfrey
5. Through the development of the Strategic Spatial Framework the CA will support local planning authorities in their viability discussions with developers to ensure a consistent and fair approach is adopted	Strategic Spatial Framework Phase 2 Development of CA Housing Strategy , Investment Criteria and Toolkit	Adrian Cannard Roger Thompson
6. The CA will work with Local Authorities, housing partners and health and care organisations and other partners to ensure the effective delivery of health-related infrastructure and services where the need for this arises from planned growth	Strategic Spatial Framework Phase 2 Public Service Reform – Health and Care Proposition development	Adrian Cannard Pearl Roberts

Strategic Spatial Objectives	Addressed through:	Action Owner
7. The CA will develop and maintain a long-term investment programme of infrastructure projects including projects it seeks national support to deliver. It will work with the highways authorities and national agencies to ensure timely and effective interventions to deliver strategic transport solutions. This includes investment in strategic infrastructure, facilitating grant bids, feasibility studies and business case development; and working with the Govt for timely delivery of committed infrastructure projects	Four Year Plan – strategic programmes and actions Strategic transport projects Capacity to support investment bids etc	Pearl Roberts David Edwards Rachel Musson
8. Through the development of the Strategic Spatial Framework, the CA will explore and put forward proposals for land value capture mechanisms to unlock otherwise unachievable development with the aim of spreading wealth and opportunity more widely	Land Value Capture proposal development Strategic, high impact sites programme East Cambs Strategic CLT Programme Strategic transport projects	Kim Sawyer Roger Thompson Roger Thompson David Edwards
9. Through the development of the Strategic Spatial Framework the CA will work with the Environment Agency, water companies, local planning authorities and other delivery agencies to assess the need for and delivery of infrastructure to address future environmental sustainability including responding to our changing climate, both in terms of mitigation and adaptation	Liaison group with utilities. Potential secondment of staff	Adrian Cannard
10. The CA will work with Defra, the Local Nature Partnership and local planning authorities to ensure that the updated green infrastructure strategies for the area and natural capital and biodiversity principles are reflected appropriately in the development of the Strategic Spatial Framework. This will include a particular focus on strategically important sites and sites with valued public access opportunities	Strategic Spatial Framework Phase 2 Refresh Quality Growth Charter	Adrian Cannard

Strategic Spatial Objectives	Addressed through:	Action Owner
11. With regard to the spatial priorities identified in the plan the CA will take a positive view of and prioritise investment that tackles deprivation and which increases sustainable, inclusive growth in disadvantaged areas of Cambridgeshire and Peterborough	Strategic Spatial Framework Phase 2 Skills Strategy Innovation Pilot – Health and Care Public Service Reform – Health and Care proposal	Adrian Cannard Stephen Rosevear Pat Carrington Pearl Roberts
12. The CA will undertake a review of the Cambridgeshire Quality Charter so that it covers the whole of Cambridgeshire and Peterborough and addresses more fully the principles of cohesion and inclusive growth. It will seek the support of local planning authorities to adopt the charter as guidance to inform current development and as an integral part of future plans.	Strategic Spatial Framework Phase 2 Re-fresh Quality Growth Charter	Adrian Cannard Adrian Cannard
13. The CA will work with neighbouring authorities through their strategic partnerships and national initiatives to ensure and complementary, integrated approach to growth and to optimise investment opportunities to achieve mutually beneficial outcomes	Strategic Spatial Framework Phase 2 Business Board	Adrian Cannard Adrian Cannard/Kim Sawyer





<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 2.3</b>
<b>27 JUNE 2018</b>	<b>PUBLIC REPORT</b>

## **EAST-WEST (NORTH) CORRIDOR – A47 DUALLING STUDY – STRATEGIC OUTLINE BUSINESS CASE**

### **1.0 PURPOSE**

- 1.1. The Mayor, Combined Authority and partner organisations have long recognised the strategic importance of the A47 to the regional and national economy. During his election, the Mayor committed to a number of ambitious and strategic transport improvements including the dualling of the A47.
- 1.2. The commissioning of study work was also a key commitment as part of the 100 day programme which led to £500,000 of Combined Authority funding being approved by the Board in June 2017 for the development of a Strategic Outline Business Case (SOBC) and Options Appraisal Report (OAR).
- 1.3. This scheme will provide vital connectivity to the north of the Combined Authority area and will complement other Combined Authority transport and infrastructure priorities such as extending the M11 to the A47 and the development of a new Garden Town at Wisbech.
- 1.4. The SOBC has now been completed utilising local plan growth assumptions of approximately 20,000 homes for this corridor and demonstrates a strong strategic case for dualling the A47 between Thorney and Walton Highways.
- 1.5. As the study has progressed the full growth potential of the corridor has emerged. This could lead to significant new employment opportunities and a further 30,000 new homes. This will further strengthen the case for dualling and will be factored into the SOBC when it is finalised.
- 1.6. The key findings of the SOBC are summarised within this paper and recommendations are made to further advance study work on 12 of the 20 route options initially identified, into the OAR, where they will be further reduced.
- 1.7. To align with the Combined Authority's desire to accelerate programme delivery wherever possible, early Board approval is being sought to commence the procurement of the next stage of the project and engage with the Department of

Transport on delivery models that will bring forward the completion of the overall scheme.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>James Palmer, Mayor</b>
<b>Lead Officer:</b>	<b>Martin Whiteley, Chief Executive</b>
<b>Forward Plan Ref: 2018/002</b>	<b>Key Decision: Yes</b>
<p>The Combined Authority Board is recommended to:</p> <p>(a) Note the findings of the A47 Strategic Outline Business Case, and that a strong case exists for the dualling of the whole section of the route, and the intention to update this for new growth figures stated within this paper.</p> <p>(b) Approve the procurement of consultancy support for the planned public consultation and the development of an Outline Business Case.</p> <p>(c) Note that further Board approval will be sought prior to supplier appointment, along with the associated budget.</p> <p>(d) Note that engagement with the Department for Transport and its partners will now commence to explore alternative delivery arrangements in order to bring forward completion to 2025 to 2027.</p>	<p><b>Voting arrangements</b></p> <p>All members are required to be present for this item.</p> <p>Two thirds of the constituent council members must vote in favour to include Cambridgeshire County Council and Peterborough City Council representatives</p>

## **2.0 BACKGROUND**

### **Context to the Study**

- 2.1 In the East of England, the A47 links the A1 at Peterborough with Wisbech, Kings Lynn, Norwich and the Norfolk coast at Great Yarmouth. As such it functions as the main strategic east-west route for the north of East Anglia.
- 2.2 Between Peterborough and Kings Lynn the A47 is of a variable standard, with dual carriageway sections in Peterborough, around Thorney and between Walton Highway and Tilney All Saints. The sections between Wansford and Sutton, between the Peterborough and the Thorney Bypass, as well as

between the Thorney Bypass and Walton Highway are single carriageway.

- 2.3 Highways England is planning to dual the stretch of the A47 between Wansford and Sutton, and increase capacity at the Guyhirn Junction with the A141 as part of their A47 corridor improvement programme. However these schemes are isolated capacity improvements and on the whole only address short to medium term strategic road network capacity issues and do not account for the long term growth set out in local plans. The adequacy of these improvements can be questioned further once the full growth potential for the corridor is considered.
- 2.4 The Combined Authority and partner organisations have long recognised the strategic importance of this route to the regional and national economy. There are concerns that inadequate infrastructure provision will compromise the growth potential along this corridor.

### Scope of the Study

- 2.5 The study area covers the A47 corridor between the A16 Junction and Walton Highway. It is a wide-ranging study that provides clarity on the quantitative and qualitative evidence of wider economic and social benefits that improvements to the A47 will bring based on the current growth assumptions set out in local plans. Deliverables for the study include:
- a) A SOBC for dualling of the A47 which is being reported as part of this paper, and
  - b) An OAR that identifies which interventions provide the best business case for a dualled A47 which will be reported back to the Board in September 2018.

### Key Findings of the SOBC

- 2.6 The SOBC concludes that there is a strong strategic case for dualling the A47 between the A16 Junction and Walton Highway to fulfil the following:
- a) **Improving journey times along the A47:** To address current congestion and delay, reduce journey times and improve reliability on the A47 and on local routes impacted by the traffic and congestion on A47.
  - b) **Enabling economic growth across all areas of Cambridgeshire.** To provide conditions that encourage inward investment in higher value employment sectors in the north of Cambridgeshire, Peterborough and in Norfolk; and improve access from the north of Cambridgeshire and from Norfolk to Peterborough, the strategic road and rail networks and to national markets.
  - c) **Contributing to the growth of Cambridgeshire and Peterborough.** To ensure employment and housing growth along the A47 corridor can be accommodated.
- 2.7 As will be set out later in this paper, the economic case for investment is also strong with all four sections having route options with Cost Benefit Ratios

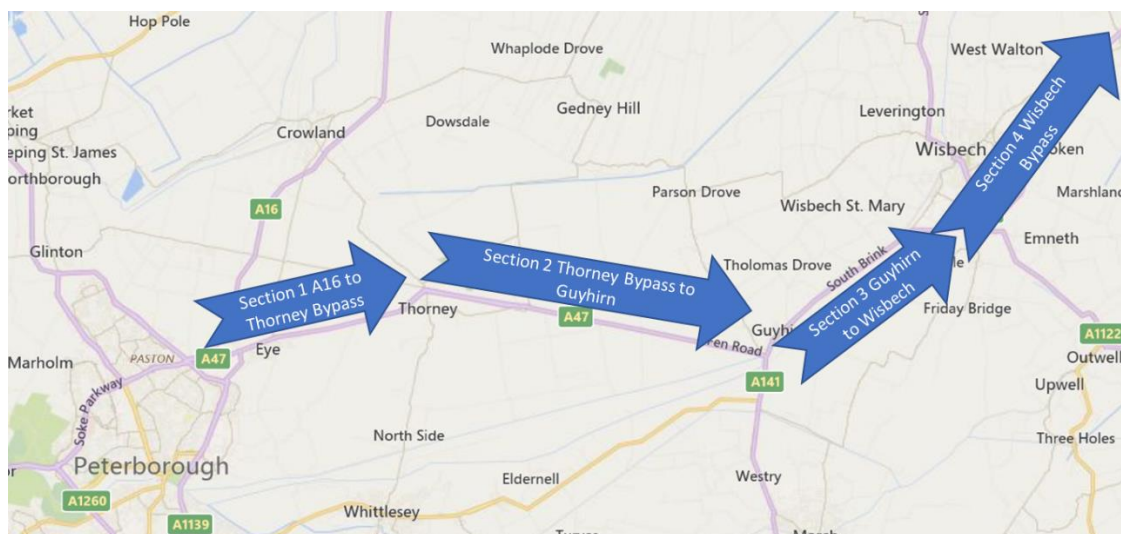


(BCRs) considered 'high'. Whilst the estimate total of the scheme is substantial at between £400m and £600m, this is not considered prohibitively so but further discussions will be required with Central Government to secure such funding in the future. There are also opportunities to explore funding from other sources.

- 2.8 The SOBC currently sets out a staged delivery based on the four sections outline below with deliver dates ranging from 2026 to 2033. Segmenting the project in this way increases the likelihood of funding being secured and of prioritised sections being progressed earlier. However, as funding opportunities are developed it is believed that there are considerable opportunities for acceleration of this programme. This will be explored in detail in the next phase of work with a view to bringing forward the completion date to 2025 to 2027.
- 2.9 The SOBC has been produced in line with the Treasury's Green Book five case business model which aligns with the Combined Authority assurance framework.
- a) The **case for change** –the 'strategic case'
  - b) **Value for Money** – the 'economic case'
  - c) **Commercially viable** – the 'commercial case'
  - d) **Financially affordable** – the 'financial case'
  - e) **Achievable** – the 'management case'
- 2.10 At this stage in the scheme development process all five aspects of the assessment are passed, albeit that some features will become better established in later phases

## Transport Interventions Considered

- 2.11 The study area was divided up into four sections as shown on the following map.



- 2.12 Multiple options were identified for each of these sections, yielding a total of 20 options. A visual representation of these options is contained within **Appendix A** with additional information provided within the SOBC itself. However, it should be noted that the alignments shown are indicative only.
- 2.13 All 20 routes underwent an initial option assessment in order to identify those which should be taken forward for more detailed optioneering work as part of the OAR.
- 2.14 The assessment of these options has resulted in a broad spectrum of BCRs. BCRs is a means of representing the anticipated benefits of a given scheme proposal against the anticipated costs. The BCRs as they currently stand serve as one indicator in sifting through options and identifying which ones might be suitable for additional development and testing. These will be updated as the project progresses to reflect more detailed and refined analysis and to take into account the Combined Authority growth assumptions and any new information as it becomes available.
- 2.15 A BCR above 2 is considered 'high' and is typically required to secure Central Government funding. This can be as low as 1.5 on occasions which is considered 'medium'. However it is proposed that this is extended to include options with lower BCR for the reasons outlined later.
- 2.16 The BCRs for all 20 options can be found within **Appendix B**.

### **Study Recommendations**

- 2.17 In addition to low BCR there are a number of other options which will not be considered further for a variety of reasons including the likelihood of securing stakeholder support; the impact of the scheme on existing properties, unacceptable disruption during construction; unacceptable project risk; and the ability to delivery or support housing growth. Further details can be found within the SOBC.
- 2.18 The study, therefore, recommends that the following options be taken forward for further analysis as part of the OAR. It is anticipated that the list of options will be further reduced and that any of those options with a medium to high BCR be carried forward to public consultation. Currently 5 of the 12 options proposed to be assessed in the OAR have a BCR below 1.0. There are a number of reasons for carrying forward such low scoring options including the need to achieve a coherent route which might include both high and low scoring sections; future increases in BCR will be achieved through additional growth or if certain phases are delayed; due to the reduced impact on properties/businesses; and greater potential for improved buildability. A map showing the selected Routes is provided within **Appendix C**.

Section	Route	Route Description	Scheme Costs (£m)	Benefits Cost Ratio (BCR)
<b>Section 1</b> (A16 to Thorney Bypass)	1.1	Dual carriageway immediately to the north of the existing A47	72.75	1.19
	1.2	Part online and offline dual carriageway to the north of the existing A47 (predominantly following path of disused railway)	65.63	1.37
	1.4	As Route 1.1 as one way single carriageway for eastbound traffic, utilising existing carriageway for westbound traffic	52.11	1.56
<b>Section 2</b> (Thorney Bypass to Guyhirn)	2.2	Dualling of the A47 to the south of the existing A47.	127.50	0.92
	2.3	Dualling of the A47 to the north of the existing A47.	134.54	0.87
	2.4	Offline dualling Thorney to Wisbech north of Guyhirn village	173.26	1.44
<b>Section 2 to 4</b> (Thorney Bypass to Walton Highway)	2.5	Offline single carriageway Thorney to Walton Highway running to the north of Wisbech, thereby providing a dualling solution	164.83	1.92
	2.6	Offline dualling Thorney to Walton Highway running to the north of Wisbech	243.97	1.36
<b>Section 3</b> (Guyhirn to Wisbech)	3.2	Dualling of the A47 south / east of the existing alignment	99.32	0.46
	3.3	Dualling of the A47 south / east of the existing alignment, tying in east of Redmoor Roundabout (B198).	95.89	0.42
	3.4	Hybrid of Routes 3.1, 3.2 and 3.3	90.23	0.69
<b>Section 4</b> (Wisbech Bypass)	4.1	Online dualling of the A47	58.51	2.15

- 2.19 The total scheme costs (at present value) are estimated at between £400m and £600m depending upon which individual options are carried forward. Further details of these costs will be set out in the OAR and will be refined as the scheme develops.
- 2.20 The current delivery programme for this scheme is between 2026 and 2033. This has been developed with a phased approach to design and construction to minimise impact on congestion during construction. This extended delivery timetable is not acceptable to the Combined Authority and it is proposed that further work is undertaken to explore opportunities to bring delivery forward to 2025 to 2027 as outlined earlier.

### **Next Steps**

- 2.21 The SOBC will be updated to reflect the more ambitious growth figures. This will further strengthen the case for dualling between the A16 Junction and Walton Highway.
- 2.22 The OAR is in progress and will be reported to the Board in September 2018 along with the updated SOBC. The OAR will support and complement the SOBC. Importantly, the OAR will provide a more detailed analysis of individual route options and will include the latest growth figures.
- 2.23 In parallel with the above activities the Combined Authority will explore with DfT future delivery models in order to bring forward the completion of dualling to 2025 to 2027.
- 2.24 It is recommended that a public consultation be undertaken following completion of the OAR. This serves two key purposes. Firstly, it enables the public and stakeholders to influence the development of the scheme and can provide vital local context to the project team. Secondly, public consultation is a key component of any future consents application.
- 2.25 It is further recommended that the scheme be progressed to Outline Business Case (OBC). The OBC will re-establish the strategic case for the scheme. A full economic and financial assessment will take place during this phase and a preferred option will be selected. This very much builds upon the OAR and the public consultation. Whilst future phases of this project will continue to focus on the identified study area, it is equally important that the project team recognises and considers the wider importance of this corridor from Leicester through to Lowestoft.
- 2.26 Accelerated delivery is a key driver for the Combined Authority. It is for this reason that approval is being sought for the procurement of consultancy support for the public consultation and to develop the OBC.

### 3.0 FINANCIAL IMPLICATIONS

- 3.1. No additional funding is currently being sought, beyond the £500,000 approved in June 2017 at this time.
- 3.2. This paper requests approval to begin procurement of consultancy support for the public consultation and to develop the OBC.
- 3.3. It is anticipated that these future activities will be funded from the Combined Authority's £74m allocation from the Transforming Cities Fund.
- 3.4. It is proposed that further Board approval is sought prior to the appointment of the consultant(s) along with the associated budget.

### 4.0 LEGAL IMPLICATIONS

- 4.1. The Combined Authority assumed specific responsibility for strategic transport decisions under Article 8 of the Cambridgeshire and Peterborough Combined Authority Order 2017. This provision designated the Combined Authority as the local transport planning authority for its area.
- 4.2. The Combined Authority will fulfil its procurement requirements by sourcing appropriate consultants under an appropriate framework agreement. This is in accordance with the Authority's financial regulations and statutory requirements.
- 4.3. There are no specific equality or other statutory implications arising from these decisions.

### 5.0 SIGNIFICANT IMPLICATIONS

- 5.1. There are no significant implications at this stage. Legal advice will be taken on a preferred procurement route and equality issues will be addressed as part of the proposed solution.

### 6.0 APPENDICES

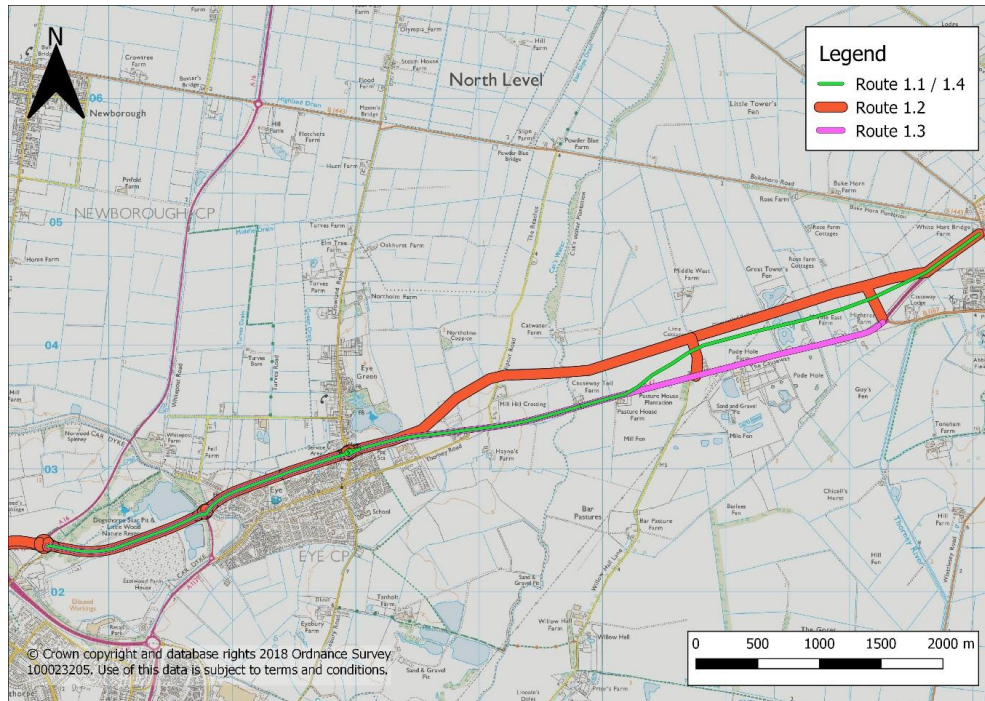
- 6.1. **Appendix A:** Maps of Route Options
- 6.2. **Appendix B:** Summary of BCRs for All Options
- 6.3. **Appendix C:** Consolidated Map of Routes Selected for Further Analysis

<u>Source Documents</u>	<u>Location</u>
Strategic Outline Business Case (SOBC)	<a href="http://cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/A47-Strategic-Outline-Business-Case-Final-V0.3-002.pdf">http://cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/A47-Strategic-Outline-Business-Case-Final-V0.3-002.pdf</a>

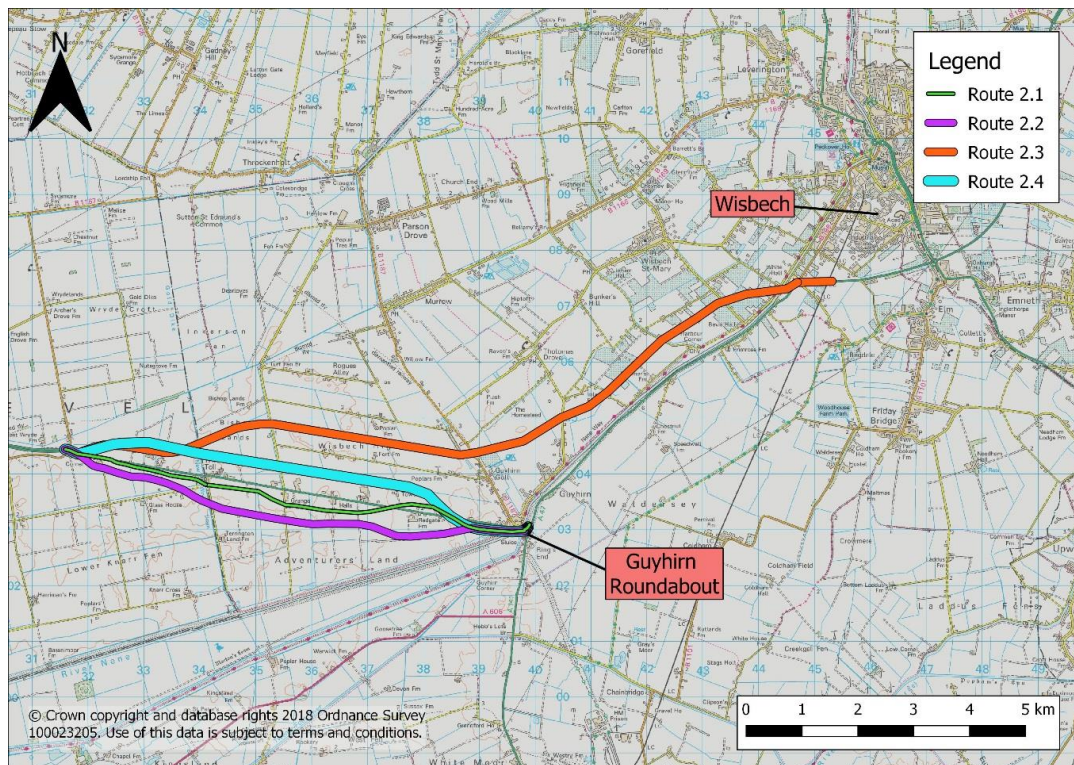


## APPENDIX A – MAPS OF ROUTE OPTIONS

### Section 1 (A16 to Thorney Bypass)

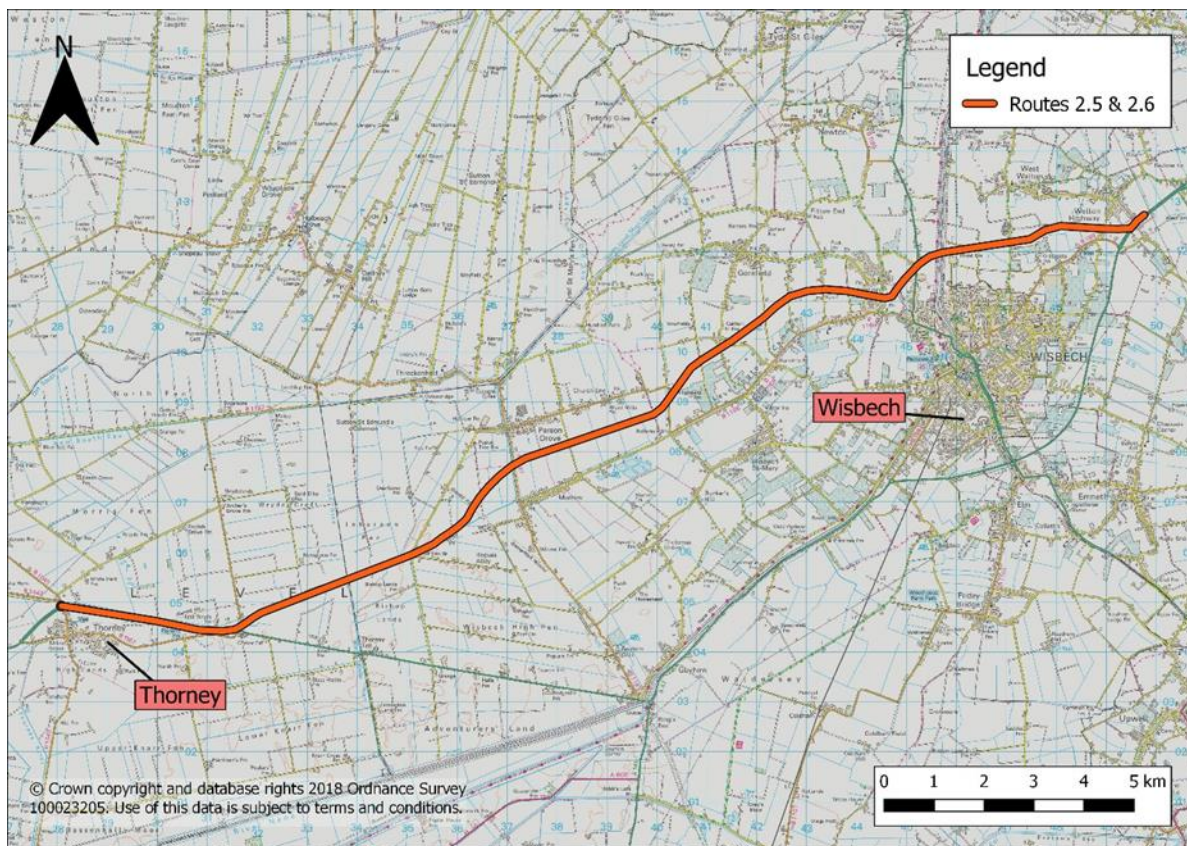


### Section 2 (Thorney Bypass to Guyhirn)

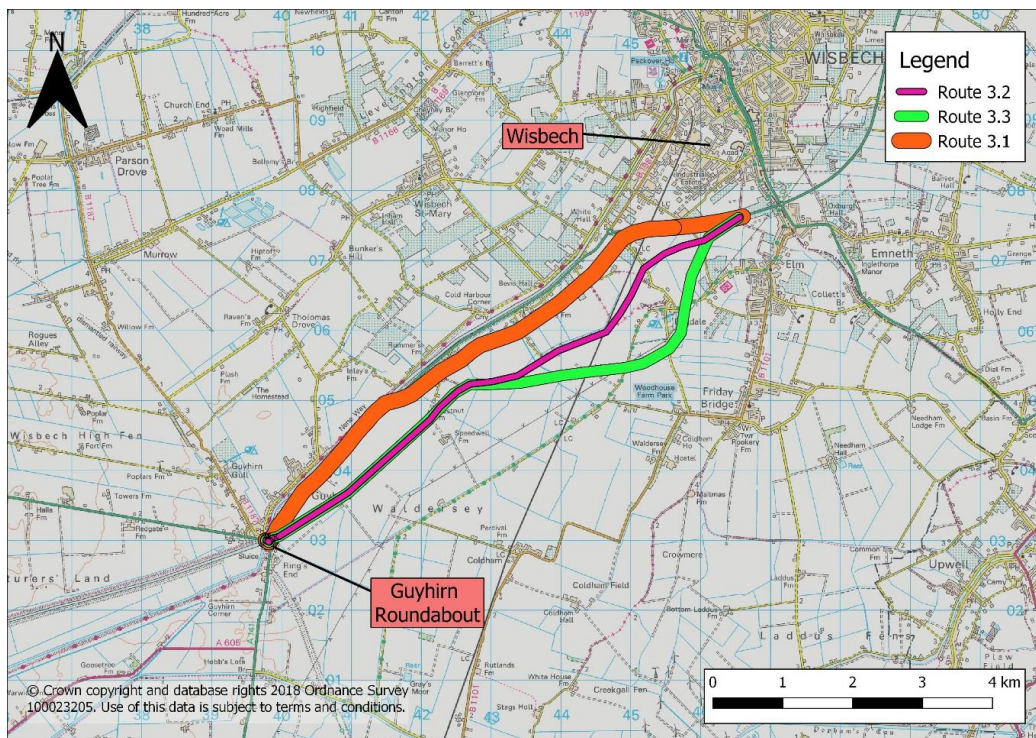




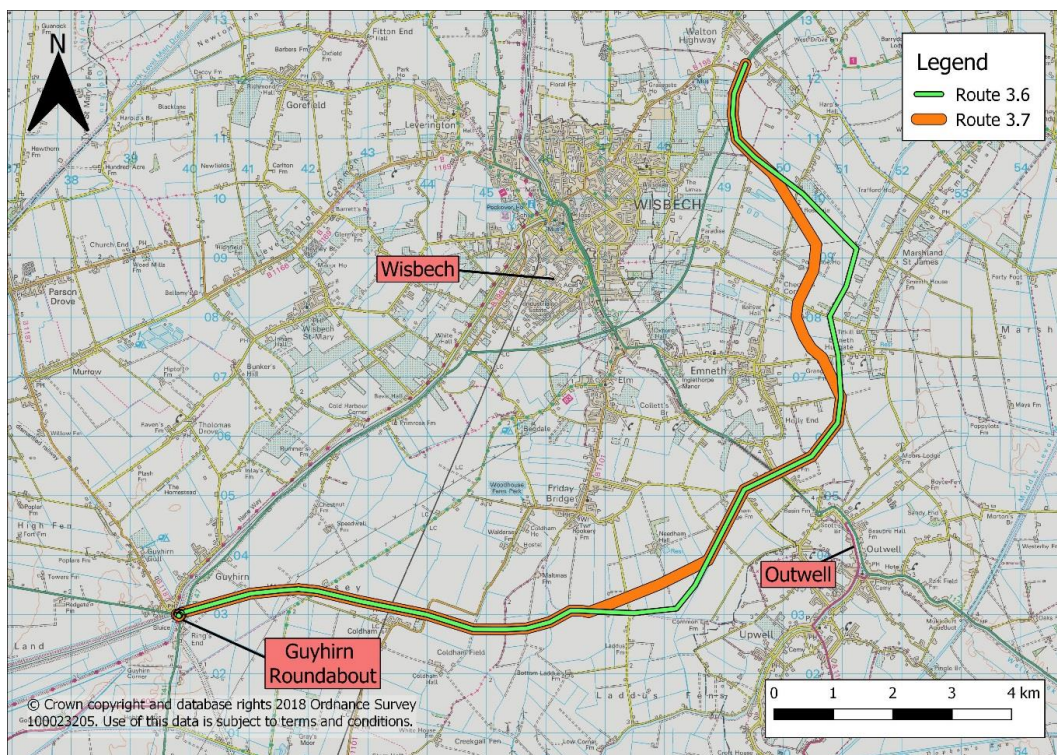
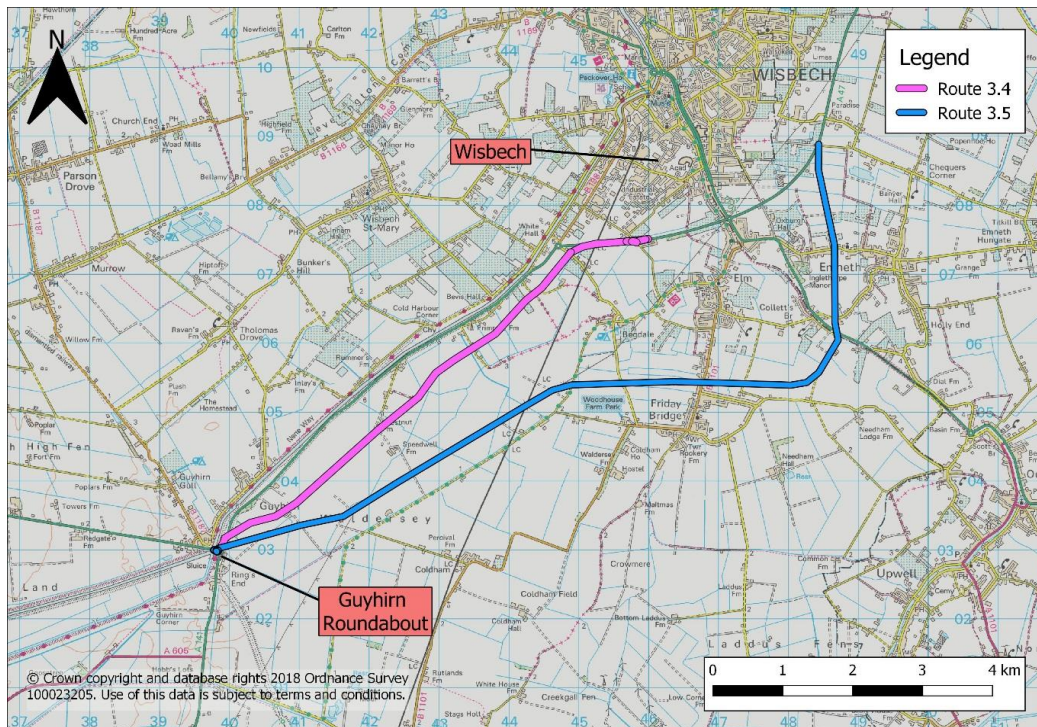
## Section 2 to 4 (Thorney Bypass to Walton Highway)



## Section 3 (Guyhirn to Wisbech)

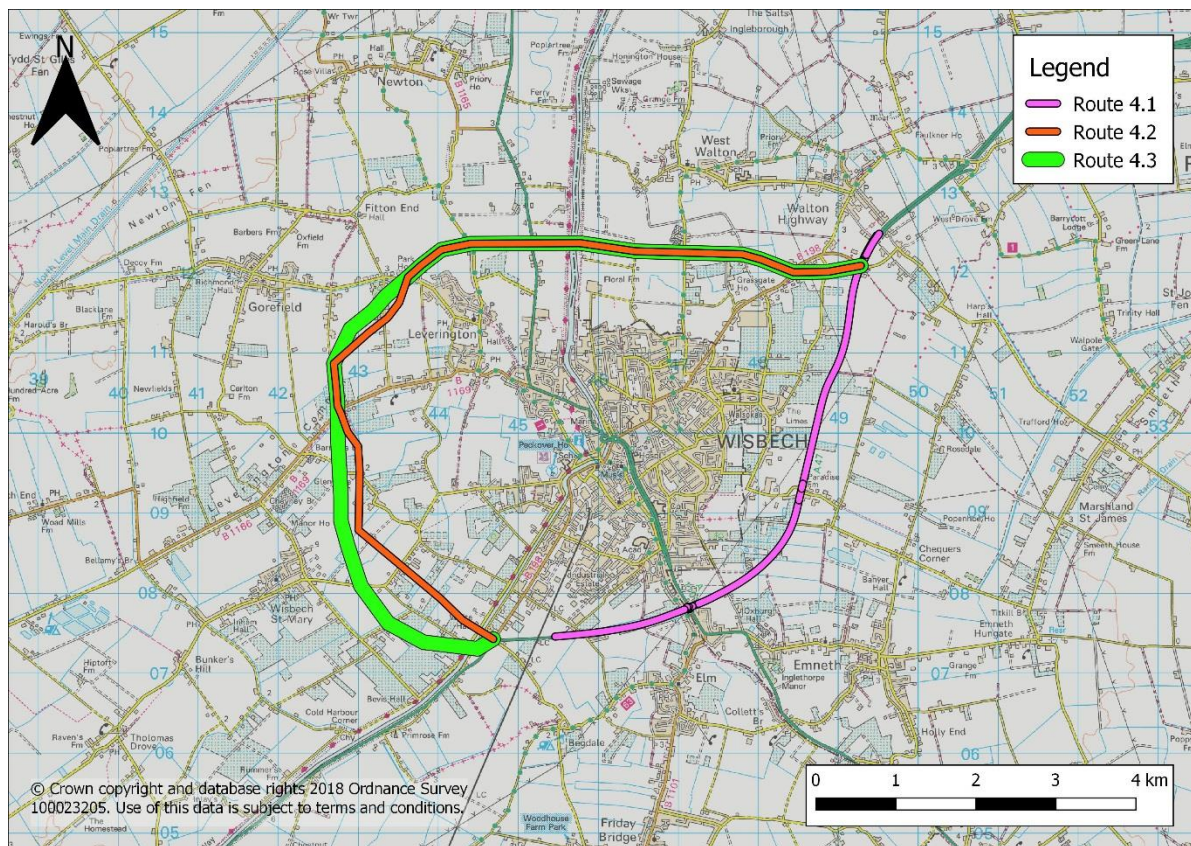








#### Section 4 (Wisbech Bypass)



## APPENDIX B – SUMMARY OF BCRs FOR ALL OPTIONS

	Route Option	Composition of package	Scheme Costs (£m)	Benefits Cost Ratio (BCR)
<b>Section 1 (A16 to Thorney Bypass)</b>	1.1	Dual carriageway immediately to the north of the existing A47	72.75	1.19
	1.2	Part online and offline dual carriageway to the north of the existing A47 (predominantly following path of disused railway)	65.63	1.37
	1.3	Fully online dual carriageway to the north of the existing A47	35.61	2.87
	1.4	As Route 1.1 with one way single carriageway for eastbound traffic, utilising existing carriageway for westbound traffic	52.11	1.56
<b>Section 2 (Thorney Bypass to Guyhirn)</b>	2.1	Online dualling of the A47	128.10	0.92
	2.2	Dualling of the A47 to the south of the existing A47	127.50	0.92
	2.3	Dualling of the A47 to the north of the existing A47	134.54	0.87
	2.4	Offline dualling Thorney to Wisbech north of Guyhirn village	173.26	1.44
	2.5	Offline single carriageway Thorney to Walton Highway running to the north of Wisbech thereby providing a dualling solution	164.83	1.92
	2.6	Offline dualling Thorney to Walton Highway running to the north of Wisbech	243.97	1.36
<b>Section 3 (Guyhirn to Wisbech)</b>	3.1	Online dualling of the A47	79.96	0.79
	3.2	Dualling of the A47 south / east of the existing alignment	99.32	0.46
	3.3	Dualling of the A47 south / east of the existing alignment, tying in east of Redmoor Roundabout.	95.89	0.42
	3.4	Hybrid of Routes 3.1, 3.2 and 3.3	90.23	0.69
	3.5	Offline dualling of the A47 between Guyhirn and Walton Highway running south of Elm but north Emneth and Friday Bridge	127.06	1.68
	3.6	Offline dualling of the A47 between Guyhirn and Walton Highway running south of Emneth and Friday Bridge	177.99	0.69
	3.7	Variation on Route 3.6	181.65	0.64
<b>Section 4 (Wisbech Bypass)</b>	4.1	Online dualling of the A47	58.51	2.15
	4.2	Northern orbital of the Wisbech	149.52	0.38
	4.3	Variation on Route 4.2	163.99	0.08





**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 2.4</b>
<b>27 JUNE 2018</b>	<b>PUBLIC REPORT</b>

## **CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY UNIFIED STAFFING STRUCTURE – COMBINED AUTHORITY AND LOCAL ENTERPRISE PARTNERSHIP**

### **1.0 PURPOSE**

- 1.1. The Board agreed at its meeting on 31st January 2018, to appoint a shared Chief Executive, responsible for both the Combined Authority and a new Local Enterprise Partnership, leading a unified team. The senior staffing structure was approved at a subsequent Board meeting on 28th February 2018 and recruitment to these roles is underway.
- 1.2. The purpose of this report is to provide details of the newly unified staffing team, incorporating activity and staff transferred on 1 April 2018. The new structure is designed to support the Combined Authority Board, its work programme, and the new Business Board and its activities. These arrangements provide a new operational model to support public and private sector partnerships and are a demonstration of public sector reform delivery.
- 1.3. If approved, the Chief Executive will progress with appointments into roles and confirm the new staffing structure to staff.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>James Palmer, Mayor</b>
<b>Lead Officer:</b>	<b>Martin Whiteley, Chief Executive</b>
<b>Forward Plan Ref: 2018/016</b>	<b>Key Decision: Yes</b>
The Combined Authority Board is recommended to support the Chief Executive's proposed unified structure of the Combined Authority	<b>Voting arrangements</b>  Simple majority of all Members



## **2.0 BACKGROUND**

- 2.1. On 1 April all staff, previously employed by the Local Enterprise Partnership transferred to the employment of the Combined Authority. This provided an excellent opportunity to unify and reframe the Combined Authority's activities around the shared objective of enabling economic growth, and at the same time eliminating duplication of effort and creating a high performance organisation.
- 2.2. At the point at which the decision was made to join the two organisations the Combined Authority had only 5 directly employed staff. Other roles and activities were being delivered through temporary resources, subject to the finalisation of the organisational structure. The decision to unify prompted a deferment of the Combined Authority's permanent recruitment processes and further development of the organisational structure whilst the practical and legal considerations involved in the liquidation of the previous LEP and establishment of the Business Board were resolved.
- 2.3. 24 staff transferred to the Combined Authority on their existing terms and conditions and with the protections afforded by the Transfer of Undertakings (Protection of Employment) Regulations. The Combined Authority is legally obliged to respect and maintain existing terms and conditions, (i.e., parallel to existing Combined Authority staff) until alternative arrangements are put in place.
- 2.4. Formal consultation with existing staff has been necessary and important as there are implications for existing roles in what is being proposed. Early, informal consultation with individuals and teams took place during March and April and formal staff consultation began on 25th April. The consultation closed on 23rd May. New job descriptions have been produced for all roles.
- 2.5. The unified structure represents the considered integration of the ambitions and activity of Combined Authority and Business Board. Also considered was intelligence from the recent economic review and the consultation with staff.
- 2.6. The recruitment process for Directors roles is underway and unaffected by the proposed staffing structure.
- 2.7. The Combined Authority's activity, as set out at the Board meeting on 28 February, continues to be framed around the following:
  - Strategic development of the region
  - Securing Investment
  - Strategic Programmes
  - Contracting and strategic client management
  - Programme Assurance

All are reflected in the proposed staffing structure.

- 2.8. The structure as presented in this report represents the unified structure as it stands. Some areas of activity are evolving and require further definition as the organisation matures.

### 3.0 THE PROPOSED STAFFING STRUCTURE

- 3.1. The design for the proposed staffing structure has been built around five core guiding principles:

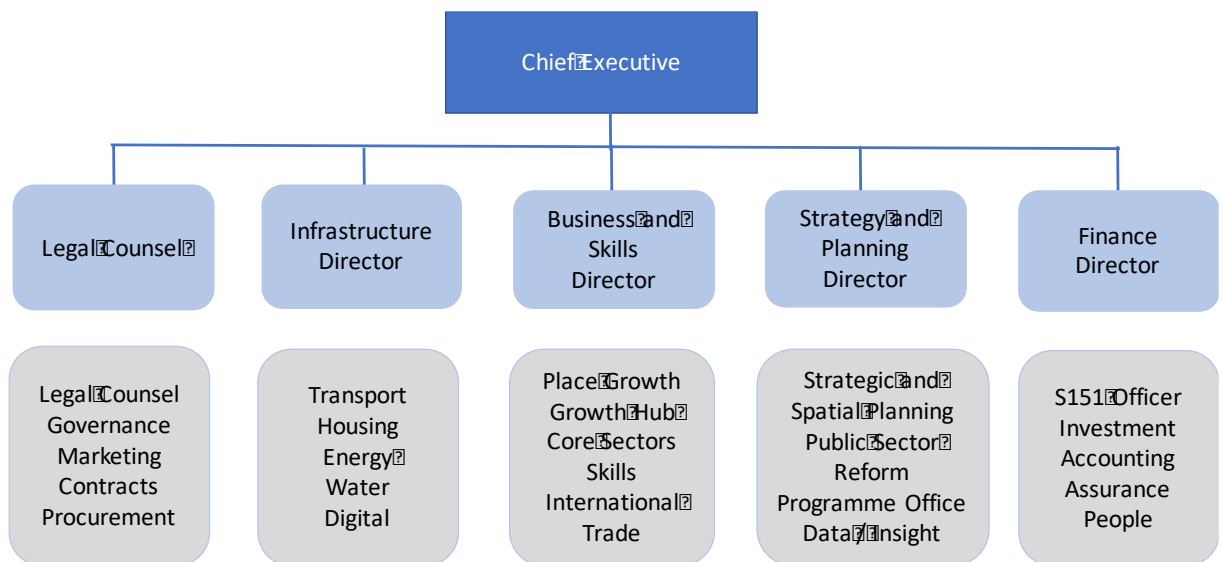
- **A single team** – absolute integration of the activity of two organisations with aligned purpose. Eliminate the risk of parallel working or duplication.
- **A strategic focus** – the organisation has minimal delivery capacity and is resourced to deliver its strategic programmes and future ambitions
- **As few organisation levels as possible** – to allow quick decision-making whilst maintaining control
- **Flexible resourcing** - Interim resources will continue to supplement the structure as needed
- **Agile** - The team will continue to work across the region, using both CPCA base and facilities in partner organisations. Reciprocal arrangements will be in place for partners.

- 3.2. Using these principles, the model for the structure is simple. The Combined Authority's core business at the centre, supported by core functions and activity to secure its success. Strong programme management discipline, data insight and performance reporting will provide the rigour to secure and accelerate progress across all activity. Strategy & Planning provides the alignment of strategic planning and oversight of delivery against the Combined Authority's Forward Plan and furtherance of its Ambitions.

- 3.3. The Combined Authority will also continue to operate collectively with its partners and specifically with Local Authorities, the Greater Cambridge Partnership, and Opportunity Peterborough. This includes engaging on policy development, strategic client and programme delivery.

#### The proposed structure and teams in more detail

- 3.4. The directorate structure is directly aligned to the core objectives of the Combined Authority and supports both the Combined Authority and Business Board. The diagram below reiterates the top-level structure and the core functional responsibilities for each Director, agreed at Board on 28 February.



3.5. More detail about each directorate and roles within are set out below.

### Business and Skills

3.6. The focus for this directorate is economic growth and the Local Industrial Strategy. The 3 teams reporting to the Business & Skills Director will work with businesses to achieve economic growth and develop strategies and plans that match good quality jobs to people with the requisite skills. There are 3 teams

- **Place Team** – the focus of roles in this team is to develop growth through planning for the area's core cities, its market towns and rural areas and through direct interventions. Programme Managers have been assigned specific areas to ensure the focus of investment, representation and activity is differentiated appropriately. The team also includes a specific role charged with delivering a pipeline of European funding programmes and sourcing new bids. This position will also provide expert advice on the impact of Brexit on the Combined Authority.
- **Business Team** – the Growth Hub will remain the access point for businesses seeking advice and support to both start up and scale up with a focus on key sectors for the region. Ultimately it is envisaged the Combined Authority will benefit from engaging industry specialists in key areas who will lead on development in their specialism for the whole region. It is acknowledged, that aside from Agri-Tech which benefits from a more established market and legacy for the Combined Authority, further detailed scoping needs to take place to establish the rationale and strategy for the way forward. The Growth Deal Manager will lead in this activity.

The Business Team will also include defined roles for managing large scale inward investment opportunities and developing trade relationships with both existing and potential markets.

- **Skills Team** – the focus within the new structure for skills is in 3 key areas: the continuation of the work on the Adult Education Devolved Budget: Peterborough University and other potential strategic investment projects for skills: and the strengthening of relationships with businesses to support the employment and skills agenda in the region. Significantly, this proposal also includes the potential transfer of existing skills delivery (e.g. CEC) to another appropriate partner. At the point of drafting, discussions are taking place and a final decision has not been made. It is envisaged that, with an identified partner, the Combined Authority will oversee the delivery of existing contracts to their conclusion rather than manage the delivery directly.

## **Infrastructure**

- 3.7. The focus of this directorate is to bring forward strategic infrastructure, transport, and housing programmes and oversee their delivery. Successful delivery will be contingent on excellent strategic programme direction, focused on priority strategic programmes for the Combined Authority. Across the Housing and Transport Teams programme management roles are described by priority theme or location to secure focus on delivering outcomes. Similarly, this team will be responsible for bringing forward Energy, Water, and Digital programmes that enable the areas economic growth potential to be realised. The Energy Programme Manager will oversee the establishment of the Energy Hub and therefore time limited. It is planned that once, established, the Energy Hub will operate at arm's length and therefore not an integral part of the Combined Authority core structure. Digital services are currently contracted out to Cambridgeshire County Council.

## **Governance & Communications (including Legal Counsel)**

- 3.8. The focus of the Governance & Communications Directorate is primarily management of the decision making and political process for the Combined Authority and Business Board. The Director is the statutory monitoring officer, responsible for the constitution of both bodies, is the legal advisor to the Mayor and the Combined Authority and Business Boards and the scrutiny function.
- 3.9. The Directorate operates as an internal corporate support to ensure the statutory and regulatory compliance of all Directorates and the Boards. It has responsibility for the governance and assurance framework of the Combined Authority and Business Board.
- 3.10. A key function is the management of contracts and procurement, communications and information, which demonstrates a responsibility for external relationship management of the Combined Authority's wider audience, to include the public, contracting bodies, constituent councils, Government, MP's and the press.



## **Strategy, Planning & Performance**

- 3.11. Strategy, Planning & Performance team provides the key co-ordination activity for the Combined Authority: aligning all strategy and policy to the future vision; leading on the development of spatial strategy; supporting the development of future devolution; programme oversight and reporting over all Combined Authority priority programmes. It is also envisaged that this directorate will resource data and insight to inform the development of core strategies. At present this team comprises 5 roles including the Director as the resourcing for public sector reform activity and data and insight need further scoping. Key focuses for the first year of operating as a unified team will be strategic and spatial planning and the establishment of robust programme management and performance reporting provided through the Head of PMO.

## **Finance**

- 3.12. The structure for the Finance Team falls broadly into management accounting and financial accounting plus Human Resources. The unified organisation is in a period of stabilising, so the team is focused on creating the foundations for robust financial reporting, programme assurance and risk management and integrating the two organisations. The team is also responsible for securing financial investment for infrastructure and business growth, business case development and managing an investment fund.
- 3.13. The finance team includes an HR Manager role, currently interim focused on recruitment, terms and conditions and people-related policy and procedure. It envisaged, once the core foundations have been laid, this activity is likely to require less resource.
- 3.14. The following services are contracted in by the finance team: operational finance and HR, treasury, recruitment support, audit.

## **Summary**

- 3.15. Full structure diagrams are included at Appendices 1-7.
- 3.16. If approved, the recruitment of the Assistant Director roles will take place through the Employment Committee. Recruitment to the remaining posts will be progressed by the Chief Executive as a matter of priority. A full suite of terms and conditions is under development and will be brought before the Employment Committee in the near future.

## **4.0 FINANCIAL IMPLICATIONS**

- 4.1. The revised staffing structure set out in this report is subject to final costing as roles are evaluated and recruited, which will inform the final budget impact. A draft cost of the new structure including NI and pension costs has been assessed based on available information and initial assessments of likely costs of each role, which will be refined as roles are evaluated and filled. This

information was included in the Four Year Plan / Draft Medium Term Financial Plan presented to the Combined Authority Board on 30th May 2018.

4.2. The total cost of the revised structure is more than funded through a combination of both the previous structure cost of £3.08m and additional draft funding available of £2.81m as set out below, totalling £5.89m available funds. This is compared to the draft costing of the revised staffing structure on the basis set out in this paper, indicating a full year cost of £5.45m.

4.3. The new funding sources available to the Combined Authority to pay for additional staff, are summarised below:

• Mayoral Capacity Fund (after additional mayoral team posts)	£0.90m
• Adult Education Budget Implementation Funding	£0.15m
• Energy Hub Funding	£0.60m
• Workstream and Programme Funding, assuming 50% of additional Programme Manager costs are chargeable to delivery programmes, drawing on those funding sources	£1.16m
<b>Draft Funding Sources</b>	<b>£2.81m</b>

4.4. The following assumptions should be noted:

- Posts in the revised structure are subject to evaluation and costing to determine the final budget impact.
- The funding source for each role will be confirmed as part of the Medium Term Financial Plan refresh planned to be presented to Board in September 2018.
- The exact budgetary impact in 2018/19 will be assessed based on timing of appointments to the new structure. The Draft Medium Term Financial Plan identified the additional draft 2018/19 part year budgetary impact as £1.39m.

## 5.0 LEGAL IMPLICATIONS

5.1. In accordance with the Local Government and Housing Act 1989, as reflected in the Constitution, the Chief Executive has a statutory responsibility for the appointment and grading of staff up to Deputy Chief Officer Level. The Chief Executive is also responsible for the organisation and proper management of the Combined Authority's staff including proposing changes to the management structure and the number and grades of staff required. (para 4.4 and 4.5 Chapter 13 - the Officer Scheme of Delegation and Proper officers).

5.2. The role of the Combined Authority Board is to consider whether the structure proposed by the Chief Executive is appropriate for the delivery of the strategy, objectives and functions of the Combined Authority. The Combined Authority has responsibility to provide appropriate resources to ensure the Chief Executive is able to fulfil his statutory role and, in this regard, it is material that the functions of the Combined Authority have increased significantly since the Combined Authority took responsibility for the former local enterprise partnership staffing team.

5.3. The statutory responsibility of the Chief Executive is specified under the Local Government and Housing Act 1989 as follows:

- the manner in which the different functions of the authority are co-ordinated;
- the number and grades of staff required by the authority for the discharge of their functions; and
- the organisation of the authority's staff.

5.4. The duty of the Combined Authority to the Chief Executive is set out under s.4 (1) of the Act as follows:

"It shall be the duty of every relevant authority:

- to designate one of their officers as the head of their paid service; and
- to provide that officer with such staff, accommodation and other resources as are, in their opinion, sufficient to allow their duties under this section to be performed".

## 6.0 SIGNIFICANT IMPLICATIONS

Not applicable

## 7.0 APPENDICES

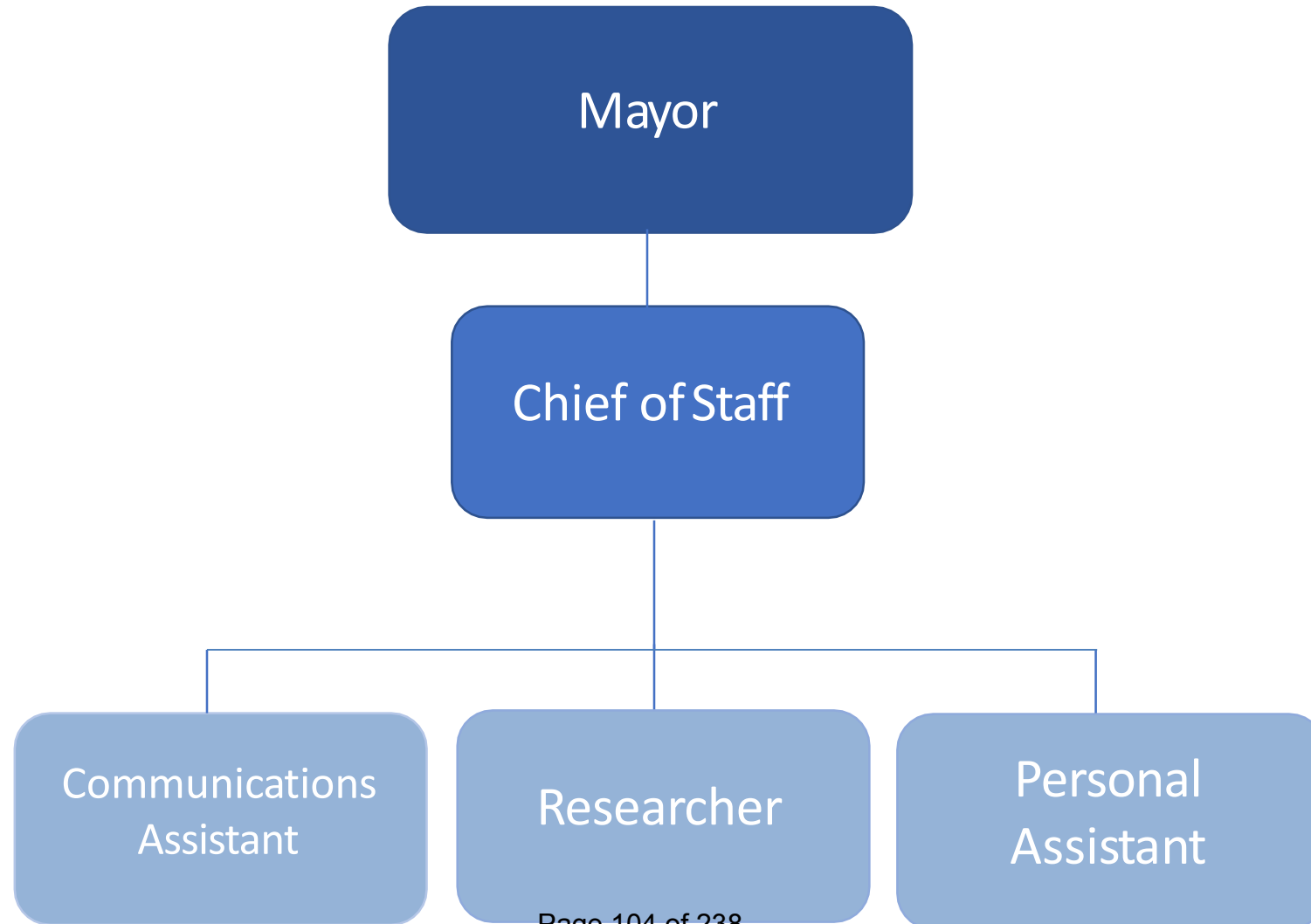
7.1. Appendices 1-7 – Team Structures

<u>Source Documents</u>	<u>Location</u>
Previous agendas, reports and decisions are available on the Combined Authority website.	Combined Authority website <a href="http://cambridgeshirepeterborough-ca.gov.uk">http://cambridgeshirepeterborough-ca.gov.uk</a>

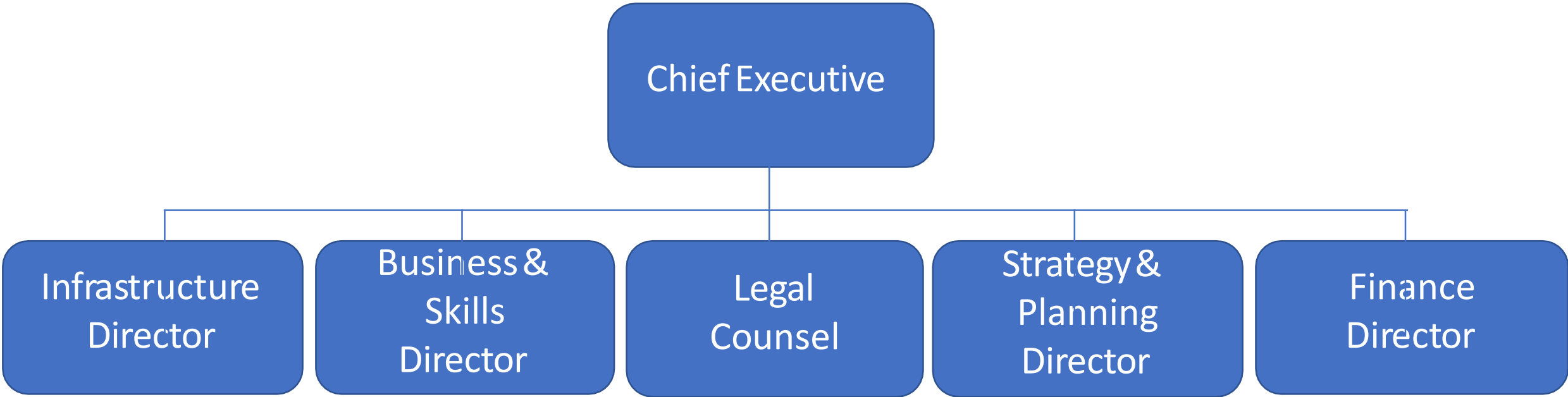
# Mayor's Office



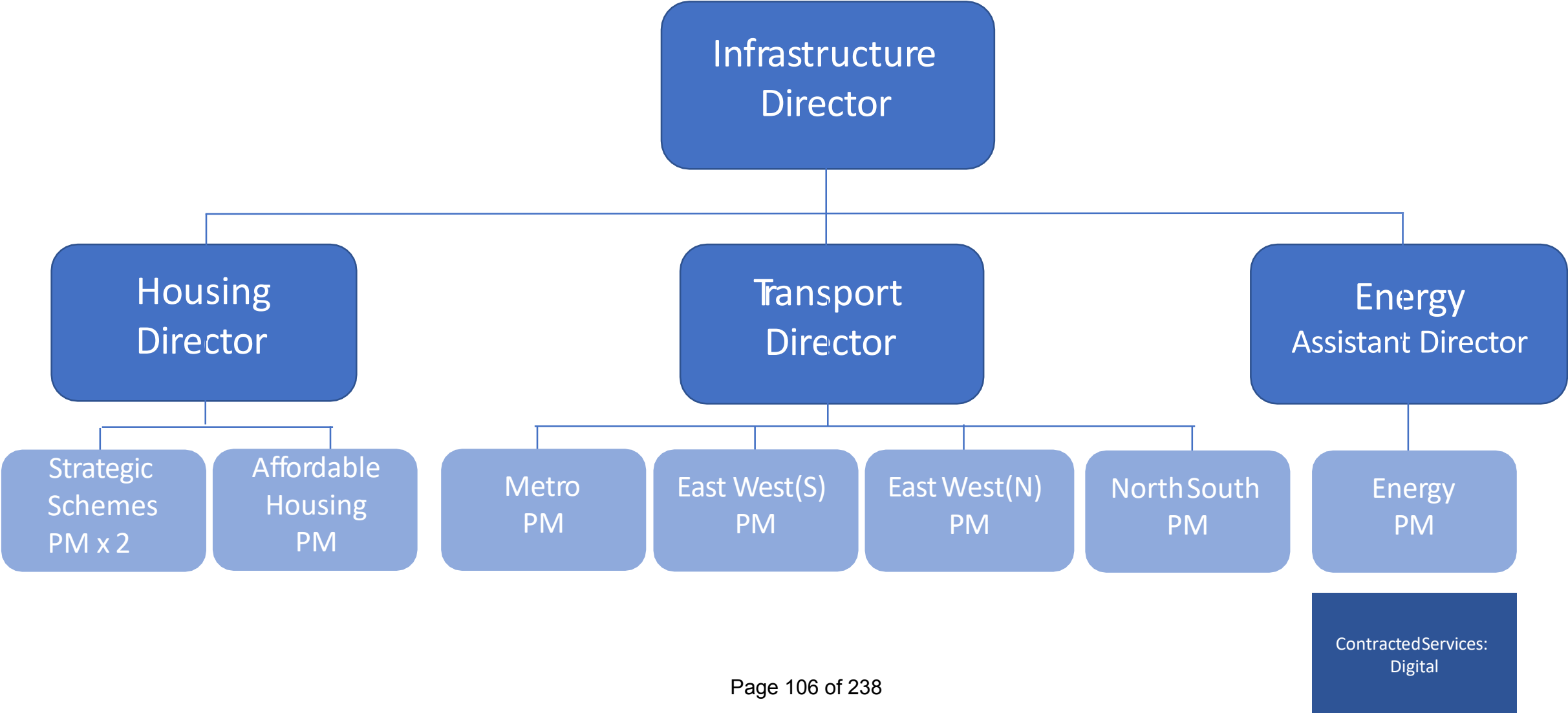
**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY



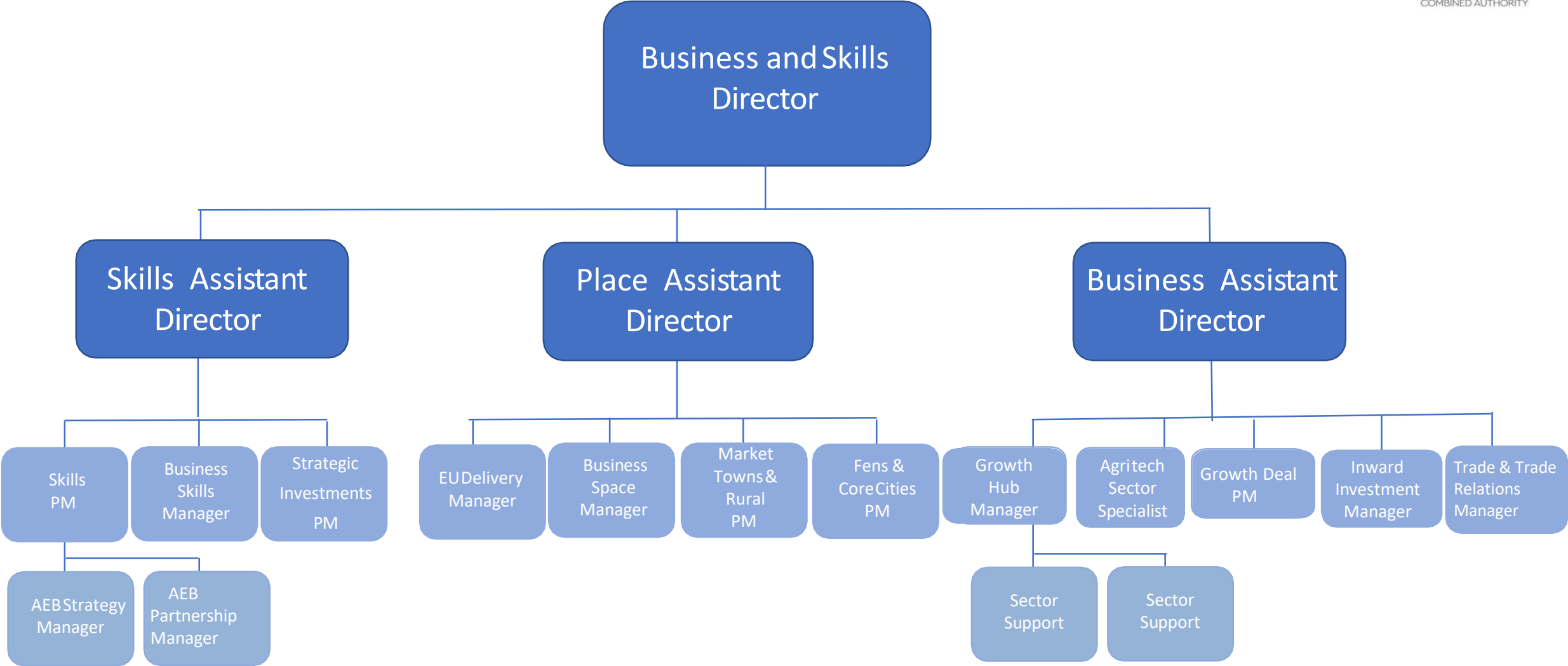
# CA Leadership Team



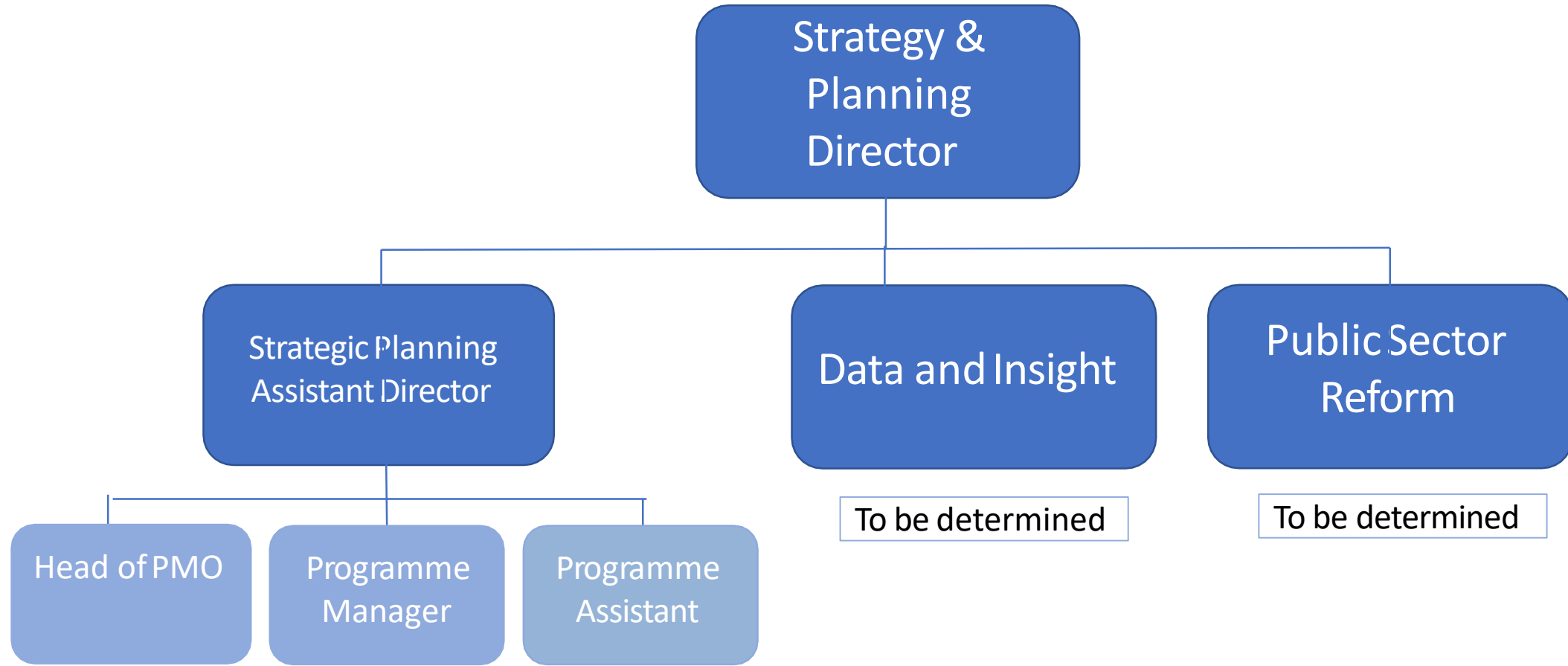
# Infrastructure



# Business & Skills

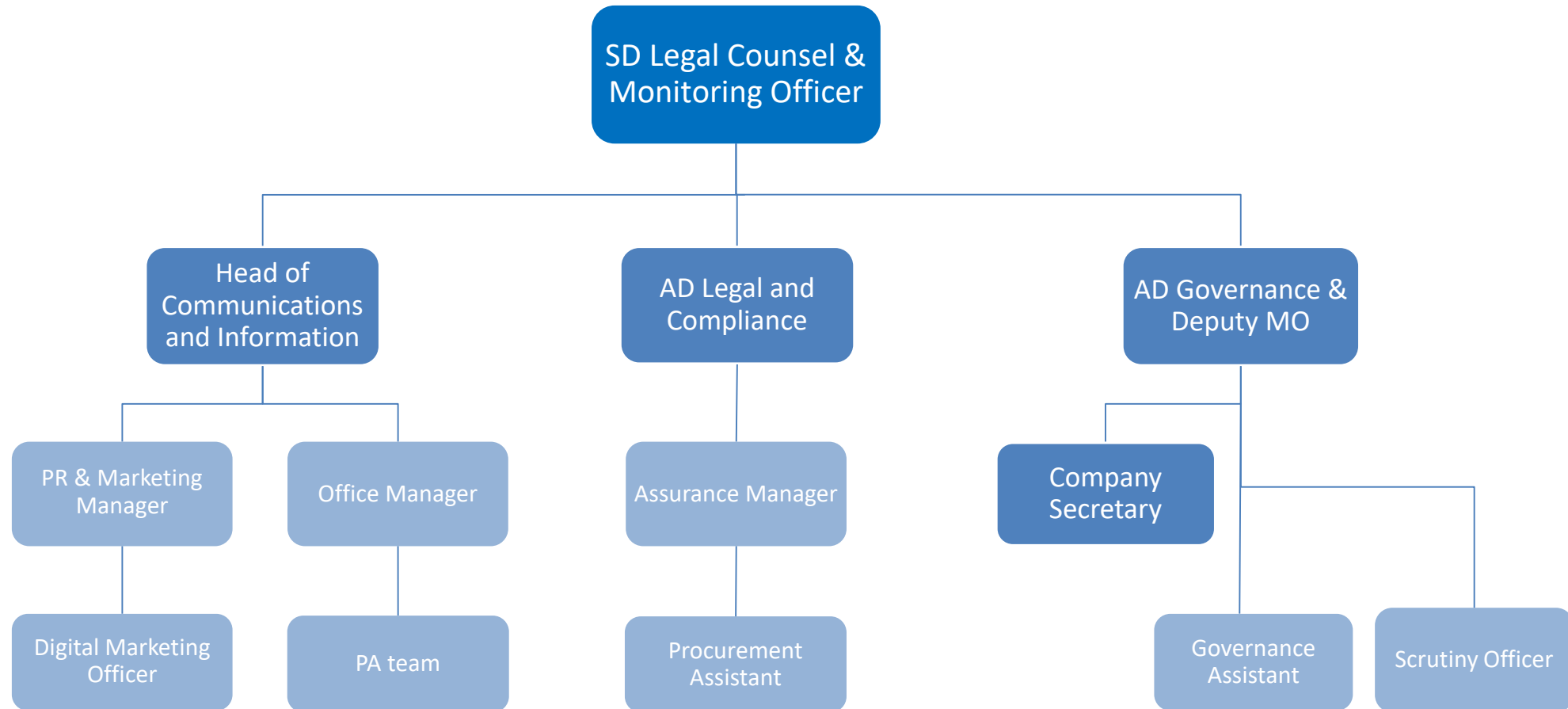


# Strategy, Planning & Performance

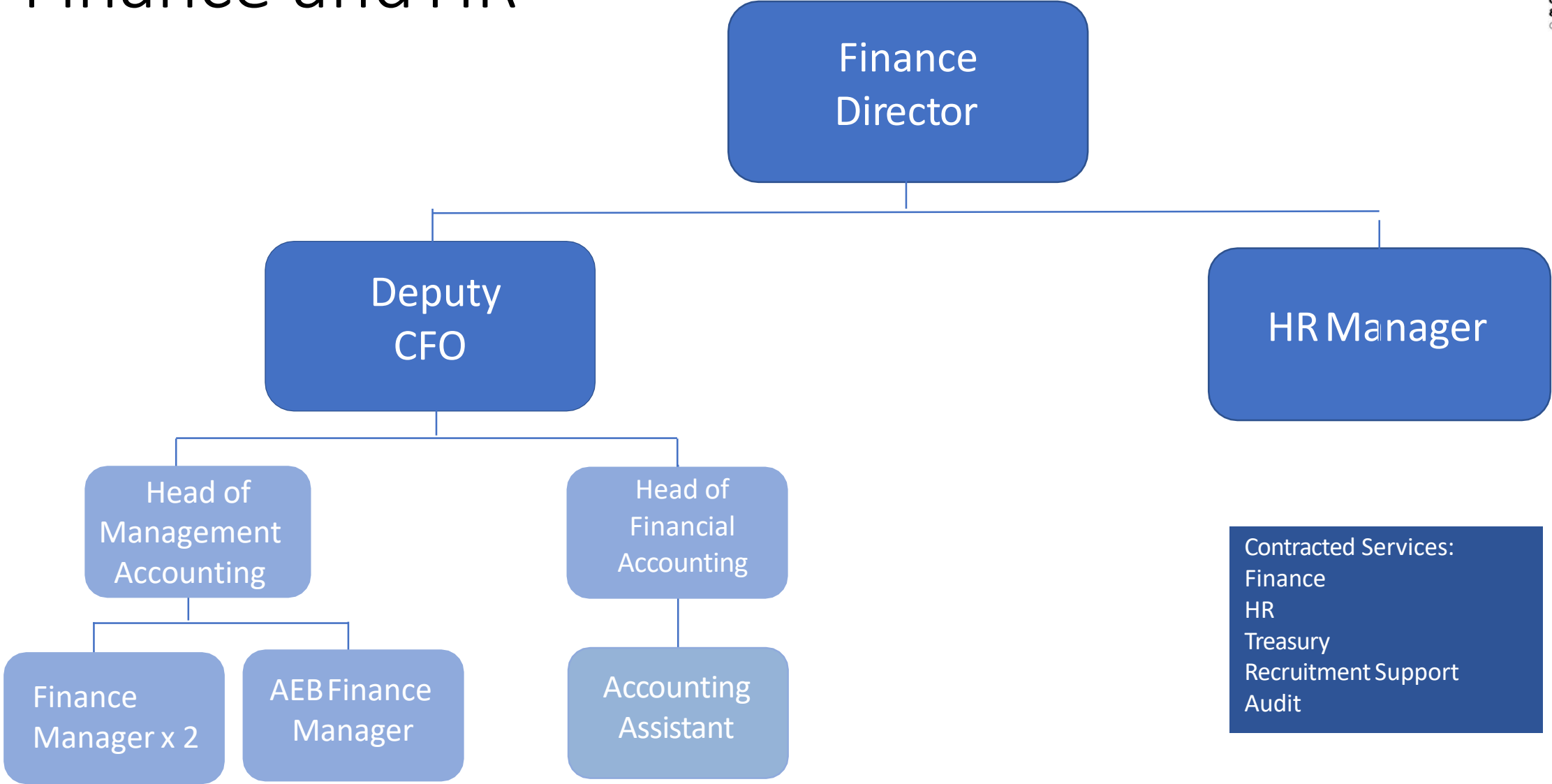




# Governance and Communications



# Finance and HR





**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 2.5</b>
<b>27 JUNE 2018</b>	<b>PUBLIC REPORT</b>  This report has a confidential appendix as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act as amended

## **COMBINED AUTHORITY AND BUSINESS BOARD OFFICES**

### **1.0 PURPOSE**

- 1.1. The Combined Authority Board has previously agreed to bring together the staff of the Combined Authority and the former Greater Cambridge Greater Peterborough Local Enterprise Partnership into a single organisation. A major transformation is now underway, as staff have transferred into one operation and are provided with a clear focus on delivering the areas priorities. This change also provides the opportunity to rationalise the accommodation into a single, fit for purpose, agile working office space.
- 1.2. Following an assessment of the various options available, office space at Alconbury Weald has been found to provide the best value for money. This paper sets out the business case, the cost implications and the flexibility of the proposed office arrangements.
- 1.3. This report includes a **confidential appendix** because the lease cost comparisons are commercial sensitivity. Therefore it contains exempt information under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, and it would not be in the public interest for this information to be disclosed (Para 3 refers to information relating to the financial or business affairs of any particular person (including the authority holding that information)).

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>James Palmer, Mayor</b>
<b>Lead Officer:</b>	<b>Martin Whiteley, Chief Executive</b>
<b>Forward Plan Ref: 2018/025</b>	<b>Key Decision: Yes</b>
<p>The Combined Authority Board is requested to:</p> <ul style="list-style-type: none"> <li>(a) Agree the location of the Combined Authority offices at the Alconbury Weald Enterprise Campus.</li> <li>(b) Approve the 2018/19 budget for occupation of the accommodation of £169,300.</li> <li>(c) Approve the 2019/20 and ongoing budget for occupation of the accommodation of £225,300 per annum.</li> <li>(d) Agree that any final insubstantial amendments that are required prior to signing the lease can be made by the Legal Counsel, in consultation with the Mayor.</li> <li>(e) Agree that any final insubstantial financial amendments that are required can be made by the Section 151 Officer.</li> </ul>	<p><b>Voting arrangements</b></p> <p>Simple majority of all Members</p>

## **2.0 MEETING THE BUSINESS NEEDS**

- 2.1. The Alconbury Weald Enterprise Campus site is of key strategic importance within the Combined Authority Area. It is located in a central position of the area as a whole.
- 2.2. Over the past twelve months significant work has been undertaken to establish the organisation. The Combined Authority is primarily a commissioning business comprising of core functions and accountabilities, working with partners and other agencies to deliver the priorities of the area.
- 2.3. The organisation needs to provide capacity for employees to work in the office and as an office base. Aside from desk spaces there also needs to be sufficient capacity to meet with external parties delivering the programme of work. Moving to this accommodation will offer the required space and the majority of the staff will be equipped to work in an agile way.

- 2.4. The Combined Authority is also putting in place reciprocal arrangements at key public sector sites so that a limited number of officers can hot desk to maximise productivity when they are attending meetings. Up to eight desks have been assigned in the office space to cover this arrangement, provide for Combined Authority members, officers from partner authorities and core contractors supporting the key delivery programmes.
- 2.5. With a total of 48 desk spaces available in the office the desks ratio for the Combined Authority staff is approximately 3 people for every 2 desks. If the Combined Authority takes on further responsibilities and as programmes move towards delivery – requiring further space for external advisors, there is capacity within the space to accommodate this additional demand.
- 2.6. There is additional provision of four meeting rooms, a kitchen area and more informal meeting space. People will be able to access high speed broadband throughout the offices and flexibility has been built in which would enable a further 24 workspaces to be provided if required. The layout is attached as at **Appendix A.**

### **3.0 The Business Case and value for money**

- 3.1. Prior to the business transfer of the GCGP LEP to the Combined Authority, the Combined Authority was occupying space in East Cambridgeshire District Council. This was a temporary and very limited space and by nature a temporary solution. At the same time the GCGP LEP was operating from separate offices in Alconbury Weald. These leases were due to expire.
- 3.2. Neither arrangement was sustainable or able to provide fit for purpose accommodation for a modern and agile organisation.
- 3.3. In assessing the options several workstreams were undertaken concurrently, including assessing value for money and considering alternative options. These have been summarised in the following sections.
- 3.4. Value for money was the primary consideration, as part of this process Bidwells in Cambridge were contacted to compare like for like building schemes/local rental values for similar builds around 8,000 sq ft office space over one floor. Findings included:
- A new build on the Cambridge Research Park
  - A refit in Cambridge Science Park
  - A refurbished office space in Girton
  - A refurbished office a 15 minute walk from Central Cambridge
- 3.5. The detail on the costs that were provided are included in an Exempt Appendix. Taking these values into account Alconbury Weald Incubator 2 was found to provide the best value for money.

- 3.6. The draft Agreement for Lease and Lease have now been produced by Urban and Civic and the Combined Authority Section 151 Officer and Monitoring Officer have been working with our external advisors Pinsent Masons to finalise the content. These papers are virtually complete and are available as background documents.
- 3.7. Alongside the value for money work and leasing space at Alconbury Weald through Urban and Civic several other options were considered in terms of the approach to the accommodation.
- Building new accommodation at Alconbury Weald or elsewhere
- 3.8. This was not considered a viable option at this stage. The Combined Authority is taking on more responsibilities and many of the programmes of work will start to move from planning to delivery phase. Having the flexibility of leasing (with a year's notice period) and room for some further growth meant that the organisation could move quickly and not be constrained in their future planning.
- Leasing alternative sites
- 3.9. This option has been covered in some detail in the main body of the report. Value for money was the most significant factor; however, the location was also very important in determining where the Combined Authority would be based.
- Doing nothing – staying where the Combined Authority is currently
- 3.10. This was not considered to be an option. The accommodation was originally provided for the GCGP LEP when it was established as a 'start up'. Firstly one room, now two rooms which include 26 desk spaces, two small meeting rooms and shared amenity space. There are no vacant spaces currently in Incubator 1.
- 3.11. There was pressure on space at times when it was just the LEP. Since the 1 April, Urban and Civic has provided two additional rooms at the Club at no cost to meet the demand. Whilst staff are encouraged to work in an agile way there have been times when all this space has been in use and all the tables in the amenity space (for use by all the building) have been taken by Combined Authority staff either working or meeting partners or providers. This is not ideal given some of the sensitive discussions that are taking place.
- 3.12. Irrespective of the move Urban and Civic indicated in early 2017 that the GCGP LEP would need to agree a new lease and they would undertake a rent review, at which stage a discussion about moving to Incubator 2 also commenced.

- 3.13. Therefore primarily on space availability and suitability this option was ruled out.

## **4.0 FINANCIAL IMPLICATIONS**

- 4.1. This section of the report deals with the financial aspects relating to the accommodation. A provisional amount of revenue and capital funding for 2018/19 is included in the Medium Term Financial Strategy that was presented to the Combined Authority Board on 30 May 2018 and are presented in this report for approval owing to the ongoing budget commitment.
- 4.2. The landlord provides the space to any tenant as a “shell” and in order to fit out the space to the tenant’s specification Urban and Civic operated an “open book” with the contractor. As this is a “live” site the open book approach offered economies of scale around project management, procurement of fixtures and fittings as well as operating within the specification’s timescale for the build. A decision on the outline design and to cap the fit out costs at £155,988 was taken during the construction process and the Office Decision Notice is available as a background document, some of this material is exempt due to the commercial sensitivity.

### **Capital funding**

- 4.3. The capital costs of fitting out the building have been highlighted previously in the report and were capped at £155,988 plus VAT.
- 4.4. Whilst wherever possible the existing fixture and fittings will be moved to the new accommodation, however, additional expenditure on, for example, furniture and ICT infrastructure and equipment (including conference room facilities) and moving is required. This will equate to £91,580.25 plus VAT.

### **Revenue funding**

- 4.5. The lease is for a period of 15 years; however, either party can give one year’s notice to terminate.
- 4.6. The rent has been reviewed internally and also challenged at various stages with Urban and Civic. The cost per square ft is also in line with the current cost at the Incubator Units. Having said that the Incubator Units are subject to a rent review on completion of the leases in July 2018 which could see the rents for these units increase in line with current rental values around the area.
- 4.7. Given the commercial sensitivity of the rental per sq ft only the overall revenue costs associated with the accommodation (including estate charges, utility, support and cleaning costs etc) have been quoted in this report. This has

been calculated at £249,486.12 per annum. However, the full breakdown can be seen in the Exempt Appendix.

- 4.8. Further details on the rent levels and rent review processes are set out in the Lease.

## **5.0 LEGAL IMPLICATIONS**

- 5.1. Discussion has taken place between the legal team at the Combined Authority, Urban and Civic and our respective external legal advisors. The latest versions of the Agreement for Lease and also the Lease have been shared internally and agreed at this stage by the Monitoring Officer and the Section 151 officer.

## **6.0 SIGNIFICANT IMPLICATIONS**

- 6.1. In agreeing the report the Board will be giving a commitment to remaining on the Alconbury Weald site.
- (a) Entering into a 15 year lease with Urban and Civic, with either party able to give one year's notice.
  - (b) Securing modern, functional and flexible offices which will provide opportunities for the Combined Authority to improve productivity and effectiveness.
  - (c) Committing to accommodation expenditure of around £250,000 per annum plus VAT, equating to potentially £3,762,000 plus VAT over the next 15 years.

## **7.0 APPENDICES**

- 7.1. Appendix A – Proposed Office Layout

<b><u>Source Documents</u></b>	<b><u>Location</u></b>
Decision Notice 16 April 2018 with the exemption of exempt information	Cambridgeshire and Peterborough Combined Authority, Unit 3, The Incubator, Alconbury Weald Enterprise Campus, Alconbury Weald, Huntingdon, PE28 4WX
Draft Agreement for Lease and Lease	







**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 2.6</b>
<b>27 JUNE 2018</b>	<b>PUBLIC REPORT</b>

## **GROWTH PROGRAMME UPDATE**

### **1.0 PURPOSE**

- 1.1. Growth Deal was established in April 2015 by Government to deliver key strategic outcomes. The Greater Cambridge and Greater Peterborough Local Enterprise Partnership (GCGP LEP) deal with Government was to deliver 10,440 new homes, create or secure 22,500 jobs, train 2,200 people and funding was released from 3 rounds of Growth Deal. £146.7m was allocated by Government to deploy on capital projects within 2013 Strategic Economic Plan.
- 1.2. Business Board received a paper on 30th April 2018 describing the Growth programme existing commitments and outlining a timetable to create a Business Growth Prospectus to identify programmes to deploy remaining allocations.
- 1.3. The purpose of this report is to summarise the current position on Growth Deal, identify to the Board some of the major milestones that are about to complete, demonstrate the major scheme commitments from Growth Deal that have been transferred to the Combined Authority after the closure of the LEP and a status position of those projects.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Cllr Charles Roberts, Chair of Business Board and Deputy Mayor</b>
<b>Lead Officer:</b>	<b>Harriet Fear, Interim Director, Business and Skills</b>
<b>Forward Plan Ref: 2018/024</b>	<b>Key Decision: Yes</b>
<p>The Board is asked to endorse the recommendations of the Business Board to:</p> <p>(a) note the programme updates for the Local Growth Fund (Growth Deal) and Growing Places Fund;</p>	<p><b>Voting arrangements</b></p> <p>Simple majority of all Members</p>

<p>(b) note activity to bring forward business cases for provisional schemes and develop approach for new allocations;</p> <p>(c) approve payment to Peterborough City Council of £513,492.63 for Claim 8 under the Bourges Boulevard 2 contract.</p>	
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## 2.0 BACKGROUND

- 2.1. The Business Board on 30th April received a paper, Growth Programme Update. That paper detailed the history of the Growth Programme and the essence of the deal between Greater Cambridge and Greater Peterborough LEP. That report identified that £146.7m had been agreed between the Government and LEP to deliver major housing, employment and skills outcomes.
- 2.2. This paper also sets out broad steps to allocating remaining Growth Deal and developing a prospectus for launch in Autumn 2018.

### Growth Deal Financial Position

- 2.3. A programme spend position of £55.7m was reported to the Business Board in April 2018. This excluded project payments which were being processed at the end of March, as the Combined Authority was awaiting a final year-end position from Cambridgeshire County Council as Accountable Body for the Growth Deal. The final position at 31st March 2018 is £58.82m, which includes £16m paid directly to the County Council from Department for Transport for Ely Southern Bypass.
- 2.4. Since the growth funds were transferred to the Combined Authority on 1st April, no further payments have been made to projects. Claims for £1.47m across 19 Growth Deal projects have been received since the beginning of the financial year and are in processing, which will bring the spend total to £60.29m. £75m is contracted and forecast to be spent by March 2019.
- 2.5. The Growth Deal provisionally allocated an additional £22.8m to five new projects that are still subject to full business case appraisal. These are:
- |  |        |
|--|--------|
| (a) Wisbech Access Strategy (delivery)       | £10.5m |
| (b) A428 transport improvements contribution | £9.0m  |
| (c) Haverhill Innovation Centre contribution | £1.3m  |
| (d) Soham Station contribution               | £1.0m  |
| (e) M11 Junction 8 contribution              | £1.0m  |
- 2.6. Programme managers are working with project delivery bodies to bring these schemes forward for consideration. Wisbech Access Strategy will be reported for a recommendation at the next Board meeting. However, this funding still needs to be released by Government.
- 2.7. Total contracted and the provisional Growth Deal schemes listed above total £97.5m. The Government has indicated a further £49.2m, spread over the next 3 years in staged payments, is reserved for new projects. The 2018/19

allocation has not yet been released. Release of that funding is subject to specific criteria set by Government. One of those conditions relates to the Government's ongoing Review of Local Enterprise Partnerships, which is not anticipated to conclude until July 2018.

### **Milestones and Highlights**

- 2.8. In April 2018 Growth Deal accountability and contracted Growth Deal projects were successfully transferred to the Combined Authority. Some of the major projects are nearing completion including:
- The official launch of the iMET Technical and Vocational Centre at Alconbury in June, the construction of which was funded through an award of £10.5m from the Growth Deal. Training will be delivered through a Joint Venture set up by Cambridge Regional College and Peterborough Regional College, and the centre will welcome its first cohort of apprentices in September.
  - The Bourges Boulevard 2 Project was contracted by the Local Enterprise Partnership on the 25th May 2016 for a total amount of £9.2m to deliver major transport and public realm improvements in Peterborough City Centre. The project is due to complete in July. Payments totalling £7,848,348 had been made by March 2018, leaving £1,351,652. Claim 8 is now due to be paid for £513,492.63. As this is over £500,000, Combined Authority Board approval is required to make the payment. This is a contractual obligation based upon the delivery of the planned programme.
  - **Appendix 1** identifies the risk profile of major projects within the programme and provides some narrative to what is being delivered.

### **Growing Places Fund**

- 2.9. The Growing Places Fund was created from another source of funding. Initially the intention was to use this as a mixture of grant and loan. Repayments have been and continue to be made which creates a sustainable pot to support growth and enable businesses to create jobs. Around £22m of schemes have been supported from this fund and projects currently in delivery funded via this programme include Ely Area Capacity Enhancements.
- 2.10. There is just under £8m within the Growing Places budget that can be allocated to future projects, subject to cashflow and successful repayment of loans. It is proposed that opportunities under this programme are included within the Business Growth Prospectus.

### **Committing Further Growth Funds – Next Steps**

- 2.11. At the meetings in April, the Business Board and Combined Authority Board noted that Government has set specific criteria before it would release the 18/19 Growth Deal allocation. As set out above this included the Combined Authority responding to the (as yet to be published) national Review of Local Enterprise Partnerships. Given the expected publication of the Review in July, the Board agreed that it would agree a prospectus to guide the allocation of Growth Deal at its next available meeting, which will be the September Board meeting. This also allows the findings of the Cambridgeshire and Peterborough

Independent Economic Review (CPIER) to be considered alongside the prospectus.

### **3.0 FINANCIAL IMPLICATIONS**

- 3.1. Significant implications. The Combined Authority as Accountable Body for the Growth Deal and Growing Places Fund has to consider programme management and cash flow risks. Proposals recommended by the Business Board relating to the Business Growth Prospectus and the resulting level of contractual commitment to spend versus available cashflow will need sign-off by the Accountable Body.
- 3.2. The Bourges Boulevard 2 Project was contracted by the Local Enterprise Partnership on the 25th May 2016 for a total amount of £9.2m, under the Growth Deal Programme. Payments totalling £7,848,348 had been made by March 2018, leaving £1,351,652. The Project is due to complete in July 2018 and full drawdown of the contracted amount is forecast. The contract and associated Growth Deal funding transferred to the Combined Authority through the Business Transfer Agreement in March 2018 so funding is available to pay claim 8 which is of the value of £513,492.63, covering the period Jan-Feb 2018.

### **4.0 LEGAL IMPLICATIONS**

- 4.1. The Combined Authority assumed responsibility, as the Accountable Body, for contracts entered into by the former local enterprise partnership, upon transfer of the business from the LEP to the Combined Authority in April 2018. Assumption of those liabilities is set out in the business transfer agreement and the ongoing novation of contracts to the Combined Authority.
- 4.2. The Combined Authority therefore has certain contractual obligations for payment of the growth funds which it has inherited. The Business Board is the new local enterprise partnership for the area with responsibility for recommending spend of growth funds to the Combined Authority Board and these recommendations will be considered by the Business Board before being made to the Combined Authority.

### **5.0 SIGNIFICANT IMPLICATIONS**

- 5.1. The Growth Deal is a substantial funding agreement between the local area and Government, with scope for significant impacts on the growth of the local economy. Successful delivery has positive benefits to residents, businesses and workers within the Business Board area.

### **6.0 APPENDICES**

- 6.1. Appendix 1 - Growth Deal and Growing Places Risk Profile (May 2018)

<b><u>Source Documents</u></b>	<b><u>Location</u></b>
Greater Cambridge Greater Peterborough Growth Deal	<a href="https://www.gov.uk/government/publications/greater-cambridge-greater-peterborough-growth-deal">https://www.gov.uk/government/publications/greater-cambridge-greater-peterborough-growth-deal</a>

## Appendix 1 - Growth Deal and Growing Places Risk Profile (May 2018)

	Overall RAG Status	Timescales	Resources	Budget	Risks	Issues
A428 Cambourne to Cambridge (provisional)	Red	Red	Green	Green	Red	Green
Bourges Boulevard Phase 2	Green	Green	Green	Green	Green	Green
Ely Area Capacity Enhancements	Green	Green	Green	Green	Green	Green
Ely Southern Bypass	Amber	Green	Green	Amber	Amber	Amber
King's Dyke Crossing	Red	Amber	Green	Red	Red	Amber
M11 Junction 8 (provisional)	Green	Green	Green	Green	Amber	Green
Soham Station (provisional)	Amber	Amber	Green	Green	Green	Green
Whittlesea and Manea Railway Stations	Green	Green	Green	Green	Green	Green
Wisbech Access Strategy - Delivery Phase (provisional)	Green	Green	Green	Green	Amber	Green
iMet Centre	Green	Green	Green	Green	Green	Green
Haverhill Innovation Centre (provisional)	Amber	Amber	Green	Green	Amber	Green
Lancaster Way Business Park	Green	Green	Green	Green	Green	Green
COSMOS	Green	Green	Green	Green	Green	Green

**A428 Cambourne to Cambridge:** This provisional allocation is for the delivery of public transport improvements. The proposed means of delivering this was through the Western Access Project being progressed by the Greater Cambridge Partnership. At the May Combined Authority Board it called for the Partnership to delay activity on this project until a strategic review of transport was completed. hence the Red Risk on timescale.

**Bourges Boulevard Phase 2:** Project is nearing completion, with 7 out of 8 transport and public realm improvements for Peterborough City Centre completed.

**Ely Area Capacity Enhancements:** Network Rail commissioned and undertaking feasibility work.

**Ely Southern Bypass:** Under construction. Increase in overall project cost, Cambridgeshire County Council has agreed to cover the additional costs.

**King's Dyke Level Crossing:** Design work underway. Cambridgeshire County Council to review overall cost in Sept 2018

**M11 Junction 8:** Funding package brought together by Essex County Council. OBC being prepared.

**Soham Station:** Governance for Rail Investment Projects (GRIP) 3C Study – Options Selection Approval in Principle signed off in January 2018, followed by an immediate start. CCC has also signed a DSA (Development Service Agreement) for Network Rail to carry out this work. GRIP3C expected to conclude in May 2019 with construction expected to begin May 2021. Growth Deal funding contribution of £1m needs to be deployed by March 2021, so need to look at options for accelerating delivery. A number of opportunities have already been identified which will aid programme acceleration. These include: (1) combining the procurement of GRIP 5-8 (2) early

consultation and lobbying of train operators (3) maximising use of permitted development rights; and (4) exploring timetable changes in advance of the formal change dates.

**Whittlesea and Manea Railway Stations:** Project (the Feasibility study) due to conclude June 2018. No further commitment from Growth Deal to fund delivery.

**Haverhill Innovation Centre:** Developer of building not yet able to proceed - gathering a suitable funding package and operating plan to meet project specification

**Wisbech Access Strategy - Delivery Phase: Wisbech Access:** Report to June Board for approval. D&B Contractor to be procured via Eastern Highways Framework with a cut off clause at end of Detailed design subject to construction funding approval by Business Board and CA Board at that time.



<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 3.1</b>
<b>27 JUNE 2018</b>	<b>PUBLIC REPORT</b>

## **LOCAL ENERGY EAST STRATEGY**

### **1.0 PURPOSE**

- 1.1. The Local Energy East Strategy must be endorsed by all three Local Enterprise Partnerships to meet the requirements of the Department for Business, Energy and Industrial Strategy (BEIS). In addition, this also provides a blueprint for the future work in the area and the wider leadership of the Local Energy Hub programme.
- 1.2. The Business Board (acting as the local enterprise partnership for this area) has been asked to endorse the Strategy. Their recommendations will be presented to the Combined Authority Board for approval.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Cllr Lewis Herbert, Strategic Planning</b>
<b>Lead Officer:</b>	<b>Paul Bourgeois, Head of Sustainability</b>
<b>Forward Plan Ref: Not applicable</b>	<b>Key Decision: No</b>
<p>The Combined Authority Board is recommended to note and endorse the decision of the Business Board (to be reported at the meeting). This includes:</p> <p>(a) Endorse the Strategy for the whole LEP area and as the basis for the Local Energy Hub to start considering projects in the Cambridgeshire and Peterborough area.</p> <p>(b) Recommend to the Combined Authority Board the Strategy and use of the Combined Authority name and logo within the final version of the Strategy.</p>	<p><b>Voting arrangements</b></p> <p>Simple majority of all members</p>

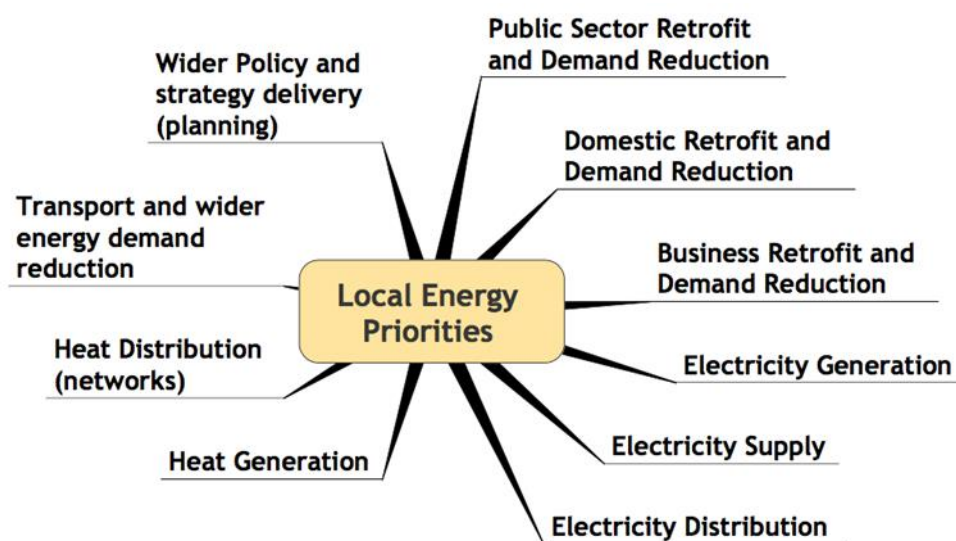


## 2.0 BACKGROUND

- 2.1. In March 2017 BEIS offered local enterprise partnerships (LEP) in England the opportunity to bid for up to £50k per LEP area for the creation of Local Energy Strategies. Greater Cambridge Greater Peterborough, New Anglia and Hertfordshire LEPs submitted a joint bid led by GCGP LEP and secured £150k for the combined area.
- 2.2. Over the last twelve months an evidence base has been developed, comprehensive stakeholder engagement has taken place and the attached consultation draft of the Strategy has been completed.
- 2.3. A Steering Group has been created with representation from all three LEP areas along with a Project Delivery Group with representation from local authorities, universities and the UK Power Networks. Representatives from Cambridgeshire County Council, Cambridge City Council, Peterborough City Council and Anglia Ruskin University were active members of the Project Delivery Group.
- 2.4. An Extended Stakeholder Group has over 400 members including all the Cambridgeshire local authorities.

### Strategic relevance

- 2.5. The Local Energy East Strategy covers the three LEP areas which include Cambridgeshire and Peterborough, Rutland, Hertfordshire, Norfolk and Suffolk plus Uttlesford, South Kesteven and South Holland council areas.
- 2.6. The Local Energy agenda has been defined by Government as a national priority and is comprised of ten aspects as represented below:



- 2.7. The Local Energy Strategy that BEIS have asked each area to develop is most accurately described as an 'area-based assessment' which includes brief, best practice case studies and an identification of high level priorities. It will allow BEIS to compare and contrast with other local energy strategies across England to secure additional government support across Whitehall. After the Strategy is launched the Local Energy East team with the Energy Hub team will focus on the development of a business plan with clear, measurable delivery objectives and targets agreed at a local level.
- 2.8. The strategy research and assessment work undertaken to date, has identified that there are many short-term power issues across the geography that require urgent, targeted action. These supply shortages are prohibiting domestic and commercial developments and will be addressed collectively with the relevant authorities and delivery agents.
- 2.9. In order to resolve the supply issues that have been identified there is an opportunity to create innovative policy, regulatory, technical and financial approaches to delivery with local and national organisations. This includes local authorities, the Distribution Network Operator and BEIS. There is a clear appetite and determination to resolve simple problems by pioneering new ways of operating and working more concertedly on the longer term operational delivery issues. One example, is that new local delivery organisations such as a Multi-Utility Service Company (MUSCo) wholly owned by local authority and related stakeholders could provide developer equity, unblocking constrained delivery in the current market whilst securing financial benefits for the Combined Authority area.
- 2.10. The strategy highlights the power issues relating to grid constraints that prohibit local housing delivery, vehicle charge point installation, the ability for public buildings to generate their own energy, e.g. schools, and significantly impedes sustainable economic growth and job creation in our SMEs and large employers. It also recognises the part 'heat' plays within the local energy agenda in relation to heat networks and heat distribution to domestic and commercial users in high heat demand areas.
- 2.11. In conclusion the strategy work has identified three primary local energy priorities which are applicable to all areas and offers the strategic ambition and potential solutions in response. These are:
- Housing growth and Commercial site infrastructure;
  - Electrification of transport systems;
  - Affordable, secure, low carbon consumption in all sectors.
- 2.12. These three priorities all apply to each local authority within Cambridgeshire and Peterborough area. The Local Energy East team comprised County, District, City and Unitary council officers are all actively working together and pooling resources.

- 2.13. The work to date on the strategy has been positively received by BEIS and is the first strategy in the country at a multi-LEP area scale. It is well regarded by the Local Energy Team within BEIS.
- 2.14. The attached strategy has been circulated to all 38 local authorities (county, unitary, borough, district and city) in the tri-LEP area for endorsement as an overarching, supportive document for future local energy investment and project delivery.
- 2.15. On the 28th February 2018 the Combined Authority took the decision to be the Accountable Body for one of the five Local Energy Hubs in England. This secured £1.29M of funding from BEIS and this Strategy provides the evidence base and strategic priorities for the Hub to delivery local energy infrastructure in the Cambridgeshire and Peterborough area. This additional specialist resource further adds to the capabilities, intelligence and insight the Combined Authority and local authorities collectively own and use to demonstration wider geographical leadership on this agenda.

### **3.0 FINANCIAL IMPLICATIONS**

- 3.1. There are no financial implications associated with endorsement of this strategy.

### **4.0 LEGAL IMPLICATIONS**

- 4.1. There are no legal implications associated with endorsement of this strategy.

### **5.0 APPENDICES**

- 5.1. Appendix 1 – The final draft of the Local Energy East Strategy.
- 5.2. Appendix 2 – The companion Mapping Analysis Report.

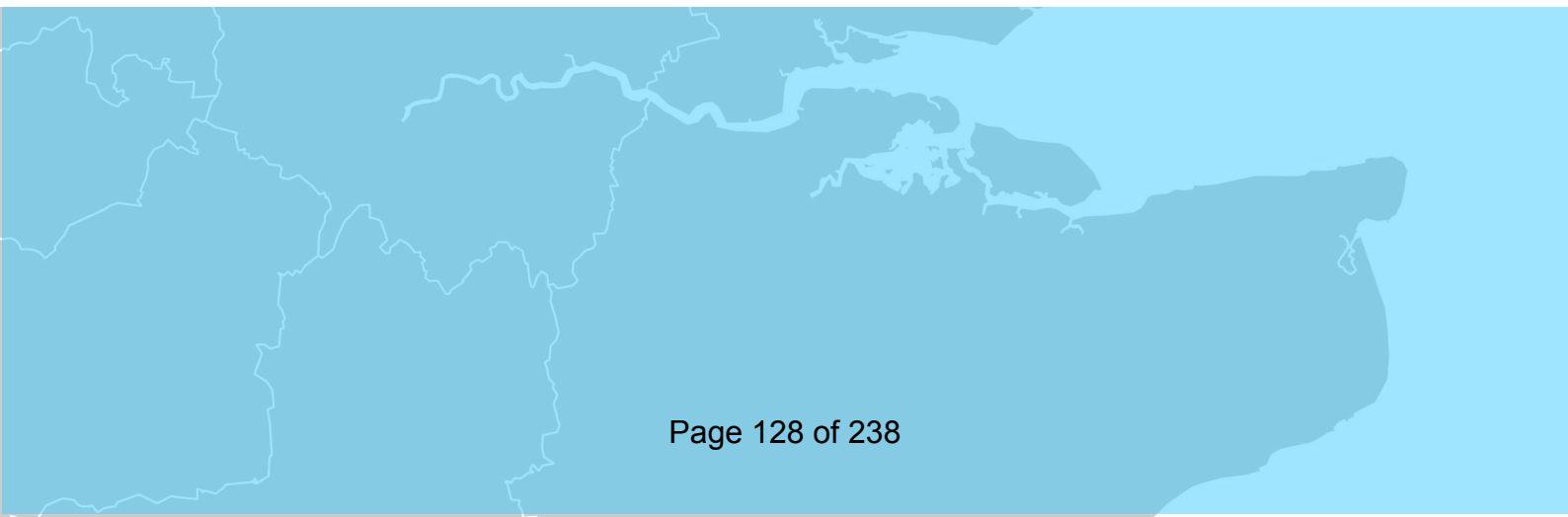
<b><u>Source Documents</u></b>	<b><u>Location</u></b>
There are none.	Not applicable



# Local Energy East Strategy:

## An Energy Strategy for the Tri-LEP Area

**May 2018: Endorsement copy for stakeholders**



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# Local Energy East Network

The Local Energy East Network was established in response to the Department of Business, Energy and Industrial Strategy (BEIS) offering each Local Enterprise Partnership (LEP) funding to develop a Local Energy Strategy. The three LEP areas of Cambridgeshire and Peterborough (formerly Greater Cambridge and Greater Peterborough), Hertfordshire and New Anglia joined together and working with their constituent local authorities, the Distribution Network Operator (DNO), universities, third sector and energy sector businesses were able to create a tri-LEP area project. Those involved in the Steering Group and Project Delivery Group, other than the LEPs, included:

- Allia;
- Anglia Ruskin University;
- Cambridge City Council;
- Cambridgeshire County Council;
- East Herts District Council;
- Hertfordshire County Council;
- Nautilus Associates;
- Norfolk County Council;
- Peterborough City Council;
- Peterborough Environment City Trust;
- Suffolk County Council;
- UK Power Networks;
- University of East Anglia;
- West Suffolk Councils.

The Extended Stakeholder Group included over 400 people from all 38 constituent local authority areas and related organisations who had been engaged and involved in the project.

This wide group of local and sub-national organisations represents a huge potential to collaboratively take the findings and ambitions of this strategy and deliver future work using a mix of public sector leadership and business knowledge.

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# Executive Summary

The Local Energy East (LEE) area is one of the most important energy producing areas in the UK, and a leading area for renewable energy. We are well-positioned to benefit from the global energy revolution that is now underway, and to make a significant contribution to the UK's energy economy. The Government's Industrial Strategy and Clean Growth Strategy both present significant opportunities at a local level to capitalise on local energy growth initiatives.

This strategy sets out our collective ambitions to 2030 underpinned by a range of activities that the LEE Network and the Greater South East Energy Hub will take forward to ensure that we remain at the forefront of Clean Growth in the UK and grasp the opportunities ahead. We have agreed the following themes that are the basis for this strategy:

- **Clean Economic Growth (over-arching)** – we will support growth in our local energy sector, ensure local people benefit from the employment opportunities this creates, and we will support the transfer of the benefits of new energy technologies across sectors as part of our wider drive to boost productivity;
- **Housing growth and commercial site infrastructure** – we will work with UKPN and partners to ensure that the grid enables our housing and commercial development ambitions. We will support new smart grid systems;
- **Secure, local, affordable, low-carbon consumption** – we will work to increase energy efficiency and improve energy affordability; reducing fuel poverty. And we will work to reduce carbon emissions and improve air quality;
- **Clean transport networks** – we will work with local partners and businesses to support the transition to electric vehicles (EVs). We will continue to support behavioural change and modal shift that improves transport sustainability.

Success will only be achieved if all partners play their role in delivering the strategy. It will be delivered through actions taken by a wide range of local partners, through new delivery models to enable distributed energy generation and supply; and be supported by innovative funding models to enable the investment our infrastructure needs.



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# 1 Introduction

- 1.1 Local Energy East (LEE) is a partnership covering three Local Enterprise Partnership (LEP) areas of Cambridgeshire and Peterborough, Hertfordshire, and New Anglia (Norfolk and Suffolk) collectively known as the 'LEE area'.
- 1.2 In early 2017, the department for Business, Energy and Industrial Strategy (BEIS) invited LEPs to produce a Local Energy Strategy, building on the work that we had begun locally in our Strategic Economic Plans (SEPs) and other local strategies and initiatives. Over the past year we have worked with a range of stakeholders and experts to develop this strategy. We have engaged with over 400 people representing over 50 organisations locally to ensure that our objectives and actions have been developed and co-designed with the wide range of partners.
- 1.3 Our combined LEP area is an important part of the UK economy. Home to 3.9m people, 1.8m jobs, and with a total economic output of £98bn (6.2% of the UK total) we are home to an extremely broad range of businesses, universities, research centres and other major UK economic assets.
- 1.4 We are a significant producer and distributor of energy – the Bacton gas terminal is one of the main points for receiving gas from the North Sea whilst the Sizewell nuclear reactor supplies over a thousand megawatts to the national grid. The offshore wind farms at Sheringham Shoal, Scroby Sands and Greater Gabbard contribute a third of the UK's offshore wind power. Future planned offshore wind projects in our region will more than double UK generating capacity in this sector. We are the only part of the UK with expertise and operations in all areas of energy generation. New techniques and technologies offer major opportunities across different parts of the sector.
- 1.5 Business and political leaders in our area have high ambitions for growth, both in the energy sector and wider economy. Having the right energy infrastructure is essential for this growth, able to meet the needs of our businesses and support the development of well-functioning, attractive places to live and work. Already, there are areas where further development and growth locations are significantly constrained due to lack of electricity capacity. The expected shift towards electric vehicles (EVs) will add further pressure to the network as well as creating new opportunities. We also want to ensure that improvements in energy infrastructure benefit our residents, increasing the affordability of supply and contributing to addressing fuel poverty.
- 1.6 We are a clean growth region. We have superb natural assets and a high quality of life in our cities, towns and rural areas. Our Local Energy Strategy shows our commitment to the need to reduce carbon emissions and pollution, to improve air quality and ensure a healthy environment.
- 1.7 This strategy has been developed at a time of huge change in the way that energy is being generated, stored and distributed. New technology provides significant opportunities but also requires careful navigation and investment to maximise the potential for the LEE area.
- 1.8 To inform this strategy an online energy data-mapping portal was created using multiple layers of energy related data. The portal is able to display energy data at a granular level. Feedback from local authorities and other stakeholders so far has been very positive. The portal is a solid base to take delivery activities forward. It enables planners, developers, land owners and other strategic decision makers to better understand where the challenges and opportunities exist.

- 1.9 To accompany this strategy there is a companion Mapping Analysis Report which provides greater detail on the online energy data-mapping portal used and evidence derived from it.
- 1.10 The rest of this document is structured as follows:
- Section 2 sets out our **objectives** for this strategy;
  - Section 3 explains the broader **context** – in terms of policy, economics and wider trends;
  - Section 4 sets out our plan to achieve **clean economic growth**;
  - Section 5 describes how we will support **housing growth and commercial site infrastructure**;
  - Section 6 explains how we will support **secure, affordable, low-carbon consumption**;
  - Section 7 sets out our plans to support **clean transport networks**;
  - Section 8 explains our **future work** and how we will progress our objectives;
  - Section 9 is a **glossary of terms**.
- 1.11 Throughout this strategy there are brief case studies to highlight where a noteworthy activity in the LEE area supports a particular priority or endeavour. Case studies from outside the LEE area are also referenced where learning and delivery in another area is worth considering for replication to support a particular ambition or priority in the strategy.

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## 2 Our objectives

- 2.1 This strategy looks forward to 2030. There will be a period of uncertainty in terms of technology, regulation and policy and climate change impacts. Our actions focus on driving clean economic growth over the next three years alongside setting the overall direction for the next decade. Doing both at once will enable us to reap the economic, social and environmental benefits of the energy revolution.
- 2.2 The principal objectives of this strategy are as follows:
- To put the region at the forefront of the UK's drive towards clean economic growth reflecting the Government's Clean Growth and Industrial Strategies;
  - To create high-value jobs in the energy sector and broader supply chain that support our wider economic growth objectives;
  - To ensure that our economy is underpinned by a world class energy system;
  - To enable local people to benefit from the many new energy opportunities that will be created over the next decade;
  - To foster innovation, both within the energy sector and across other sectors;
  - To create a dynamic, flexible energy system comprised of smart energy grids and a new distribution network that leads development;
  - To create a local energy market, where buying and selling energy locally brings improved economic resilience for residents and businesses and greater affordability of energy supply;
  - To reduce carbon emissions, in line with national targets;
  - To improve air quality in the LEE area, benefiting the health of all residents;
  - To play an active role with the new energy hub for South East England and ensure that our area attracts and benefits from available investment in energy infrastructure.
- 2.3 Following publication of the strategy, partners will develop robust targets and a supporting methodology which will enable us to monitor progress and test interventions that align with our ambitions and objectives. Our actions will comprise Direct, Indirect and Related initiatives:
- **Direct** - Endeavours such as increased renewable energy generation, storage, distribution and supply to put the LEE area in a leading position in England. This would enhance grid resilience and capacity enabling the move toward the electrification of both heating and transportation in the LEE area. By supporting this local energy infrastructure, we will work to enable new business and community energy schemes. We will also be enabling smart grid connected homes that take advantage of these new energy systems with our ambition to create leading whole energy systems region in England;

- **Indirect** - By actively leading on the direct actions we plan to reduce greenhouse gas emissions and the number of householders in fuel poverty measured against agreed targets. Air quality would also be improved. Existing and new demand reduction and energy efficiency schemes and initiatives would be promoted and supported to contribute to lower energy consumption and increase the Energy Performance Certificate (EPC) rating of homes in the region;
- **Related** - Increasing the GVA from energy sector and new jobs in the energy sector would both underpin and support our Clean Growth Ambition.

## Themes

- 2.4 Working with partners we have identified four themes which will be central to delivering our objectives and targets. We set out the challenges and opportunities ahead and the actions we are going to take for each of these themes:
- Clean economic growth;
  - Housing growth and commercial site infrastructure;
  - Secure, local, affordable, low-carbon consumption;
  - Clean transport networks.
- 2.5 Sections 4 to 7 explore each of these themes in more detail and sets out the challenges and opportunities ahead and the collective actions we are going to take.

---

## 3 Context

3.1 This section sets out:

- The global energy and wider policy context within which this Energy Strategy sits;
- Key relevant trends in local energy networks;
- The broader technological trends that will influence delivery of the strategy.

### Global Energy Context

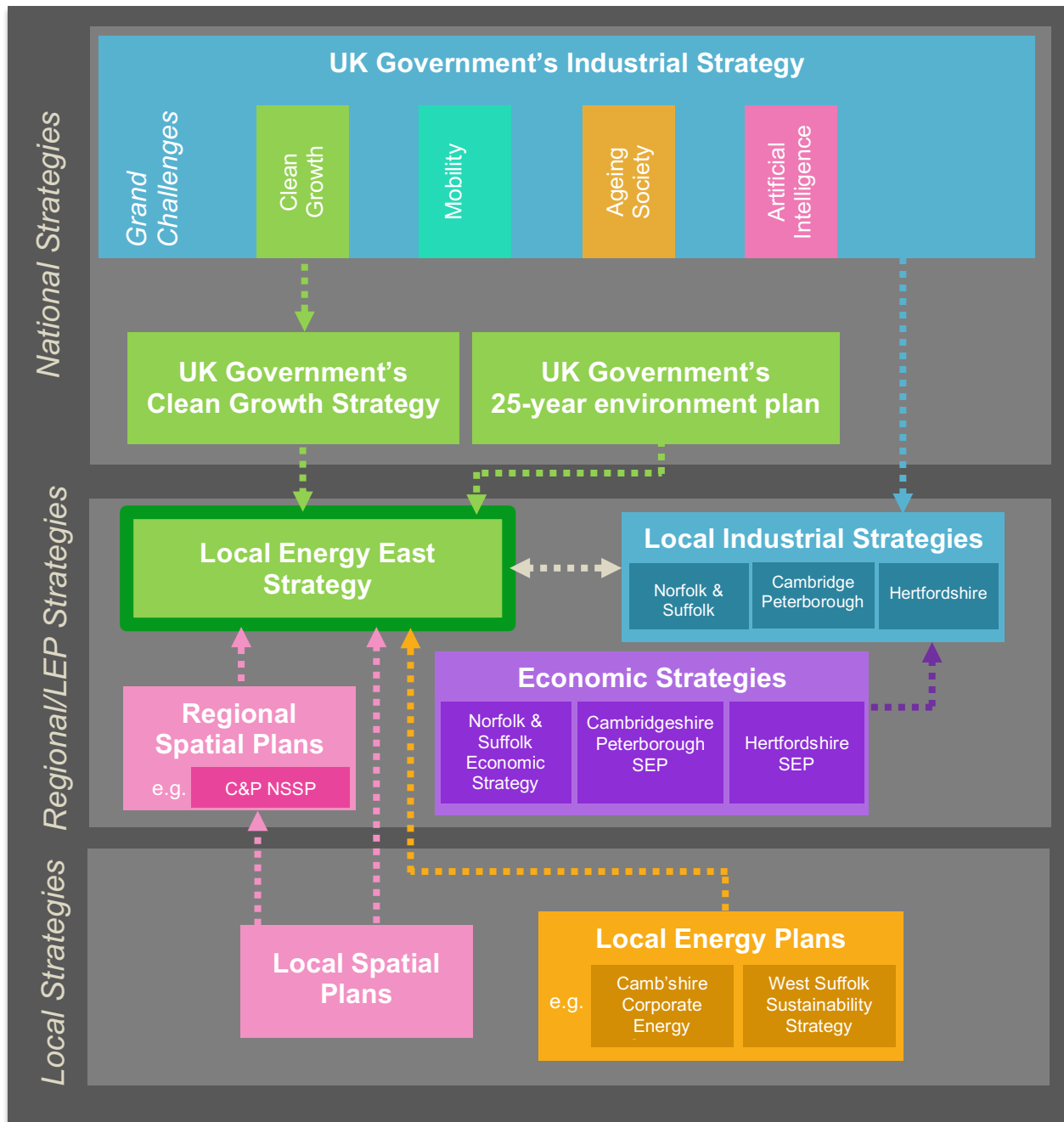
3.2 There are a few key factors which define current trends and shape future projections as the energy revolution gather pace. These include:

- Global energy demand is soaring due to the rapid growth and urbanisation in many parts of the world, particularly Asia;
- Renewable energy generation and capacity is increasing dramatically as the unit costs of generation for renewables falls with improvements in technology and scale of deployment, alongside state subsidies and support for the renewables sector;
- Improved battery technology offers the potential for increasingly distributed storage and generation, as well as better management of peak demand;
- The combination of small-scale renewable generation and improved battery technology offers the potential for distributed smart grids. This would improve the resilience of the network but would radically change the existing utility business model which is based on centralised generation and distribution;
- Perhaps the biggest change in the energy mix over the next few decades will come from the transition from petrol and diesel vehicles to electric vehicles (EVs). Significant growth in this sector is expected due to improvements in the underlying technology, the supporting infrastructure and due to government policy increasingly favouring EVs.

### Policy Context

3.3 Our Energy Strategy complements and is consistent with wider policy. The diagram overleaf illustrates how our Energy Strategy sits alongside national and local strategies.

Figure 1. Policy context



## The Industrial Strategy

3.4 The Government's Industrial Strategy, published in November 2017, sets out a national approach to growing and rebalancing the UK economy. The Industrial Strategy sets out five 'foundations' for growth:

- Ideas;
- People;
- Infrastructure;
- Business environment;
- Places.

- 
- 3.5 The Industrial Strategy also sets out a series of ‘Grand Challenges’ for the UK economy which will enable and require it to ‘plan for a rapidly changing future, look to shape new markets and industries, and build the UK’s competitive advantage’. The Industrial Strategy includes several ways in which Government is seeking to support clean energy development, and its future role in our economy, including:
- Launching a new programme ‘Prospering from the energy revolution’ to develop world-leading local smart energy systems that deliver cheaper and cleaner energy across power, heating and transport, while creating high value jobs and export capabilities;
  - Working with the energy sector to support rapid adoption of Artificial Intelligence technologies at scale to support and lead the fourth industrial revolution;
  - Developing UK leadership in low carbon transport and investing in innovation to develop clean technologies across road, rail, aviation and maritime transport;
  - Delivering affordable energy and keeping energy costs down for businesses through energy efficiency.
- 3.6 The clean growth grand challenge aims to ‘maximise the advantages to UK industry of the global shift to clean growth’. The Industrial Strategy envisions that ‘whole new industries will be created and existing industries transformed as we move towards a low carbon, more resource-efficient economy’. It sets out five initial priorities:
- Developing smart systems for cheap and clean energy across power, heating and transport;
  - Transforming construction techniques to dramatically improve efficiency;
  - Making our energy intensive industries competitive in the clean economy;
  - Putting the UK at the forefront of the global move to high efficiency agriculture;
  - Making the UK the global standard better for finance that supports clean growth.

## The UK Clean Growth Strategy

- 3.7 Alongside the Industrial Strategy, BEIS have published a Clean Growth Strategy which commits to growing our national income while cutting greenhouse gas emissions and tackling air quality with two overarching objectives to:
- Meet domestic commitments (on Carbon dioxide (CO<sub>2</sub>) emissions) at the lowest possible net cost to UK taxpayers, consumers and businesses;
  - Maximise the social and economic benefits for the UK from this transition to a low carbon economy It will achieve this through driving the uptake of ultra-low emission vehicles including a rollout of electric vehicle (EV) charge points through a £1bn investment fund. A further £900m of public funds will be invested in smart systems for energy storage, demand response technologies, new nuclear and for reducing the cost of renewables.
- 3.8 The UK has demonstrated over the last thirty years that it is possible to drive growth while also significantly cutting the amount of Carbon dioxide (CO<sub>2</sub>) emitted, in part by capitalising on the

growth of new energy industries. Hence the premise of the Clean Growth Strategy is that economic growth and cutting Carbon dioxide (CO<sub>2</sub>) emissions are complementary objectives.

3.9 The key proposals of the Clean Growth Strategy are organised under the following headings:

- (1) Accelerating Clean Growth – becoming a world leading low carbon economy;
- (2) Improving Business and Industry Efficiency – reducing energy waste and improving efficiency through technological change;
- (3) Improving Our Homes – becoming our own mini power systems where we generate energy from micro-renewables, store energy via batteries, charge our electric cars and most importantly stop energy waste;
- (4) Accelerating the Shift to Low Carbon Transport – getting the EV infrastructure in place to support the electrification of transport;
- (5) Delivering Clean, Smart, Flexible Power – using technology to get energy where it is needed at any one time quickly and efficiently whilst minimising pollution;
- (6) Enhancing the Benefits and Value of Our Natural Resources – reducing air pollution and carbon emissions mitigates climate change;
- (7) Leading in the Public Sector;
- (8) Government Leadership in Driving Clean Growth.

## The Local Energy East Strategy

3.10 The first two Clean Growth Strategy key proposals in 3.9 feed into our over-arching theme – Clean Economic Growth. The third relates to our theme of housing growth and commercial site infrastructure. The fourth directly maps onto our theme of transport electrification and hydrogen, while the fifth and sixth contribute towards our theme of secure, affordable, low-carbon consumption. The last two, on public sector leadership in the LEE area, define our approach. The creation of this strategy and its follow through, will be our way of leading in pursuing the clean growth agenda.

3.11 Our Local Energy Strategy is therefore very strongly aligned with the economic and emissions reductions aims and methods of both the Industrial Strategy and the Clean Growth Strategy.

3.12 As well as national level strategies, this strategy also supports the aims of the existing Strategic Economic Plans (SEPs) and Economic Strategies of the three LEPs and the future development of local industrial strategies in the year ahead. It also dovetails with local plans and the non-statutory spatial plan being developed by the Cambridgeshire and Peterborough Combined Authority.

## Energy Networks: Challenges and Opportunities

### Regional Energy Networks position

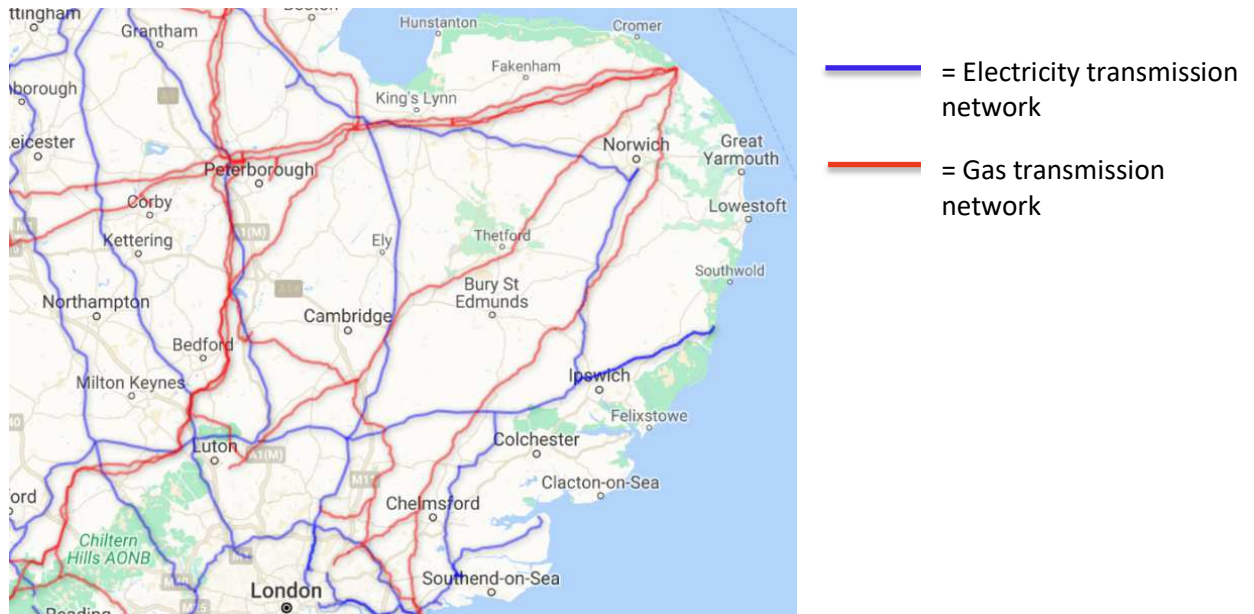
3.13 The energy sector plays an important role in our economy. The East of England Energy Group (EEEGR) has estimated that 7,700 people are employed in the energy sector across the East of



England generating gross value added (GVA) of nearly £1bn. The sector is also one of the LEE area's most productive, with GVA per job of £129,000.

- 3.14 Figure 2 sets out the key electricity and gas transmission networks in our region. UK Power Networks (UKPN) are the DNO (Distribution Network Operator) for the Eastern Power Network (EPN) Region. The role of DNO is to take the energy from the **transmission network** (the network operated by the National Grid which receives energy from power stations operated by Utility companies) and distribute it (via the **distribution network**) to homes, offices and retail premises. This is done via substations, which 'step down' the voltage of the power being transmitted.

**Figure 2. Electricity and gas transmission networks in our region**



Source: Energy data-mapping portal.

### Energy challenges to accommodate

- 3.15 Peak demand for electricity nationally is expected to increase from 60GW currently to 85GW in 2050. Current peak demand in the LEE area is 6.4GW. If our area sees similar increases to those projected nationally this would imply energy demand of approximately 9.1GW by 2050. Emerging challenges flagged by UKPN in its Long Term Development Statement for the Eastern Power Networks (EPN) region (which covers our area and beyond into Essex, Bedford, Buckinghamshire, and North London) include the loss of night-time electrical load from the increasing penetration of gas heating systems (though this may change due to the anticipated electrification of heat) increasing summer load from air conditioning and cooling equipment and the growth in demand from electric vehicle (EV) charging.
- 3.16 A need for increased efficiency of electricity usage is driving an increase in 'flexibility services' whereby electricity supply becomes more responsive to local demand. Therefore, the responsibility is changing from one of overseeing the local distribution to one of managing an intelligent, multi-input, local energy system. This means much closer matching of supply and demand will take place locally independent of the transmission network.
- 3.17 The long-term plan set out by the government is to transform DNOs into DSOs (Distribution System Operators) by 2030. This will reflect the changing nature of energy distribution driven by decentralised energy policy and more local businesses, communities and individuals becoming

‘prosumers’ – both producers and consumers of electricity. There is evidence of this change already taking place as the market share of smaller suppliers grows and the dominance of larger ones diminishes.

- 3.18 Nonetheless, there are currently some significant bottlenecks in connecting new electricity generation and demands onto the distribution network in parts of the LEE area. Section 5 sets out how these are currently constraining some of our biggest residential and commercial sites. Without further intervention, sustainable growth will be curtailed which could impact on the ambition of our growing economy.
- 3.19 Cadent are the gas distributor for the region. The National Grid has produced projections which suggest that gas demand will fall significantly over the coming decade as it becomes more expensive and more environmentally-friendly means of heating become available. However, there is a lot of legacy infrastructure for gas, from the distribution network through to individual homes and commercial premises, which means that there are reasons to doubt whether gas demand will drop off as quickly as currently envisaged by some projections. The speed of this transition will depend on movement towards a decentralised energy system where people may be able to subsidise the cost of their electric heating by generating their own energy (see point 3.14).

### The clean energy opportunity

- 3.20 The UK is one of the leading countries in the world in the field of clean energy. The UK has the largest installed capacity of offshore wind. Across the UK as a whole, the use of solar energy is increasing. Solar generation capacity in the UK increased from less than 1 MW in 2010 to 12.3 GW in 2017, equivalent to ten Sizewell B nuclear power stations.
- 3.21 The East of England is one of the leading areas of the UK in the generation of renewable energy. Figure 3 below, shows that the East of England is in the top three leading regions for installed capacity, electricity generated and the number of renewable energy sites.

**Figure 3. Renewable energy generation, leading regions in England 2016**

Rank	Number of sites		Installed capacity MWe		Generation GWh all sources	
1	South West	113,166	Yorkshire & Humber	3,880.6	Yorkshire & Humber	19,315.3
2	South East	102,369	<b>East of England</b>	<b>3,743.8</b>	<b>East of England</b>	<b>8,156.9</b>
3	<b>East of England</b>	<b>97,258</b>	South East	3,536.7	South East	7,450.2

Source: Department of Business, Energy and Industrial Strategy.

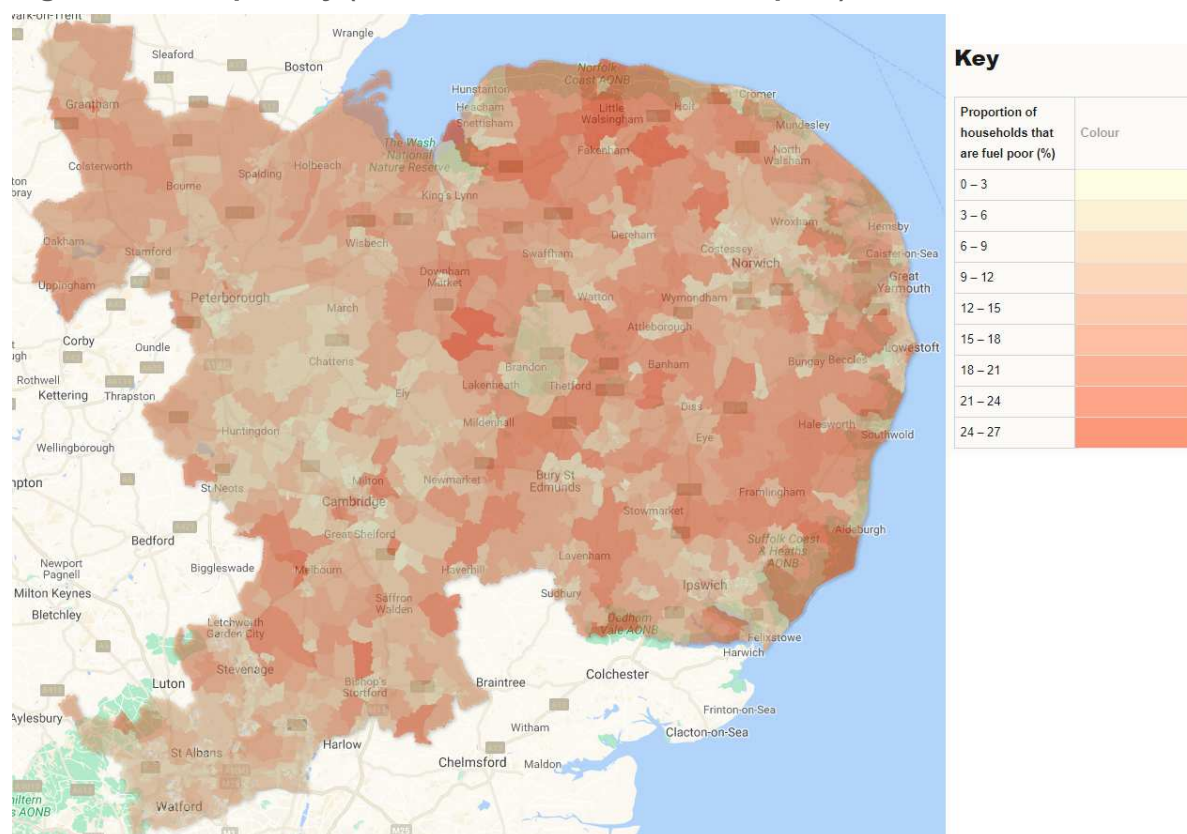
- 3.22 Offshore wind along the coast is a particular strength, where there are already three large windfarms and planned development of at least another ten. E.On, Statoil and SSE operate existing windfarms with new wind farms being developed by companies such as Scottish Power and Vattenfall. There will be large increases in energy generation in the LEE area as multiple offshore wind power developments come online.

- 3.23 Alongside the strength in renewables, the proposed development of Sizewell C nuclear power station is expected to create 25,000 jobs and further opportunities in the decommissioning of existing nuclear power facilities (as well as offshore installations).
- 3.24 As well as the clean energy opportunity, the Southern North Sea is one of the first regions to undertake large scale oil and gas rig decommissioning and there is real potential to create specialist skills (e.g. well-plugging and abandonment) which could be exported globally.

## Fuel poverty

- 3.25 Fuel poverty is below the national average across the East of England. This is defined as the percentage of households with required fuel for heating costs above national average and who would be left with an income that puts them below the official poverty line were they to spend that amount on heating.

**Figure 4. Fuel poverty (% of households that are fuel poor)**



- 3.26 The fuel poverty average for the East of England region is 7.8% compared to a UK figure of 11.4%. However, the total average obscures the fact that in some areas fuel poverty is much higher, reaching a quarter of households in some parts of North and West Norfolk. To an extent, this is correlated with provision of gas, those areas where fewer people have access to the gas network end up paying more for oil or existing electricity-based heating systems. Across the LEE area, 12% of households have no access to the gas network.
- 3.27 Another challenge is that the East of England has higher Carbon dioxide (CO<sub>2</sub>) emissions than the UK average. This is due in part to higher levels of energy use in transportation which is 20% more per person than the national average.
- 3.28 The current network and existing non-renewable sources of energy will remain an important part of the energy mix for some time. Nonetheless, the energy sector is undergoing extensive change. This

creates a range of economic opportunities to improve our resilience and energy affordability whilst reducing Carbon dioxide (CO<sub>2</sub>) emissions. The next sections describe how we intend to address these challenges and opportunities.

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## 4 Clean economic growth

- 4.1 The UK Clean Growth Strategy provides a framework for growing our economy and productivity whilst at the same time cutting Carbon dioxide (CO<sub>2</sub>) emissions. The Government estimates that the UK low carbon economy could grow by an estimated 11 per cent per year between 2015 and 2030 – four times faster than the rest of the economy - and could deliver between £60 billion and £170 billion of export sales of goods and services by 2030.
- 4.2 Given the ambitious nature of our Strategic Economic Plans and Economic Strategies, as well as our existing strengths in the energy sector, we propose to build on our existing strengths through the following:
- Generating clean growth and innovation;
  - Building local energy skills;
  - Supporting diffusion of innovation into other sectors.

### Generating clean growth and innovation

- 4.3 To ensure the sustainability of jobs and business in the energy sector and to continue to support reduced emissions, the LEE area needs to continue to invest in renewable energy and storage technologies, their development and installation. Renewable energy production has increased significantly over the past decade and a number of important projects will come online over the period to 2030. However, the LEE area needs to build on its strengths, to create jobs and new businesses locally and build a vibrant local energy economy/market.
- 4.4 Our area is recognised as a leader in this sector. For example, the New Anglia LEP area was selected by government as their Green Economy Pathfinder in 2012 to further develop its low carbon sector economy and develop local energy networks.
- 4.5 Two of the biggest energy business networks are based locally: EEEGr (the East of England Energy Group) is headquartered in Great Yarmouth and Orbis Energy (a hub for offshore wind energy businesses) is in Lowestoft. In Cambridgeshire the Future Business Centre (FBC), an innovation hub for low carbon business start-ups, builds on the strong clean tech and IT clusters and is networked closely with spin outs from the University of Cambridge and Anglia Ruskin University. The FBC is home to Cambridge Cleantech, the Low Carbon and Environmental Goods and Services (LCEGS) membership organisation for the East of England and internationally. The new Enterprise Zone for Enviro-Tech in Hertfordshire aims to provide infrastructure linking green research, science, engineering and technology enterprises and assists the growth of new businesses associated with green enterprise. Furthermore, the region's universities, including the University of Cambridge, Anglia Ruskin and the UEA, are leading centres for research and innovation.
- 4.6 Capital investment in clean energy worth £50 billion is planned for the region by 2020 including: The world's largest windfarm in development off the coast; the proposed development of Sizewell C nuclear power station creating 25,000 jobs and opportunities in the decommissioning of existing nuclear power facilities and offshore installations. The East Coast College Energy Skills & Engineering Centre, The Engineering & Innovation Centre at West Suffolk College and a graduate

energy engineering school at the University of East Anglia, will provide local people with routes to be involved and benefit as this cluster expands. The ambitious proposal to develop an Eastern Institute of Technology (EIoT) builds on these strong foundations and will assist in creating a skills pipeline for technical careers through the offer of attractive and aspirational career pathways. It is led by a very close collaboration of education organisations and employers from across the East and is an innovative solution to ensure our businesses have the highly skilled technical workforce they need for growth in the future.

- 4.7 Hertfordshire is home to the world's largest independent renewable energy company with a project portfolio exceeding 13 Gigawatts and the expertise to develop, engineer, construct, finance and operate projects around the globe. RES (Renewable Energy Systems) is active in a range of technologies including onshore and offshore, solar, energy storage and transmission and distribution. Connecting these international players with emerging skills delivery and new business is mission critical.
- 4.8 Similarly, the Cambridge Norwich Tech Corridor growth opportunity offers potential for the growth of clean tech enterprises. The aims of this initiative are to: "support regional supply chains and technology convergence, drive up productivity and support clean growth across a range of sectors"<sup>1</sup>
- 4.9 Despite these strengths, our energy economy also faces important challenges. Currently our coastal areas are not well served by rail or road links. This has an impact on commuting accessibility and supply chains. There are significant skills barriers that impact the ability of local people to access employment opportunities in the sector, particularly in rural and coastal regions (see below).
- 4.10 To meet these challenges and opportunities we will:
- Build on our existing centres of excellence and develop new ones that support sectoral growth. We will work with BEIS to develop a renewable energy office based in the LEE area;
  - Build on existing supply chain initiatives such as SCORE (Supply Chain Innovation for Offshore Renewable Energy) in order to promote opportunities for SMEs in the renewables sector;
  - Support sector funding through initiatives like the University of East Anglia's Low Carbon Innovation Fund (LCIF);
  - Support networking across the sector through initiatives like Cambridge Cleantech and existing networks like Orbis Energy and EEEGr;
  - Invest in infrastructure needed to support the energy sector. This includes working with Highways England and local planning authorities to develop key transport links. For example, dualling of the A47 and A12 (already being developed via the Suffolk Energy Gateway project) to bring coastal energy centres into closer proximity with other major towns in the region.

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<sup>1</sup> Cambridge-Norwich Tech Corridor Draft Strategy



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### Case Study: Energy storage at Hemsby

When it comes to innovation in the energy sector, we are a leading region of the UK. The first trial of renewable energy storage for distribution in the UK took place at Hemsby, near Great Yarmouth, starting in 2010. This explored how electricity could be stored to overcome the challenge of intermittent power production from renewable sources. It was designed to show the extent to which, when power generation exceeded demand, the energy could be stored. This trial demonstrated that energy storage is a technically viable smart solution that can operate autonomously.

### Case Study: Renewable energy investment in West Suffolk

Toggam Solar farm near Lakenheath in West Suffolk is an example of how the public sector can invest in energy generation to create income to help fund essential council services and become a leader in carbon reduction.

As part of its renewable energy investment programme, Forest Heath District Council acquired the 12.4 MWp site in July 2016, at the time the largest district council-owned solar installation in the country. The purchase was made using capital in line with the council's capital programme.

Under local government finance rules, councils are not allowed to use capital to plug annual funding gaps as eventually the money will recede. Instead, councils can use the money to create a revenue stream which is invested straight back into local service delivery. Renewable energy generation gives the council a stable, long term investment return as well as making a significant contribution to the organisation's environmental commitments.

The site generates around 12,000 MWh of electricity annually bringing in £1.2 million of income. After taking into account the capital outlay, this delivers a net income of £308,000 to fund local services.

Along with its other assets, Forest Heath are able to offset around 4,900 tonnes of Carbon dioxide (CO<sub>2</sub>) and providing enough power to run 3,500 homes. As a result, and with work to improve its own energy efficiency, Forest Heath District Council is now a carbon neutral organisation.

## Creating jobs in the energy sector

- 4.11 The energy sector employs thousands of people in the region. As well as the renewables sector, the LEE area benefits from the nuclear industry at Sizewell C and potential for new gas extraction, together with long term decommissioning opportunities that create significant employment opportunities. The Building Research Establishment (BRE) is located in Hertfordshire and is a world

leading, multi-disciplinary, building science centre with a mission to improve buildings and infrastructure through research and knowledge generation.

- 4.12 It is essential that jobs growth in the future benefits our residents and our local places. In particular, many of our coastal towns have relatively high levels of deprivation and low skills. There is a disconnect between the high-quality jobs in engineering and manufacturing offered by the energy sector and the low-quality, often seasonal, employment that characterises many coastal areas.
- 4.13 Skills are a significant limitation for more people getting into the energy industry. For example, in 2015, 16.9% of Great Yarmouth residents had an NVQ Level 4 or higher, this compares with 33.3% for the East of England, and 36.8% for England. So, we will act to further link skills provision to business needs and to help local people better understand the opportunities that exist and access the skills needed.
- 4.14 The Hertfordshire Green Triangle is a green growth partnership between the Building Research Establishment, Rothamsted Research, The University of Hertfordshire, St Albans City and District Council and Oaklands College. The Hertfordshire Green Triangle presents a collaborative approach to raising the profile of green and environmental sectors within the county. Now in its third year the organisation strives to attract and retain skills and talent in this sector, assist the growth of green enterprise and provide infrastructure linking green research, science, engineering and technology enterprises.
- 4.15 The New Anglia Energy Sector Skills Strategy has identified a number of skills challenges in the existing energy economy:
- Across the sector, employers highlighted the growing importance of aligning advanced manufacturing and engineering with energy in the context of Industry 4.0<sup>2</sup>, particularly on the back of the increasing use of digital and cloud-based technologies;
  - The workforce demands for the offshore wind industry are project cycle based from the planning, consultation stages through to new build, operations and maintenance. Key skills needs include project management skills linked to heavily oriented project-based work methods. The civil infrastructure investment stages require a mixture of key roles and trade-based skills from across construction and civil engineering, including digging, cabling/piping and onshore new build for power transmission;
  - Biomass installation usually requires a combination of gas accredited qualifications, combined with working within a 'wet' environment. HETAS (Heating Equipment Testing and Approval Scheme) provide a direct entry (with NVQ L2/3 pre-requisites) programme for biomass installation, with training available from its approved training centre in Sudbury, Suffolk;
  - NICEIC (National Inspection Council for Electrical Installation Contracting) approved short courses are the standard training route way for solar PV installation and maintenance, solar thermal and heat pump installation/maintenance activity. The training is delivered nationwide and there is a need for greater training opportunities in the LEE area;

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<sup>2</sup> Industry 4.0 is a name for the current trend of automation and data exchange in manufacturing technologies. It includes cyber-physical systems, the Internet of things, cloud computing and cognitive computing. Industry 4.0 is commonly referred to as the fourth industrial revolution.



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- Our area is home for large numbers of domestic renewable energy consulting businesses such as for air and ground source heating and solar installations. The workforce operating is locally sourced and is often sourced from a customer service background, up to a graduate level. There are however no specific courses available linked to the domestic energy market.
  - The nuclear industry has highlighted challenges in terms of skills supply including:
    - Control and instrument engineers;
    - Specialist safety engineers;
    - Commissioning engineers;
    - Electrical engineers;
    - Project and planning control.

## Strategic leadership

### 4.16 The Local Energy East Strategy organisations will:

- Work with education providers and industry to mobilise industry leadership to advocate for more apprenticeships in the energy sector, particularly higher-level apprenticeships. Work with local training centres to ensure local provision of relevant skills;
- Work with schools, colleges, university and businesses to ensure that a clear pathway into the offshore energy sector is defined as the government rolls out the new T-levels. We will work to address the ‘fragility’ of skills supply;
- Develop in partnership with industry and education providers a higher technical engineering offer;
- Support ‘intra-industry’ and ‘inter-sector’ workforce transferability;
- Ensure that this agenda is reflected in the priorities of the new Skills Advisory Panels.

### Case Study: SmartLIFE Construction Centres

Cambridge Regional College is home to the UK’s two leading SmartLIFE Construction Centres, used to teach the latest sustainable construction methods and renewable energy techniques.

Students learn the expertise needed for building low carbon homes and installing renewable energy systems, opening up jobs in the renewable energy and sustainable construction sectors.

Cambridgeshire Regional College also supports existing businesses looking to adapt to a low carbon economy and teach the workforce skills needed for building low carbon homes and installing renewable energy solutions. Specialist classrooms are used to teach the installation of photo-voltaic, advanced gas and solar energy systems.

## Diffusion of energy innovation into other sectors

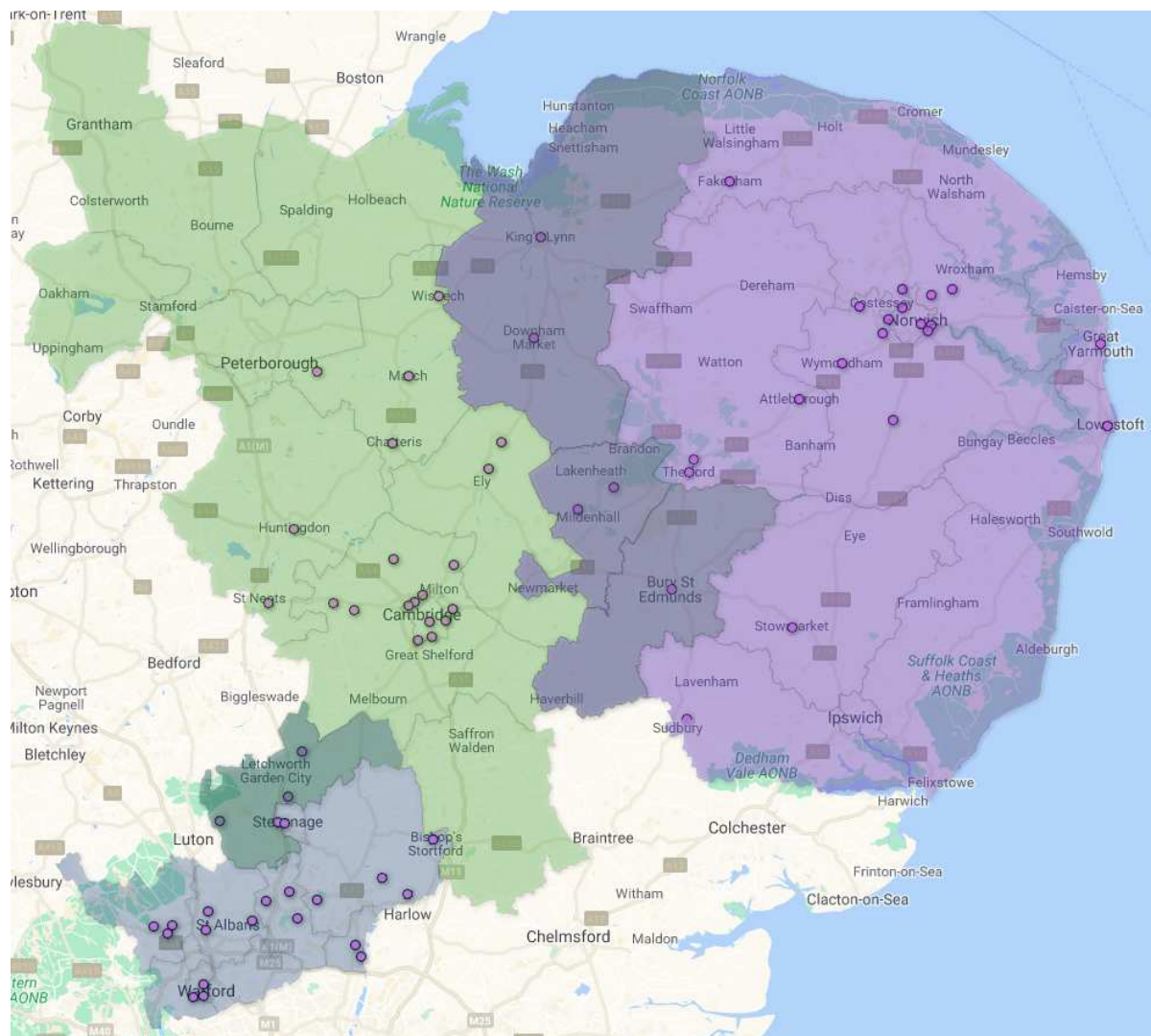
4.17 As innovation continues apace, we will examine how these benefits can be felt across other sectors. This reflects the aims of the Clean Growth Strategy. Particular areas where we will support further activity include:

- *Construction and Energy:* The design, materials and construction methods employed for domestic and office buildings has a significant impact on their energy efficiency. BRE, one of the constituent members of Hertfordshire's Green Triangle are looking into how building design can lead to better environmental outcomes. New construction methods, including off-site manufacturing, can increase productivity as well as reduce environmental / energy impact;
- *Agriculture and Energy:* AgriTech is a particular area of expertise for the East of England and a very high quantity of land is given over to agriculture. Rothamsted Research, Hertfordshire-based agricultural experts are already exploring how farming can be made environmentally friendly. We will engage farmers to trial new technologies as they develop including through our Food Enterprise Zones. We will explore the potential for agri-fuel sources that complement our AgriTech and agricultural strengths;
- *Data Science and Energy:* Data science, a speciality of the region and in particular Cambridge University, is extremely data consumptive. For this growth industry to flourish, we will need to find solutions that ensure both sufficient energy capacity and limit environmental impact;
- *Advanced Manufacturing and Energy:* Our advanced manufacturing industries, including the high-level engineering at Peterborough, comprising manufacturing in Huntingdon and TMI in Cambridge, are second to none. This industry can contribute to the development of new energy generation technology as well as transforming other products (e.g. vehicles) to become more efficient. This includes Blue Economy and Marine subsector;
- *Developing Linkages Between Regional Centres of Excellence:* Cambridge University, University of East Anglia and the Building Research Establishment work to develop the region's reputation as a centre for research, innovation and commercial development.

# 5 Housing growth and commercial site infrastructure

- 5.1 Our population is projected to grow from 3.9 million to 4.3 million by 2030. Our industries require high quality, cost-effective commercial sites to be internationally competitive. Providing an effective energy system is vital to enable housing growth and commercial land supply in our region. This section explains how we will ensure that our energy system can support our growth ambitions.

**Figure 5. Major housing sites**



## KEY

Purple dots denote major housing developments in the planning system.

The shaded colour areas denote Local Enterprise Partnership (LEP) areas and areas shared by LEPs.

Light Purple – New Anglia LEP only.

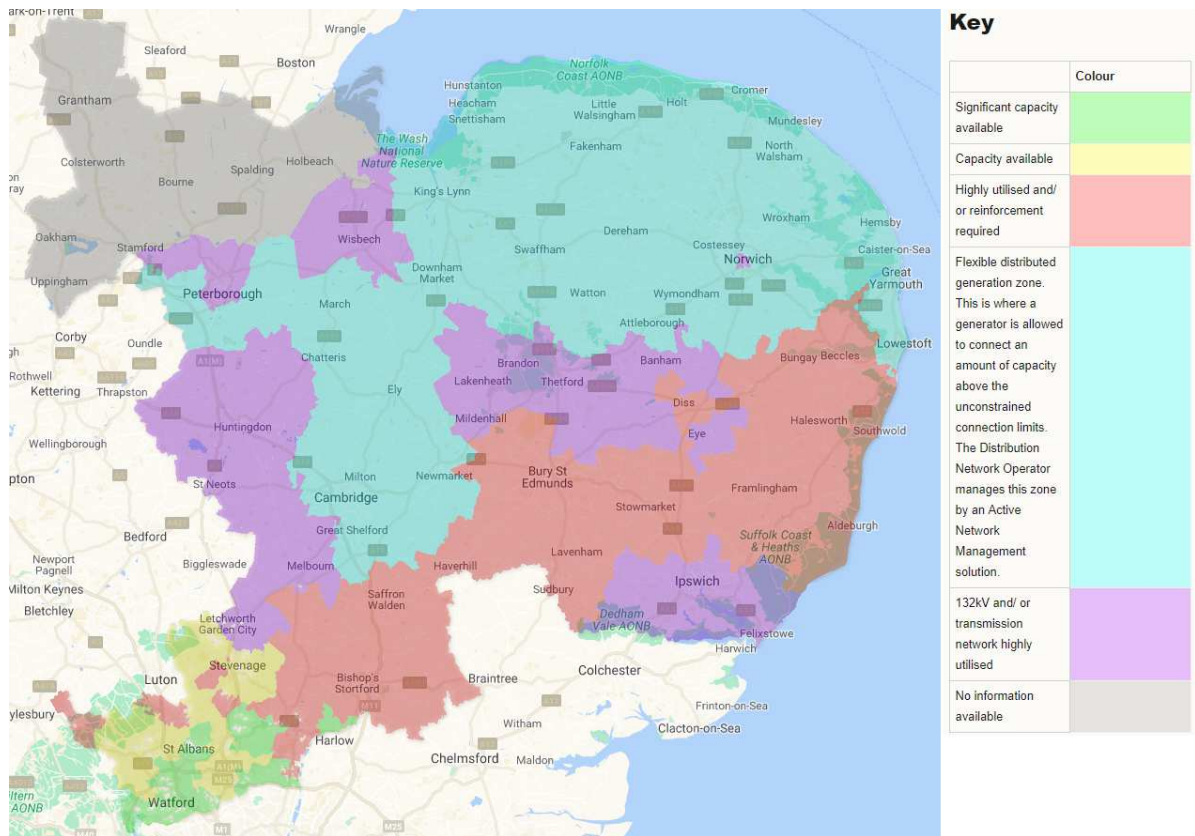
Dark Purple – New Anglia LEP, and Cambridgeshire and Peterborough LEP shared area.

Green – Cambridgeshire and Peterborough LEP area only.

Dark Green – Cambridgeshire and Peterborough LEP and Hertfordshire LEP shared area.

Light Grey – Hertfordshire LEP only.

**Figure 6. Capacity availability and constraints**



5.2 Specific examples of projects that are being put at risk as a result of energy infrastructure challenges include the following:

### North West Cambridge and West Cambridge developments

5.3 The North West Cambridge project is the University of Cambridge's flagship mixed-use development comprising housing, academic and commercial research space. In response to planning requirements the scheme will be an exemplar of sustainable living. However, as a result of lack of grid capacity, the University has faced some restrictions on the use of photovoltaic panels and may not be able to switch on its Combined Heat and Power unit until additional capacity within the grid can be supplied.

### The Southern Cluster, Cambridge employment site

- 5.4 The Southern Fringe is the focus for growth in biomedical and high technology research, and includes development at Addenbrooke's Hospital, the Cambridge Biomedical Campus and other research parks in South Cambridgeshire (e.g. Spicers, Babraham Research Institute, Granta Park and the Genome Centre) and development at Marshalls (residential development).
- 5.5 To support the expansion plans within the Cluster over the period up to 2027 requires an additional 89 MVA (Mega Volt Amps) against 2 MVA of spare capacity available currently at the substation serving the Southern Cluster area. Work is underway to bring forward the grid infrastructure reinforcement needed to the Fulbourn grid to increase supply capacity. This supply capacity is not guaranteed for individual organisations but available on a first come, first served basis.
- 5.6 It is anticipated that the upgrade of the Fulbourn Grid will take three years to design and deliver. There will still be a need to carry out additional works to link new developments to the Fulbourn

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Grid, and the design of these works will only take place once applications to connect have been submitted by individual developments. All of this adds additional time, costs and risk to this strategically important development and harms the competitiveness of our region.

### **The Greater Norwich Partnership**

- 5.7 The Greater Norwich Partnership of Broadland, Norwich City, and South Norfolk Councils, representing 400,000 residents, plans, plan to build over 30,000 new homes in the next 13 years and is implementing a network of electric vehicle charging points. Commercial growth is already limited by a lack of energy capacity at key employment sites (including Norwich Research Park, Broadland Northway and Hethel Technology Park) whilst the existing power distribution network does not align well with areas of growth within the partnership area. There is clearly a need to map anticipated power requirements and develop a plan to ensure capacity is available. This plan needs to both integrate and balance the power requirements of each member of the partnership. It's an opportunity to base a future on innovative solutions and sustainably sourced renewable energy generated locally and to minimise overall energy requirements.

### **Capacity mapping of sites not deemed to be under stress**

- 5.8 Some areas, such as parts of Hertfordshire, have been assessed as having sufficient grid capacity. This however doesn't necessarily mean that multi-thousand new development sites such as those in Gilston, Brookfield Farm in Broxbourne, Welwyn Garden City and Bishops Stortford will necessarily be unrestricted when connecting to the grid when they are developed. One key priority of this strategy is to not only deal with current issues but strategically understand and plan for emerging and known future grid constraints. By taking this approach, new domestic and commercial developments should not be hindered by the grid status at the time they wish to connect.

### **Decommissioned military bases**

- 5.9 There are now many disused military bases across the LEE area, particularly old air bases. These are ideal locations for development as they do not require construction on greenfield sites and already have much of the existing infrastructure required. Local authorities are developing these in some areas, such as at Coltishall, where Norfolk County Council has set up the Scottow Enterprise Park, which contains one of the largest solar farms in the UK. The solar farm is providing rental income to Norfolk County Council.
- 5.10 However, the energy capacity requirements of new housing and commercial developments tend to exceed what was needed previously and therefore to achieve their potential extra capacity must be installed. As the case studies demonstrate, this has often proven to be a time consuming and difficult affair.
- 5.11 Allowing long periods of time to elapse before sufficient capacity can be provided at these sites is not an acceptable outcome as they provide much needed rural jobs and business locations. Jobs and businesses tailored specifically to rural areas are essential in ensuring that rural areas retain and attract young business people. This will help to address a typical migratory pattern of young people moving to urban areas and big cities. The common challenge with all sites discussed is the provision of adequate energy capacity in order to fuel the potential economic development of the site. The opportunity presented is to develop increased grid capacity and/or renewable-based solutions.

- 5.12 We will discuss with UK Power Networks what a ‘standard approach’ to decommissioned military base redeployment would look like, creating a framework that will allow issues to be navigated quickly. By rolling out a similar approach across sites, we will bring benefits of infrastructure scale, procurement and connectivity. In doing this we will draw upon the expertise of those involved in the negotiations around the current sites and investigate to what extent onsite generation could meet capacity shortfalls.

### Case Study: Bentwaters

Bentwaters is an ex-RAF/USAF base located just to the east of Woodbridge in Suffolk. The base was closed by the MoD in 1993. It was then purchased primarily by two landowners with the intention of developing the site as a diverse business location. The site went through many years of challenging planning scenarios to develop its current diverse business basis.

Central to this development was the development of a source of renewable energy on site. Given the agricultural nature of the surrounding area, the use of anaerobic digestion was chosen and after a protracted period of feasibility and planning a plant was established.

The location has also become attractive to companies that are active in the low carbon sector such as a local energy company specialising in the provision of renewables, plus many other companies in a diverse range of sectors. Current plans for the further development of ‘Bentwaters Parks’ are ambitious and consistent with local growth plans but will require further energy capacity.

## Improving collection and dissemination of information by UKPN

- 5.13 We have a strong partnership with UKPN and stakeholders have been at pains to recognise that UKPN is responsive to information requests. Nonetheless, there are fundamental challenges associated with getting information that supports our development ambitions and those of private sector developers.
- 5.14 Currently, UKPN often either lacks information about energy capacity or is only able to share the information it has with local authorities and developers on a reactive or piecemeal basis. This is partly because UKPN itself is restricted in its ability to reinforce grid connections until planning permission is agreed.
- 5.15 Without the information on energy infrastructure, planners and developers cannot be certain if the development plans are feasible. This can cause delays, cost increases, and ultimately creates excessive risk which in some instances cause developments not to proceed. Even when information is provided, it is often late on in the planning process and often only covers the site in question and not surrounding areas, which might also be affected if development goes forward.
- 5.16 As noted in the case study below, some DNOs in other parts of the country have established stronger data-gathering infrastructure and more proactive measures of information sharing.



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Ultimately though, it is important to remember that DNOs are regulated entities and that national regulations must support the local planning system.

## Strategic leadership

5.17 Three actions are proposed:

- We will work with UKPN to consider how best to increase available information and ensure that this is available in real time as much as possible;
- We will work with UKPN and National Grid to consider how the current regulatory system can be improved in order that necessary information is available on-demand;
- Further to the above, we will look to integrate an improved information source with our on-line energy data-mapping portal to ensure that our partners have access to this information to support growth.

### Case Study: Differences of approach between UK DNOs

Different Distribution Network Operators (DNOs) around the country provide differing levels of information. Some examples of this include:

- UK Power Networks (UKPN) provide an interactive map and RAG rating for substations (not sites) and focus on the potential for connecting distributed generation;
- Western Power Distribution (WPD) have invested in deploying large numbers of sensors around the network and thereby have a better idea of what kind of headroom is available on individual substations for both demand and generation. They offer an interactive map which has a figure for headroom as well as a RAG rating for different areas;
- Northern Powergrid (NP), Scottish and Southern Electricity Power Distribution (SSEPD) and Scottish Power Energy Networks (SPEN) provide an interactive map showing details on the current performance of substations and a RAG rating for potential future connections;
- All of the above provide details for what the technical reason for any constraint is e.g. fault level or thermal;
- Electricity Northwest offer downloadable PDFs giving RAG ratings for connecting generators of 10 MW or above at 33 kV and High Voltage (HV).

These are good examples of investment and more proactive provision of information by DNOs. We will encourage this in our region and work with government to build upon this through supportive regulation.

## Investing in upstream reinforcements in the grid

5.18 Where the grid is insufficient to support proposed levels of development, this can create major problems. Sites are not always adjacent to the distribution network, and DNOs are not allowed to invest in network upgrades (i.e. super-grid transformers) without an outline planning permission or

the costs of the upgrades picked up by an external funder. This is to prevent costs of stranded assets being picked up by bill payers.

- 5.19 The result is that unless developers are prepared to take the cost and risk in paying for the whole upgrade up-front (including those elements which don't directly benefit their site), development projects will stall. Whilst local government and LEPs can choose to foot the bill (and seek to recoup the costs over ten years from developers), this simply transfers risk and cost to the public sector and is often simply not practical.
- 5.20 In some areas covered by the strategy, such as Norfolk, on the one hand housing and employment growth is constrained by limited grid capacity, while on the other, nationally significant offshore energy projects are being developed to supply renewable and low carbon energy direct to the national grid. At present local communities do not directly benefit from the energy generated by these schemes, or indeed benefit from connecting to these enhanced grid connections via local energy schemes. Therefore, opportunities should be explored with relevant public and private sector partners to facilitate secondary interconnection between the Offshore Transmission Operator (OFTO) and local distribution networks as an innovative means of overcoming capacity constraints and enabling growth. In addition, opportunities should be explored for local economic benefits to be maximised from these nationally significant projects through provision of high quality jobs, supply chain opportunities, longer term jobs related to operations and maintenance and the creation of apprenticeships and training opportunities working with local schools and colleges.

## Strategic leadership

- 5.21 To address the aforementioned challenges, we will do the following:
- Work with UKPN and the National Grid to consider how the current regulatory system can be improved in order that DNOs are able to provide necessary infrastructure investment up-front and make representations on this to Government;
  - Make use of national funds to address site-based infrastructure issues. In particular, we will support and lead on Housing Infrastructure Fund (HIF) bids that deliver energy infrastructure to support site development;
  - Work across the LEPs and local planning authorities to consider how a dedicated revolving fund can be used to address these and other site-based issues that prevent or slow development.

### Case Study: Ebbsfleet Development Corporation

The Ebbsfleet Development Corporation (EDC) has worked with UKPN to purchase the design and build of two substations and associated cabling that will provide network capacity to support the development of Ebbsfleet Garden City, a new settlement of 15,000 homes and up to 30,000 new jobs.

Ebbsfleet Development Corporation will become owners of the energy infrastructure when it is built. This allows UKPN to charge for the grid connections and repay Ebbsfleet Development Corporation. Over time, the investment and a small profit to pay for administration will be paid



back. As the EDC is able to take a long view on financial returns, they have been able to get the infrastructure in place for new development without delay.

Whilst the development corporation model may not be suitable for the LEE area (though it may be for some sites), the ability to take a long view on investment and returns is essential to addressing the infrastructure barriers to development.

### Case Studies: Achieving an increase in energy capacity

#### Thetford Northern Sustainable Urban Extension

A planned new development north of Thetford, to include 5,000 new homes, three new primary schools and developments of local transport systems, has required the upfront reinforcement of power supplies to progress. A bid for funding from the Housing Infrastructure Fund (HIF) has secured £9.9 million to provide this and bring a supply of potable water to the development.

Given the Government's enthusiasm for homebuilding at present, bids such as these, which show a credible ambition to develop large areas of housing, may be able to attract funding in further HIF funding rounds, particularly if they include smarter means for generating and distributing energy.

#### Snetterton Heath

Snetterton is a partly developed ex wartime air base situated close to the A11 on the Norwich to Cambridge Corridor. Businesses located on the site, landowners, the district council and UKPN have been engaged in years of negotiation to fully develop the site and to overcome the main obstacle to development – a lack of energy capacity.

Despite the location of a biomass energy plant on the site the energy capacity has not been provided to fully develop the business potential of the location. Protracted negotiation has been hampered by multiple land ownership issues, the need for a strategic lead body, lack of finance and a lack of strategic agreement on the sites development across the main partners. Current actions, including £2.65 million of Growth Deal funding from New Anglia LEP, lend weight to optimism that the site will now be fully developed but there are clearly lessons to be learnt from years of protracted negotiation at this site.

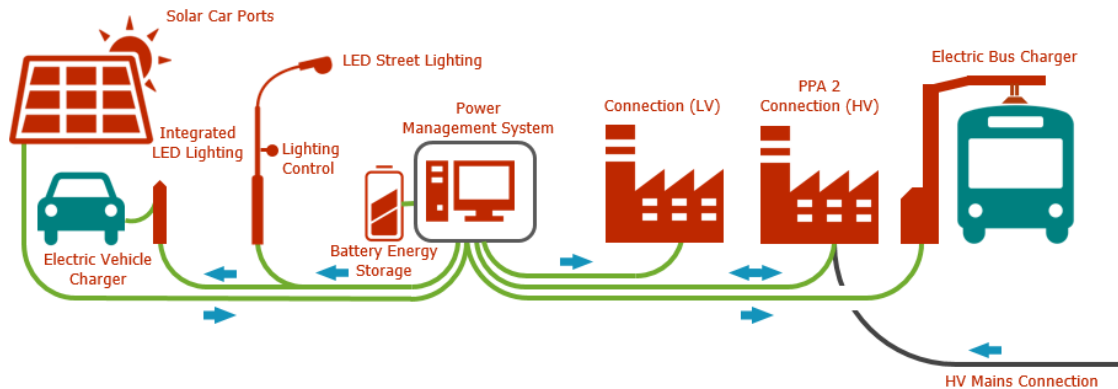
## Decentralising the energy network

- 5.22 As well as seeking to make the current energy provision mechanism work as best we can, we should be seeking to take advantage of new decentralised methods of distributing energy. Not only will this enhance the sustainability and resilience of the network, it will also incentivise the development of small-scale renewable projects in the knowledge that these will have a ready market for surplus energy.
- 5.23 Large parts of Norfolk and Cambridgeshire and Peterborough are part of 'flexible distributed generation zones' in which UKPN offers Active Network Management services. These allow the connection of additional generation to the distribution grid where ordinarily this would not be

possible. This is backed by an innovative commercial arrangement wherein UKPN can require generators to curtail their output on the few days a year it would cause network issues and considerably reduces the cost and time to set up a new connection. UKPN has indicated that it will roll this practice out to the rest of its region over time which will create opportunities for further connecting in small-scale generation.

5.24 The diagram below illustrates how decentralised energy networks can operate.

**Figure 7. Illustrative example of local decentralised energy network**



Source: Bouygues Energies and Services, St Ives Park and Ride, Smart Energy Grid, MLEI Cambridgeshire.

5.25 These transformations apply to heat as well as power. The development of ‘heat networks’, linked into Combined Heat and Power (CHP) will allow for retention and transfer heat without its being wasted, making it possible to balance heat demands on the electricity network as heat is electrified. With take-up in heat pumps increasing there will be a higher incidence of people generating their own heat. Our energy data-mapping work has shown a number of major heat loads throughout the LEE area meaning there is a real opportunity.

## Strategic leadership

5.26 In order to advance the roll-out and adoption of decentralised energy networks we will:

- Support localised pilots of decentralised energy generation and distribution. We will monitor and evaluate these to understand the long-term options for support and roll-out;
- Work with planning authorities and developers to encourage the development of smart energy grids as islands with the longer aim to connect these smart energy islands together, thus growing the energy system with smart technologies. For example, new major/strategic developments could have their own smart energy grids to balance supply and demand across a community and extend to other smart energy islands if required;
- Develop smart grid programmes within existing business and residential communities located in highly constrained areas of the power network;
- Work with local partners, including local authorities and businesses, to develop bids for funding to help produce innovative solutions to grid capacity constraints in order to unlock growth. For example, Innovate UK funding linked to the Industrial Strategy Challenge Fund and future rounds of the Housing Infrastructure Fund;

- 
- Explore local peer-to-peer trading of generation and consumption capacity to reduce network imbalances, the need for re-enforcement and to retain local value;
  - Work with planning authorities and others to bring forward heat networks.

### Case Studies: Smart energy in the Scilly Isles

The Smart Energy Islands project aims to enable the transition to a low-carbon, sustainable and resilient community on the Isles of Scilly. The project is led by Hitachi Europe Ltd. and supported by the European Regional Development Fund (ERDF). The Council of the Isles of Scilly, the Duchy of Cornwall and the Tresco Estate.

By implementing a set of interconnected projects, the Smart Energy Islands programme aims to cut electricity bills by 40%, meet 40% of energy demand through renewables and see electric and low-carbon cars make up 40% of vehicles. Investments include rooftop solar PV for 10% of households and two 50 kWp solar ‘gardens’.

This is underpinned by an Internet of Things platform (a network connecting appliances, lighting, and local power generation, such that they can “talk to each other”) that will monitor electricity loads in houses and businesses, as well as electric vehicles, home batteries, smart heating technologies and other infrastructure, to optimise local energy use.

Free support provided to businesses includes: an energy audit, an energy monitor and tablet, analysis of a firm’s energy use and a training community to help businesses implement the recommendations.

This project provides an example of what can be achieved on a small community scale for homes and businesses. We will follow the results closely to learn how some of these ideas could be applied to new developments and existing communities.

## 6 Secure, affordable, low-carbon consumption

- 6.1 While the LEE area is incredibly energy-rich, many of the financial benefits of producing so much energy are not experienced by local communities. In particular, fuel poverty is very high in some parts, especially those that are not connected to the gas grid, as residents are forced to rely on more expensive sources, e.g. oil and electricity, for their heating.
- 6.2 This divergence between the area's energy strengths and the day-to-day experience of energy costs for our residents and businesses, requires a joined-up approach. The development of an Energy Hub for the South East will provide a locus for some of this activity, which has already been occurring through multiple initiatives and uses of government funding. We will also look at developing a dedicated vehicle for this activity in the form of a Multi-Utility Service Company (MUSCo), see Section 8.
- 6.3 To address fuel poverty, we will support a further wave of Energy Company Obligation (ECO) type measures. These measures oblige energy companies to spend a fixed proportion of profits improving the energy efficiency of customers' homes, by installing insulation, replacing inefficient boilers, etc. and are targeted in particular at lower income consumers, thereby tackling fuel poverty and reducing emissions. They have a long history under various names (e.g. the CERT, CESP, EEC and EESoP schemes)<sup>3</sup>.
- 6.4 The government has already signalled that some sort of ECO equivalent obligation will continue up to 2022. We are keen that future ECO measures are universal, to encourage wider roll-out, rather than means-tested which has historically reduced uptake. It is important that future initiatives are stable, predictable and accessible to improve their impact.

### Strategic leadership

- 6.5 Therefore, to address fuel poverty the following activities could be considered by the LEE Network of organisations:
- Support further universally available ECO-type measures;
  - Bid for available Government funding that addresses fuel poverty;
  - Support improved energy efficiency measures (see below);
  - Support community scale energy schemes as part of new developments where these are commercially viable;

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<sup>3</sup> Details of these schemes can be found at: <https://www.ofgem.gov.uk/environmental-programmes/eco/overview-previous-schemes><https://www.ofgem.gov.uk/environmental-programmes/eco/overview-previous-schemes>

- Develop local time of use tariffs and feasible smart metering to allow consumers benefit from changing their consumption behaviours;
- Support more equitable tariffs for vulnerable householders on pre-payment meters;
- Develop off-gas grid low carbon heating projects in rural areas.

6.6 We also want to support communities to benefit from local renewable energy generation. We want to consider a range of actions to do this, potentially including:

- Supporting the development of new community owned schemes, which cut bills for people and gives them ownership over their local energy production. This could either be done by creating energy “clubs” (see Bethesda Case Study) or by local government owning schemes and where necessary, procuring the finance to deliver them (see Soham Solar Park case study);
- Supporting the development of local smart grids, see Section 5;
- Developing a dedicated vehicle for generating local energy in a way which benefits communities. Specifically, we will review the potential for a MUSCo, either on a site-by-site basis or on a broader basis;
- Working with our local authority partners to explore the potential for pooling energy related business rates retained at a local level and using this funding to reinvest in building efficiency and renewable energy.

6.7 We will consider where targeted pilots could help us explore these kinds of initiatives and will look to learn from other leading areas / schemes.

### Case Study: Schemes guarantee benefit to local populations

#### Bethesda Hydroelectric Power

In Bethesda, a small village in North Wales, 100 households have joined together to create an ‘energy club’ to ensure residents benefit from their location, close to Snowdonia and the fast-flowing River Berthen. By partnering with Co-op Energy and Energy Local, residents have had smart metres installed to show them when the energy being produced by the HEP station is most abundant, meaning they can get lower prices for their energy at these times. When energy supply is lower, and more is consumed than produced, it gets sold to them at the normal rate. By reducing the distance the energy has to travel the cost is reduced, with consumers paying 7p/kWh for their energy, about half of the national average.

#### Soham Solar Park, Cambridgeshire

Cambridgeshire County Council was the first Local Authority in England to receive Contracts for Difference (CfD) for its solar park. Contracts for difference is a finance incentive run by Government where projects compete to deliver renewable energy based on price. The Soham Solar Park will create £1 million of revenue a year from an initial investment of £9 million and will provide an income for the council offsetting the need to make cuts.

Project	Soham Solar Park, Cambridgeshire		
<b>Savings</b>	<ul style="list-style-type: none"> <li>£1 million annual gross revenue benefit per annum</li> <li>Total net cash flow of more than £10 million</li> </ul>	<ul style="list-style-type: none"> <li>135,170 tonnes of Carbon dioxide (CO<sub>2</sub>) cumulative over 25 years</li> <li>Simple payback of 11.1 years</li> <li>12,000 MWh generated per annum</li> </ul>	
<b>Timescales</b>	<ul style="list-style-type: none"> <li>The build took 16 weeks and the solar farm began feeding electricity to the grid in Spring 2017</li> </ul>		
<b>Statistics</b>	<ul style="list-style-type: none"> <li>206 rows of solar panels across 70 acres</li> <li>More than 45,000 panels connected by over 430,000 metres of cabling</li> <li>Eight nationalities on the installation team</li> </ul>		

## Improving energy efficiency

- 6.13 The LEE area contributes a higher level of Carbon dioxide (CO<sub>2</sub>) emissions per capita than the national average, largely as a result of high levels of transport emissions reflecting the rural nature of many parts of our area. Reducing Carbon dioxide (CO<sub>2</sub>) emissions can be expected to happen as a result of increasing investment in renewable energy sources (see Section 4) and the shift towards electric vehicles, see Section 7. However, further to this, there is more that we can do to invest in improving energy efficiency, in homes, commercial premises and public-sector buildings.
- 6.14 The importance of this is reflected in the ‘energy hierarchy’, a conceptual method of thinking about the most environmental approach to power. Before considering how to improve energy *supply* (through renewable energy generation), we should think of how to reduce energy *demand*, through improving the efficiency of our houses. This reduces the need for alternative methods of energy generation, though of course, these go hand in hand.
- 6.15 To do this, we will improve the skills of those with professions in the built environment, including plumbers, builders, and electricians, to ensure they have employ the most environmentally friendly approaches when constructing or altering housing.

## Strategic leadership

- 6.16 The Local Energy East organisations will:
- Work with planning authority partners to review mechanisms to either ensure high levels of energy efficiency/carbon reduction as standard in new development and/or to raise money for retrofitting activities. These could include the development of a Carbon Offset Fund, similar to the approach in Milton Keynes, see the case study over leaf;
  - Work with planning authorities to develop robust planning policies targeting energy performance across all sectors of development (housing, commercial development, transportation and other infrastructure) to achieve carbon emissions reductions targets;
  - Consider a pilot programme to invest in energy efficiency that also supports our fuel poverty aims;
  - Work with sustainable transport-related action not about EVs – change the tenure model for ownership to point of use hire, e.g. car clubs, logistics sharing;

- 
- Develop financial instruments to promote commercial energy efficiency – not grants but loans & energy performance contracts;
  - Develop and simplify the supply chain to make it easier for business to invest in energy efficiency facilitated by public sector buying power.

### **Case Study – Milton Keynes Carbon Offset Fund**

Milton Keynes is a pioneering local authority, which has managed to improve energy efficiency in existing housing stock and incentivise the creation of energy efficient new housing stock. It has done this through the Carbon Offset Fund, launched in 2008, which required developers to contribute £200 per tonne of carbon expected to be emitted by the home in the first year of its usage. This goes into a fund, which has been used for replacement of boilers and support of the older population in using energy more efficiently. This has proved very successful – for example, approximately 15% to 20% of the boilers replaced in the period since the scheme was launched have benefitted from the funding.

# 7 Clean transport networks

- 7.1 To achieve our environmental objectives and growth ambitions, a focus on transforming our methods of transportation is essential. The Government's policy limiting fossil fuel-based vehicles in favour of electric vehicles coupled with vehicle manufacturers' pledges to shift to EVs by as early as 2019 means significant infrastructure change to support is essential.
- 7.2 The LEE area has major ports, such as Ipswich, Great Yarmouth and Felixstowe, meaning lots of freight passes through it. The agricultural industry is transport intensive and there are major logistics hubs at Peterborough due to its location on major national transport corridors. Finally, the rural nature of much of the area necessitates travel for many residents to access essential goods and services.
- 7.3 There will be significant changes in how transport networks consume energy over the next decade. In the longer-term, it is possible that hydrogen technology will become the norm but over the next decade, it is likely that EVs will be the most widespread form of renewable transport energy in use. This section considers the implications of this and sets out how we and partners will work to take best advantage of this technological shift.

## Enabling the large-scale roll-out of electric vehicles

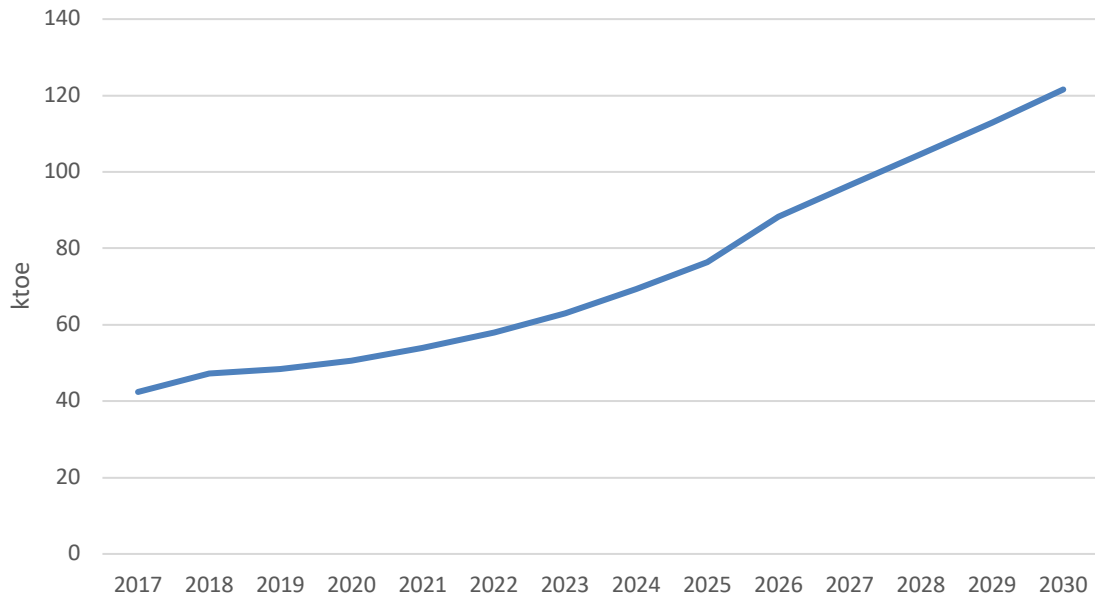
- 7.4 Today, there are already at least 30,000 electric vehicles in the region. This is forecast to increase to between 1.2 million and 1.9 million by 2030, according to UKPN, mirroring similarly large increases across the rest of the country. At present, transport in the East of England<sup>4</sup> accounts for roughly 10% of transport energy consumption in the UK, or approximately 42 ktoe (kilo-tonne oil equivalent) of electricity consumption. The graph below shows that this figure is expected to triple by 2030, reflecting the expected high uptake of electric vehicles.

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<sup>4</sup> Figures are not available for the Local Energy East area.



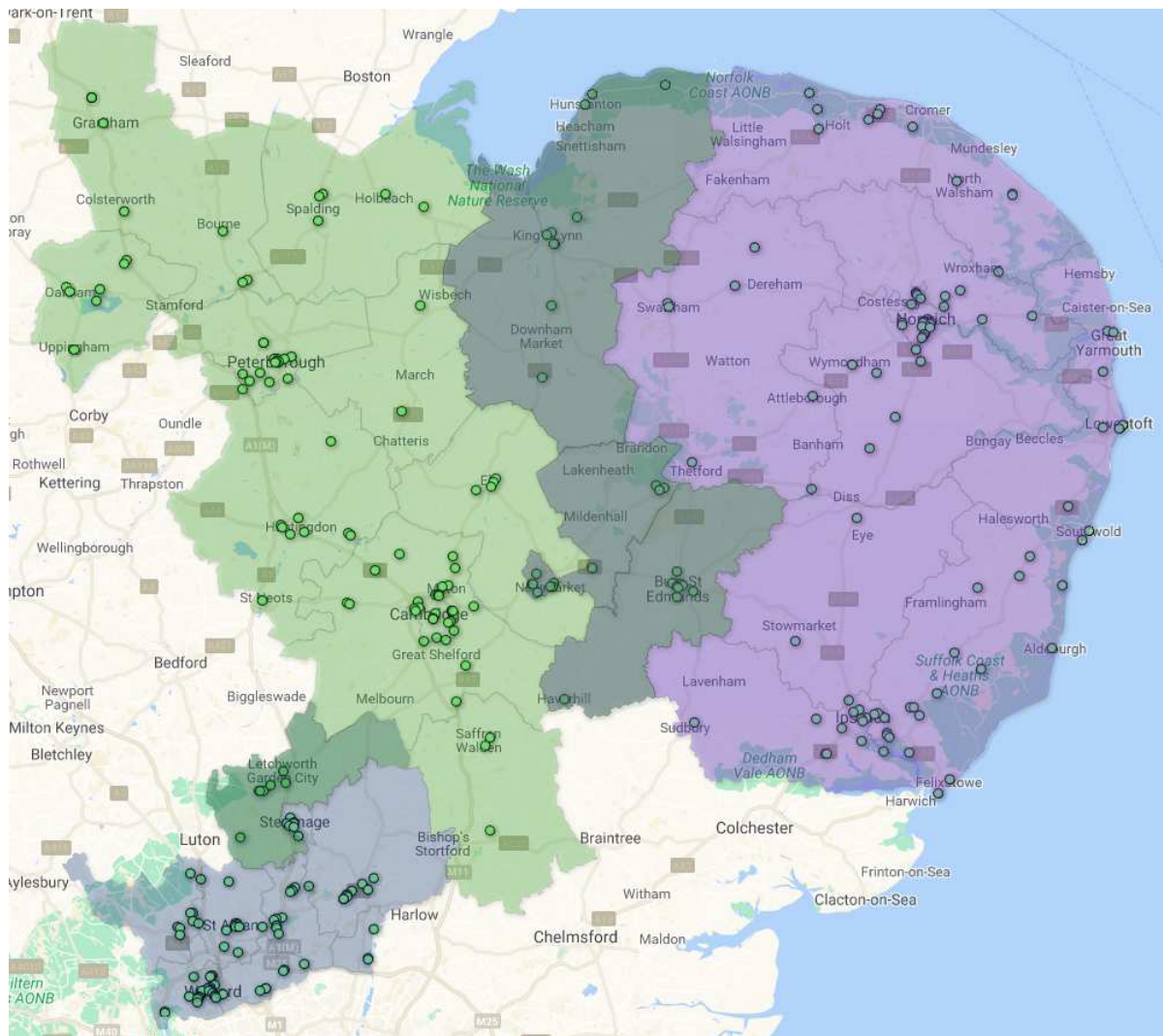
**Figure 8. East of England projected electricity consumption in the transport sector**



7.5 This increase in electricity demand will place strain on our energy system if planning for this change isn't developed at a pace that matches the predicated change. This is particularly true of domestic charging points but also applies to commercial chargers as well. Therefore, to prepare the LEE area for the impacts of increased EV activity we will:

- Work with UKPN and others to undertake a review of the implications of EV charging roll-out for our network, to identify any bottlenecks in the infrastructure;
- Continue to follow developments in automated vehicle technology and the surrounding legal context, to understand how these will affect spatial deployment of charging points and any technical changes that may need to be made to them.

**Figure 9. EV charging point distribution at present**



**KEY**

Green dots denote EV charging points.

The shaded colour areas denote Local Enterprise Partnership (LEP) areas and areas shared by LEPs.

Light Purple – New Anglia LEP only.

Dark Purple – New Anglia LEP, and Cambridgeshire and Peterborough LEP shared area.

Green – Cambridgeshire and Peterborough LEP area only.

Dark Green – Cambridgeshire and Peterborough LEP and Hertfordshire LEP shared area.

Light Grey – Hertfordshire LEP only.

- 7.6 Supporting the scale of increased demand requires a different kind of distribution network (see Section 5, above) and specific investments in the charging point infrastructure that will enable uptake. Distribution of existing petrol stations suggests that, left to the market, the allocation of rapid charging points may end up being socially suboptimal – clustering in cities and along major highways, but poorly serving rural areas.
- 7.7 The shift from internal combustion engine to electric motor vehicles will have a positive impact on urban air quality but it may mean that the overall impact on vehicle emissions will be muted as rural dwellers may choose not to switch to electric transport and continue to make longer journeys (to work, amenities, cultural sites, etc.) using petrol or diesel vehicles. Conversely, if we are able to

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ensure EV charging provision in rural areas is strong, a lack of petrol stations in these areas will make the switch to EVs more appealing as will increased vehicle range.

## Strategic leadership

7.8 Therefore, the Local Energy East organisations will:

- Work with partners to support and finance the installation of EV charging points at strategic locations, where people visit regularly and for a sufficient amount of time to charge, such as supermarkets, places of employment and town centres as well as ensuring independent Smart Energy grids can support EVs;
- Work with planning authorities to encourage the installation of charging points in new homes where feasible (and associated grid reinforcement activities) and collaborate with employers to install EV charging points in staff car parks. We will also encourage car clubs with shared electric vehicles and charging bays;
- Support the work of Highways England to install EV charging points on the strategic road network, building on local partners' existing work in this area;
- Develop a long-term investment-financial return model that facilitates early expansion of the EV charging network based on likely spatial and temporal demand;
- Support a programme of engagement and promotion of EV to stimulate the passenger and commercial fleet markets.

## Introducing electricity and hydrogen power into public and freight transport

7.9 Much of the road network in the East of England is being upgraded currently or is in the pipeline to be upgraded. This includes the multiple lane and intersection improvements on the A14 between Huntingdon and Cambridge, future ambitions for the A47, A10 and potential extension of the M11. These roads, particularly the A14, are very important for heavy goods transport. Therefore, we will:

- Work with Highways England and local highways authorities to ensure these roads have capability to support rapid EV charging for larger vehicles;
- Work with local logistics businesses to understand the longer-term potential for hydrogen refuelling facilities.

7.10 Local government can directly influence the energy usage of public transport. The Park and Ride station at St Ives (see Case Study, below) is an example of a local authority delivering a UK leading renewable-based smart energy system. The Greater Cambridge Partnership and the Energy Investment Unit at Cambridgeshire County Council have been researching ideas to electrify buses across the Greater Cambridge area. A concept for a network of smart energy grids, similar to St Ives Smart Energy Grid is set to be developed around the City and along the public transport corridor to St. Ives.

7.11 More broadly, we will:

- Work with local authorities and public transport concession holders to consider opportunities for supporting electric and hydrogen-based charging systems. We will develop business cases and pilot projects, building on the success of the St. Ives case;
- Assess how electrification of transport projects can improve air quality, building on work done by Transport for London on the electrification of buses.

### Case Study: St Ives Park and Ride

The Smart Energy Grid comprises a 950kW solar PV carport with integrated LED lighting, 10x electric vehicle chargers and an electric bus charger, smart street lighting, a battery energy storage system and private wire connections to local customers. This enables the generation, storage and distribution of renewable energy to the various end users, namely the electric vehicles, the site's electrical infrastructure and local customers to buy the electricity directly from the scheme. This helps build local resilience to energy cuts and keeps the energy economy local.

## Changing behaviours to promote other low-carbon forms of transport

- 7.12 While there are many promising and innovative solutions to be pursued in moving towards a lower carbon transport system, encouraging walking and cycling in the place of driving is also important to reduce Carbon dioxide (CO<sub>2</sub>) emissions, improve air quality, enhance public health and contribute to well-being. We will continue to support local behavioural change programmes and systems which encourage walking and cycling.

### Case Study: Liftshare - Matching drivers and passengers

This innovative car sharing service was founded in 1998 and is headquartered in Norwich. Liftshare locally helps over 8,000 members – including employees in the two County Councils, West Suffolk NHS, University of East Anglia and EDF Energy – to get around the East by sharing journeys. The service is free and is available to all who live, work and travel in and around the county and matches potential drivers and passenger partners to share car journeys as little or as often as they like.

Liftshare currently provides services to almost 700 clients in the public and private sectors including some of the UK's biggest businesses. The platform has achieved impressive success with one of the most notable being its work with Jaguar Land Rover. Ten thousand staff members have registered on the platform and five thousand of these have confirmed as sharing their journeys on a daily basis.

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## 8 Future work

- 8.1 This strategy sets out our ambitions and actions that collectively the LEPs and local authorities in the Local Energy East area wish to pursue, in partnership with UK Power Networks and with the support of BEIS, to ensure that we remain at the forefront of Clean Growth in the UK and grasp the opportunities ahead.
- 8.2 Collaboration is our key to success and will ensure that our economy grows cleanly, promising developments have the energy required to prosper, consumers can enjoy an affordable low-carbon supply and that our transport will be electrified effectively.
- 8.3 This strategy will not be delivered by one partner alone or by one strand of investment or action. Our ambition and direction is set, the next step is to make it happen. We are fortunate to have a new human and financial resource with which to support our endeavours, the Greater South East Energy Hub.

### The Greater South East Energy Hub

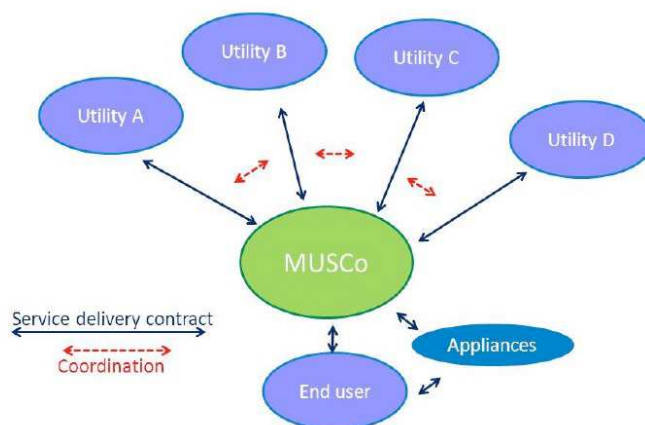
- 8.4 In the Autumn of 2017 BEIS offered LEPs the opportunity to develop five new 'Local Energy Hubs', which will support local energy projects across England. Acknowledging that Local Energy Strategies created by LEPs would need to be supported by human and financial resources in order to identify need, overcome barriers and create investment ready projects, BEIS offered funding for two years to kick start activity.
- 8.5 The East of England, Greater London, the South East and the Oxford to Cambridge Growth Corridor including Milton Keynes and parts of Northamptonshire were identified as a connected area that a Hub could support. The 11 LEPs with some of their constituent local authorities formed a partnership to respond to BEIS' offer and quickly develop a basis which to collaborate and work together for the Greater South East, the Hub area.
- 8.6 Within the Hub area there will be six new Local Energy Strategies. Two multi-LEP projects of three LEP areas and utilisation of the Greater London Authority's existing energy plans to inform the work of the new Hub. The Hub is being set up managed by the Cambridgeshire and Peterborough Combined Authority on behalf of all 11 LEP areas which includes 16 counties and London. The dedicated Hub team will seek to identify need from these strategies and deliver local energy projects that unlock sustainable economic growth whilst piloting innovative financial, technical and operational methods of delivery.
- 8.7 The Hub will optimise funding options such as green bonds and crowd funding to respond to a highly dynamic, fast growing sector which maximises potential to scale up pilot and test projects across the substantial geography of the Hub.
- 8.8 The Hub's activities are likely to include:
- Supporting those with aligned project aims;
  - Bringing forward a pipeline of projects aligned to the strategic aims and objectives;
  - Helping to identify and remove barriers to opportunities;

- Spotting opportunities and synergies across administrative geographies and sectors;
- Measuring progress against key KPIs;
- Helping to provide strategic direction to a wide range of stakeholders, delivery agents and new project proposers seeking to invest in the LEE area.

## Developing delivery vehicles and funding mechanisms

- 8.9 We will carry out an assessment of possible delivery vehicles to understand what model can best take forward our ambitions. In particular we will look at the option of establishing a MUSCo, a Multi-Service Company.
- 8.10 A MUSCo is essentially a Special Purpose Vehicle created to manage one or more of the utilities at a given site or sites. This is usually delivered in conjunction with a private sector partner, de-risking the process, but enabling the development. With local authorities being an active participant, it is also has the potential to generate a financial return alongside supporting local authority concerns around low carbon development, energy security and fuel poverty. As far as local authorities are concerned this is a relatively untapped area to date, with East Hampshire District Council the only authority to create its own MUSCo called RegenCo.
- 8.11 The diagram overleaf shows the possibilities around managing a number of interconnected sites/utility services.

**Figure 10. Example of MUSCo structure**



- 8.12 We will also explore the potential for revolving fund mechanisms that address the challenge of forward-funding infrastructure.

### Developing energy systems to support public transport Systems

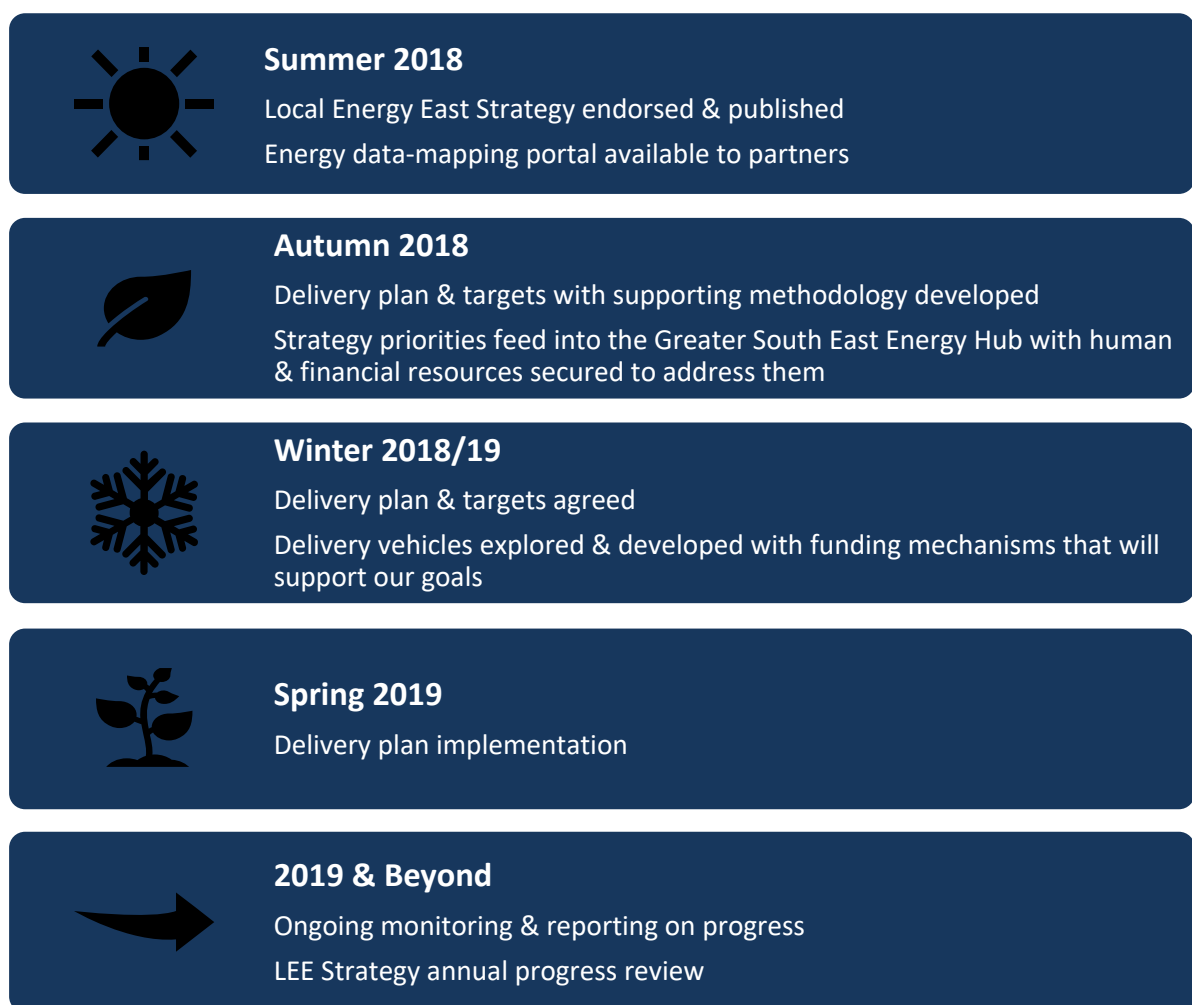
- 8.13 We will support the development of a network of smart energy grids based at transport hubs/interchanges around Cambridge and other urban centres across the LEE area which can generate renewable energy, store energy and charge EVs, buses, metros and light freight.

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## Housing and Commercial Developments

- 8.14 We will support demonstrator projects for the delivery of larger smart energy grids for major new developments to help build new energy system infrastructure fit for the future and that can be linked to other smart energy grids or the distribution network if required. These may include MUSCos, serving as trials for a possible expansion of the MUSCo model.
- 8.15 We will submit bids to Innovate UK and other sources for match funding and build consortiums of businesses to help make this happen. For example, in the Southern Cluster Cambridge we will look to develop a demonstrator smart energy grid to facilitate commercial development.
- 8.16 All our ambitions and priority areas of work are summarised in the Future Plan below.

**Figure 11. The Local Energy East Strategy Future Plan**





## 9 Glossary of terms

- **CERT** – Carbon Emissions Reduction Target – Government funding scheme that expired at the end of 2012.
- **CESP** – Community Energy Saving Programme – Government funding scheme that expired at the end of 2012.
- **Clean Growth Strategy** – A document published by the UK Government, building upon the Industrial Strategy. It sets out policies to deliver Clean Growth for the UK, including setting up a Green Finance Taskforce, improving business efficiency, and investing over £1bn to make cycling and walking the natural choice for shorter journeys.
- **Decentralised Energy** – Electricity generation and storage performed by a variety of small, grid-connected devices. These may instead be directly connected to local sources of power generation, particularly renewables.
- **Distribution Network** – The network which takes power from the transmission network, and distributes it to homes, offices, and other premises.
- **DNO – Distribution Network Operator** – These companies oversee the distribution network and are responsible for upgrades to it.
- **EEC** – Energy Efficiency Commitment – Government energy efficiency programme in operation between 2005 and 2008.
- **EESoP** – Energy Efficiency Standards of Performance – Government domestic energy efficiency programme in operation between 1994 and 2002.
- **ECO** - Energy Company Obligation – Measures which oblige energy companies to spend a certain amount on improving the energy efficiency of homes. These measures are particularly targeted at individuals on lower incomes.
- **Energy Data-Mapping Portal** – A system developed by the Local Energy East (LEE) team to map key data relating to the strategy’s aims. This includes data on sites of constrained energy.
- **Energy Storage** – Technologies that store energy (energy must otherwise be used as it is produced). Storing of energy enables more balancing between the demand for energy and supply of energy, as supply can be ‘released’ to respond to demand. Battery storage stores electricity specifically using battery technology.
- **Flexible Distribution** – Distribution which balances supply and demand, using energy storage to regulate supply, and better consumer information to regulate demand.
- **Fuel Poverty** – A household is in fuel poverty if it has required fuel for heating costs above national average and who would be left with an income that puts it below the official poverty line were they to spend that amount on heating. (A previous definition stated that households were fuel poor if they spent more than 10% of their post-tax income on fuel for heating).



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- **GVA** – Gross Value Added – A measure of the value produced by the local economy.
  - **HEP Station** – Hydro Electric Power Station – used to generate energy from the natural flowing of water.
  - **HIF** - Housing Infrastructure Fund (**HIF**) – A government capital grant programme of up to £2.3 billion, which Local Authorities can apply to for funds to deliver the infrastructure needed for new housing developments.
  - **Hydrogen Fuel Cell** – Hydrogen fuel cells convert hydrogen into energy and could in future be used to power cars. There are some of these vehicles in development, but there are challenges around economic viability at present.
  - **Industrial Strategy** – A document published by the UK Government in November 2017. It outlines four ‘grand challenges’ for UK industry – Ageing, Artificial Intelligence, Clean Growth, and Mobility.
  - **MUSCo** - Multi-Utility Service Company – A company that is created to deliver and manage many utilities a given site, or sites. This is usually delivered in conjunction with a private sector partner, de-risking the process, but enabling the development.
  - **MWp** – Mega Watt peak – a unit for measuring the maximum output of power for a given power plant or system.
  - **MWh** – Mega Watt hour – a unit for measuring power over time.
  - **National Grid** – The transmission network for electricity in the United Kingdom, and the name of the company which operates it.
  - **Peer-to-Peer Trading** – When householders in a locality can trade energy between themselves, particularly if many of them are generating their own energy.
  - **Prosumers** – A conceptual notion of how people will consume and produce energy in future, being both givers to and takers from the energy network.
  - **Renewable Energy** – Energy that doesn’t deplete its source when it is generated, e.g. solar energy, which does not ‘use up’ the sun’s energy.
  - **Smart Grids** – Newer energy networks which can intelligently manage consumption to reduce peak demand when required, and effectively inform consumers of their energy costs. These grids may also receive energy from small-scale generation.
  - **Smart Meters** – Appliances which inform consumers of their energy consumption in a way which is easy to understand.
  - **Substation** – A set of equipment ‘stepping down’ the high voltage of electrical power transmission to that suitable for supply to consumers.
  - **Transmission Network** – The network which takes energy from large-scale energy generation, such as coal and gas power plants, and transfers it to substations, where its voltage can be reduced before being transferred to the distribution network.



# Local Energy East

## Mapping Analysis Report

May 2018

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A narrative on conclusions drawn from the mapping work on the Local Energy East area incorporating views on network company forward plans and government policy.

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# 1 Executive summary

## 1.1 Geographical extent

This report, and the energy data-mapping portal, focuses on the area of responsibility of the Local Energy East (LEE) project. LEE areas consists of the Cambridgeshire and Peterborough LEP, Hertfordshire LEP and New Anglia LEP, which covers 34 local authority (LA) areas in the East of England. We refer to this area as the ‘LEE area’.

Due to limitations on some of the data sets available, we have at times had to use data covering different areas. For example, the government provides data sets referring to the East of England, an administrative region covering most of the LEE area, but which also covers Bedfordshire and Essex, and does not cover the two areas in south Lincolnshire. We also refer to the Eastern Power Networks (EPN) area, a region of the electricity distribution system which covers the LEE area but also extends into Essex.

As these datasets do not line up precisely with the LEE area, we have minimised the use of them, and have noted where we have used these datasets.

## 1.2 Local Energy East’s ambitions

Local Energy East (LEE) has articulated three themes for its proposed strategy: supporting housing growth and commercial sites infrastructure, supporting the transition to transport electrification including hydrogen, and ensuring secure, affordable, low-carbon domestic energy consumption.

We review these themes separately, across the whole area, and then highlight any pertinent points of interest between the larger area, urban and rural areas, and between the three LEP areas.

Figure 1: LEE project analysis and modelling scenario mix

	Whole area	Urban	Rural	Cambs & P'boro area	Herts area	New Anglia area
Housing growth and commercial sites infrastructure						
Transition to transport electrification including hydrogen						
Secure, affordable, low carbon domestic consumption						

Source: LEE

## **1.3 Summary of findings**

### **1.3.1 Housing growth and commercial sites infrastructure**

Development of new commercial and housing sites will be much easier from an energy perspective in the Hertfordshire LEP area than in the other two LEP areas. In particular, Cambridgeshire is highly electrically constrained, and developments may require substantial investment in new grid capacity or innovative solutions to bring forwards.

Development of new energy resources is concentrated on the coast of New Anglia LEP area, with large amounts of wind generation capacity planned, as well as a major new nuclear reactor at Sizewell. Connection of distributed generation is, or will be, feasible across most of the LEE area, and could be used to support new demand-side developments.

### **1.3.2 Transition to transport electrification including hydrogen**

The LEE area uses more energy in transportation than the national average and causes more carbon emissions as a result of this. There is little or no hydrogen infrastructure in the LEE area, but EV chargers are present in very limited numbers in most cities, towns and along transport arteries.

EPN's commitment to provide on request all households with enough capacity to allow a 7kW EV charger will support domestic charging but installing large numbers of rapid chargers in urban environments or at service areas is likely to run into capacity issues; Cambridge City Council has already faced this issue. EPN is keen to work with parties to resolve these issues, however.

There is little current penetration of the regional market by compressed natural gas (CNG), liquified natural gas (LNG), or hydrogen as fuel sources. Anglian Bus' Beccles depot was home to a fleet of 13 CNG buses and a CNG compressor; it is not clear if these continue to operate following the company's take-over by Konectbus.

### **1.3.3 Secure, affordable, low carbon domestic consumption**

The best way to reduce domestic energy bills in the short term is to switch tariff and supplier. This can save around one-third on bills, compared to Big Six standard variable tariffs. Switching across the LEE area was around 16% last year compared to a 22% national average; more therefore needs to be done in this space.

In the long term, reducing domestic bills will require increasing the energy efficiency of the housing stock. There are also opportunities to increase the rollout of ECO measures in the LEE area, which is relatively low (benefiting 1.3% fewer households than the national average), and to make the most of the last year or so of the Feed-in Tariff to subsidise community energy generation, for the benefit of social housing groups, for example.

Many parts of the LEE area are not connected to the gas grid. Approximately 12% of households are not connected. These are concentrated in New Anglia, with fewer in Cambridgeshire and Peterborough, and a few in Hertfordshire.

Households off the gas grid are correlated to increased prevalence of fuel poverty, and higher carbon emissions. There are many options to correct this, including ECO, renewable heat sources, and district heat networks. The former will be important in upgrading the energy of existing properties, while the latter two may be of more significant when deploying new housing to the LEE area.

Additionally, while extending the gas grid to target these areas is a short-term solution to the problems of fuel poverty and high carbon emissions, pressures on the gas distribution grid may not be sustainable over the long term.

## **1.4 Structure of document**

Section One – Executive summary

Section Two – Introduction to the energy data-mapping portal

Section Three – High level indicators

Section Four – Approach and framework

Section Five – LEE themes

Section Six – Characteristics of the networks and network operator plans

Section Seven – Existing situation and current planned developments

Section Eight – Anticipated future developments

Appendices – Energy supplier tariffs | National forecasts



## 2 Energy data-mapping portal

A key step in delivering the Energy Market Innovation Project (EMIP), which aims to identify and progress energy innovation projects in East Anglia, is to scope out a wide range of energy-related information in the LEE area. The findings of this undertaking will be accessible via the Energy data website, which will take the user to a portal where the data maps are presented and can be overlaid upon each other (up to five layers).

The tri-LEP LEE project – consisting of the Cambridgeshire and Peterborough LEP, Hertfordshire LEP and New Anglia LEP – which has contributed to the costs of this work.

The energy data-mapping portal will provide baseline information about various aspects of energy, primarily shown through geographical placemarks, polygons and heat maps. Information will focus on the current energy landscape, as well as forecasts or projections that may be relevant (Figure 2).

The intention is that presenting the energy landscape in this way will make it easier for stakeholders to identify opportunity areas or areas of constraint in the LEE area, and thus inform their decisions and strategies going forward.

**Figure 2: Index of energy data-mapping portal layers**

Topic	Data source and description
Gas transmission network	National Grid Gas Indication of the gas transmission pipelines in the LEE area
Gas sites	National Grid Gas Above Ground Installations (AGIs) and Compressor Stations (CSs) are located at strategic points along the transmission pipeline. AGIs mark the start and end of cross-country pipelines and intervals along the route; CSs are facilities which compress the gas to a specified pressure
Gas connections	BEIS This correlates highly to higher domestic electricity consumption and more fuel poverty in the areas
Electricity transmission network	Shapefile of overhead transmission lines provided by National Grid
33kV substations	DNO websites Substations where the voltage is stepped down from 33kV to 11kV Further information about the station's 'utilisation', 'limiting constraint' and 'demand capacity' is available by clicking map points This may be useful to potential developers and planners
132kV substations	DNO websites Substations where the voltage is stepped down from 132kV to 33kV Further information about the station's 'utilisation', 'limiting constraint' and 'demand capacity' is available by clicking map points This may be useful to potential developers and planners

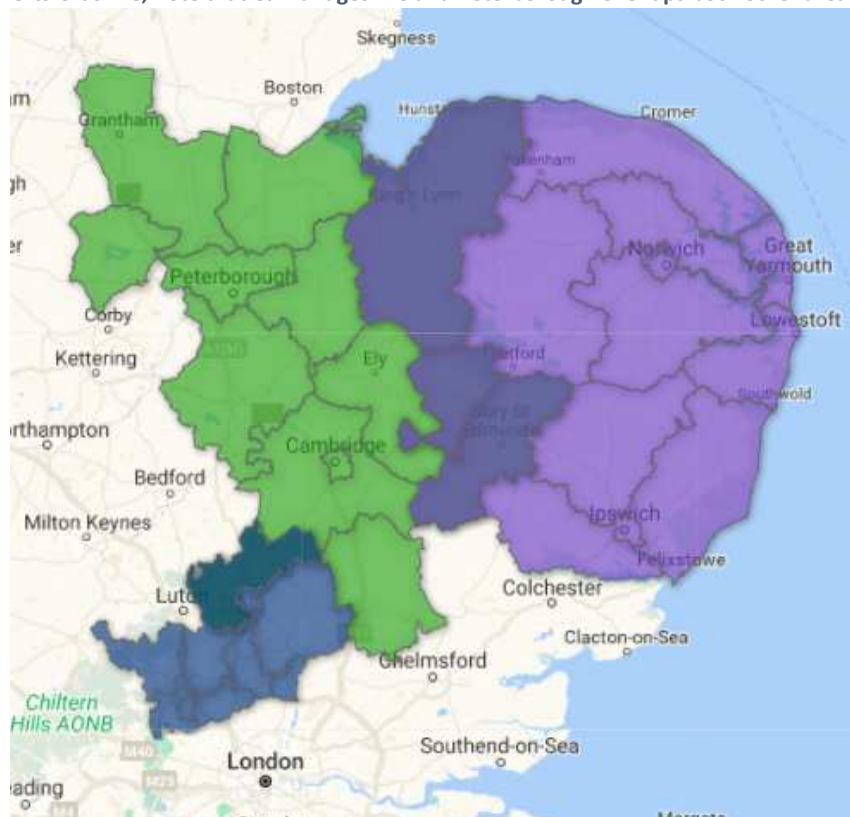
Topic	Data source and description
Flexibility service requirement areas	UKPN Network locations in the EPN license area where UKPN has issued a tender for flexibility services
Network information	DNO websites Availability of connection capacity for distributed generation Similar information, including demand capacity information, will soon be available for the WPD area in South Lincolnshire
400kV and 275kV substations	National Grid Electricity Transmission Substations on the transmission network supplying electricity to the distribution network Some offshore wind connects to these substations, and more will in the future
ECO measures	BEIS Proportion of households in receipt of Energy Company Obligation (ECO) measures
Fuel poverty	BEIS Proportion of households that have required fuel costs which are above average (the national median level), and which if they were to spend that amount, would be left with a residual income below the official poverty line
Domestic electricity consumption	BEIS Mean domestic electricity consumption (kWh per meter)
Energy performance ratings	OpenDataCommunities Average energy performance ratings of buildings in a local authority area
Energy supplier switching rates	ElectraLink and Energy UK Shows percentage of households which switched energy supplier between September 2016 and August 2017 by MP constituency
Low-carbon generators (<1MW)	BEIS, Ofgem Locations of smaller low-carbon generators May be useful to connect these directly to demand sources to manage grid connection capacity requirements, or provide lower-cost energy
Low-carbon generators (>1MW)	BEIS, Ofgem Locations of large low-carbon generators May be useful to connect these directly to demand sources to manage grid connection capacity requirements, or provide lower-cost energy
Fossil fuel power stations	BEIS Locations of conventional fossil fuel generators May be useful to connect these directly to demand sources to manage grid connection capacity requirements, or provide lower-cost energy

Topic	Data source and description
Offshore wind farms	<p>Crown Estate, 4C Offshore</p> <p>Approximate locations of current and planned offshore wind farms</p> <p>Each map point provides further information on capacity, construction statues and connection point onshore when clicked</p>
Combined Heat & Power	<p>BEIS, Defra, DECC, NNFCC</p> <p>Shows, as well as large CHP plants, locations of anaerobic digesters that generate biogas, which is burned onsite to generate heat, power or both. It also shows biomethane to grid (BtG) points, where biomethane is created for injection into the national gas grid</p>
District Heating	<p>Association for Decentralised Energy</p> <p>Locations of heat networks</p>
Feed-in tariff subsidised installations	<p>Ofgem</p> <p>Aggregations of feed-in tariff installations over 30kW – typically domestic but also small non-domestic</p> <p>These installations could be particularly useful in supporting vulnerable customers through innovative schemes</p>
Major housing and commercial developments	<p>Various sources, including anecdotal evidence and LA/ LEP plans</p> <p>A layer that is being expanded as we learn more</p>
Airfields	<p>Invisible works, Bing maps</p> <p>Major airfields, both currently in use and disused. These areas may present significant future sites for domestic and non-domestic development once no longer used for aviation, and therefore present areas where there may be significant future energy demand</p>
Major heat loads	<p>BEIS</p> <p>Locations of large heat loads, typically industrial load</p>
Enterprise zones	<p>HM Government</p> <p>Enterprise Zones are one of the key driving forces of local economies, unlocking key development sites, consolidating infrastructure, attracting business and creating jobs. They are prime locations for future energy demand</p>
Major road network developments	<p>Various</p> <p>A layer that shows where major road developments are currently underway. Areas surrounding these road improvements may spawn commercial or housing developments</p>
Non-domestic electricity consumption (HH metered)	<p>BEIS</p> <p>Shows the average consumption of half-hourly (HH) metered commercial users. These will be large- and medium-sized companies</p>
Non-domestic electricity consumption (NHH metered)	<p>BEIS</p> <p>Shows the average consumption of half-hourly (HH) metered commercial users. These will be small companies and microbusinesses</p>

Topic	Data source and description
EV charging points	Zap-Map, Open Charge map Current public EV charging points NB – this is public as-in non-domestic, as opposed to private domestic points
Battery energy storage locations	Solar Media Connection-approved large-scale battery locations. Some additional sites may have planning permission, but not connection agreements
Ultra-Low Emissions Vehicle (ULEV) distribution	Department for Transport, Driver and Vehicle Licensing Agency ULEVs licensed at the end of Q4 2017
Park & Ride locations	Prime locations for EV charging points and/ or solar panels
Air quality management areas	Defra Places where local authorities feel air quality management objectives are not likely to be achieved Such areas may act as target areas for renewable DERs, indicate where fossil-fuel or biomass burning generators should not be built, and highlight locations where a move to electric vehicles (especially buses and taxis) and electric heating may be a priority
Carbon dioxide emissions	BEIS Information on per-capita domestic, industrial/commercial, transport carbon emissions Visualisation is a combined total; individual figures for sectors can be obtained by clicking a region
Landfill sites	Environment Agency Sites of gas-controlled landfill sites. The gas from these sites can be used to power gas turbines, or CHP engines if there is a local heat demand. Once gas production ceases, grid connections can be useful for renewables generation or batteries
Districts	Ordnance Survey Outlines of the 34 local authorities involved in the project
MP Constituencies	Government Colour coded by party affiliation of the sitting MP
Cambridgeshire & Peterborough, Hertfordshire, New Anglia and Greater Lincolnshire LEPs	Respective LEP areas The geographical extent of the LEPs. Note that the Cambridgeshire and Peterborough LEP overlaps with each of the surrounding LEPs
<b>Notes</b>	
LLSOA	A lower level super output area (LLSOA) is a collection of census areas that collectively have a mean population of 1,500
MLSOA	A middle level super output area (MLSOA) is a collection of census areas that contain a population of 5,000 to 7,200

### 3 High level indicators

Figure 3: LEP areas in the East of England (purple: New Anglia, green: Cambridgeshire and Peterborough, blue: Hertfordshire; note that Cambridgeshire and Peterborough overlaps both other areas)



Source: energy data- mapping portal

#### 3.1 Regional energy developments

- 13.9GW of wind generation capacity planned (14 projects)
  - Major projects include East Anglia ONE & TWO and Hornsea One, Two and Three, and Norfolk Vanguard & Boreas
  - Grid connection points at Killingholme, Necton, Norwich Main and Sizewell 400kV substations
- Energy demand in the LEE area has decreased 10% since 2012
- Energy generation in the LEE area has increased by 95% since 2012
  - The number of generation MPANs has tripled since 2012
- Capital investment in clean energy worth £50bn is planned for the LEE area by 2020

#### 3.2 New Anglia economic plans

- 88,000 net new jobs by 2036
- 140,000 new homes by 2036
- 30,000 new businesses by 2036

- £17.5bn growth in economy by 2036 (current contribution is £35.5bn)
- Second fastest growing area for high-growth firms in the UK
- Major growth areas in Suffolk:
  - Greater Ipswich
  - A11, A12 and A14
  - Lowestoft Enterprise Zone
  - Sizewell C nuclear power station (25,000 new jobs and opportunities for decommissioning of existing nuclear power facilities)
- Major growth areas in Norfolk:
  - Northern Distributer Road
  - Great Yarmouth Enterprise Zone and Third River Crossing
  - A47 improvements linking Great Yarmouth with Norwich

### **3.3 Cambridgeshire and Peterborough area economic plans**

- Proposals for £988mn capital investment in Cambridgeshire to 2021
- A14 between Cambridge and Huntingdon (crucial to planned major growth projects including new settlement at Northstowe and at the Enterprise Zone at Alconbury Weald)
- A47 between Wisbech and King's Lynn (essential for housing and employment developments)
- Major urban extensions in Cambridge both in the north east to the south in South Cambridgeshire, and Peterborough (city centre regeneration)
- 156,000 additional homes planned across the Cambridgeshire and Peterborough area over the next 20 years (7,800 homes a year to 2031)
- Travel demand forecast to increase by 40% in the area to 2031

### **3.4 Hertfordshire economic plans**

- Three major growth corridors
  - M1, West Coast Mainline and Midland Mainline
  - A1(M), East Coast Mainline and Great Northern Route
  - A10, West Anglia Mainline and M11
- Growth Deal looks to establish 11,000 new jobs and 16,500 new homes by 2024/25
- Regeneration of key county towns of Hatfield, Hemel Hempstead, Stevenage, and Welwyn Garden City

### 3.5 East Anglia vs national averages

Figure 4 below highlights statistics related to fuel poverty, reduction of which is a key aim for many local authorities. The LEE area does not have proportionately as many residents suffering from fuel poverty as the country as a whole but has had less deployment of energy efficiency measures paid for by the Energy Company Obligation (ECO) and its predecessor schemes.

Around 5.5mn or around 22% of customers across the GB market switched electricity supplier in 2017, a record level. [ElectraLink data](#) for September 2016 to August 2017 indicated that approximately 359,000 or 16% households in the LEE area had switched supplier during the period, well below the national average.

**Figure 4: Comparison of statistics related to energy consumption and fuel poverty**

	LEE area	East of England	Great Britain
Households that are fuel poor (2015 data)	9.9%	7.8%	11.4% (England only)
ECO measures per household (Sep 2017 data)	6.89%	5.26%	8.19%
Mean domestic electricity consumption (2016 data)	4,208kWh/meter	-	3,794kWh/meter
Non-domestic electricity consumption (kWh per meter) (2015 data)	80,791kWh/meter	-	60,306kWh/meter
Domestic electricity switches (Sept 16-Aug 17 for LEE, 2017 calendar for GB))	358,839 / 16%	-	5,500,000 / 22%

Source: BEIS, ElectraLink

Looking at statistics for sectoral carbon dioxide equivalent emissions in Figure 5, the East of England causes more emissions from transport than the national average, around 22% more per person. It also causes more emissions from home heating. However, industrial emissions are lower, by around 7% per person.

This in part reflects the primarily rural nature of the area.

**Figure 5: CO<sub>2</sub> emissions by sector (2015 data)**

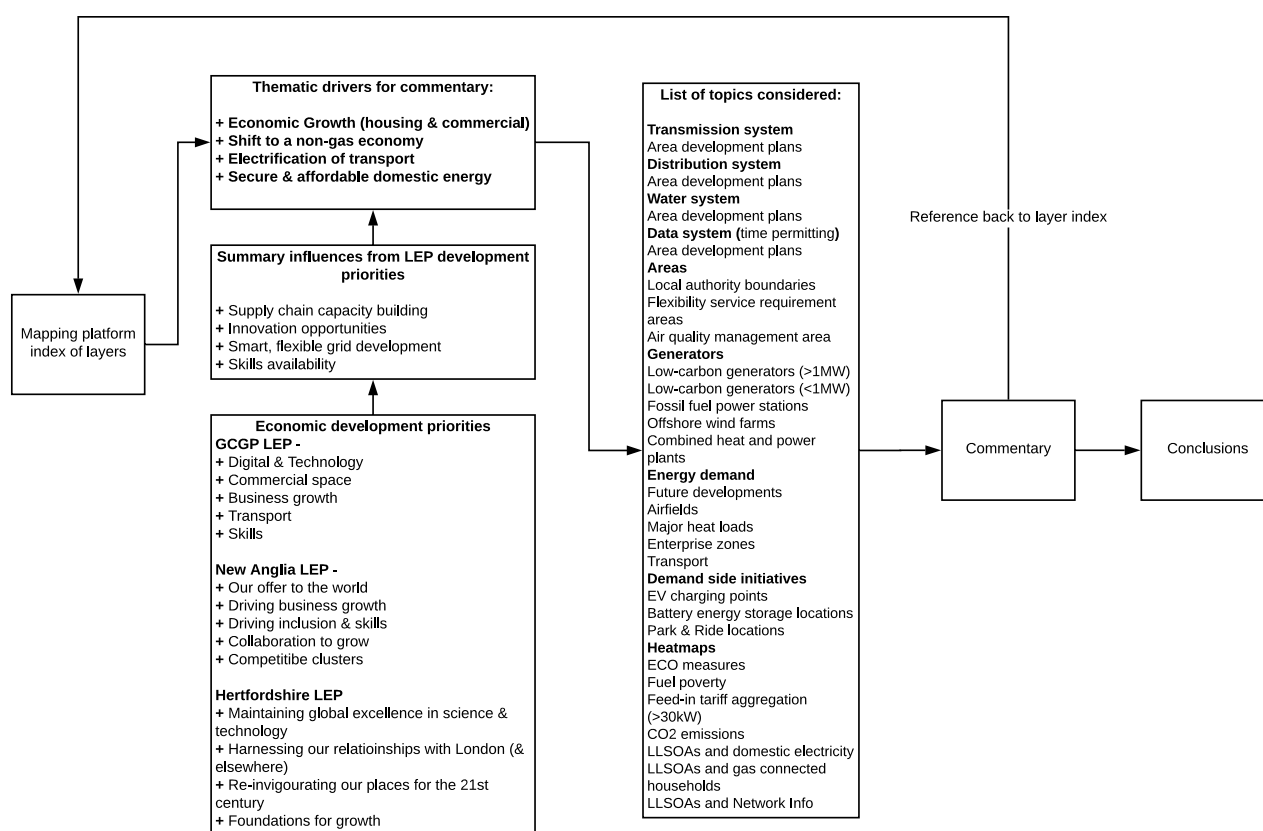
2015 data	East of England (5.85mn people)	United Kingdom (65.11mn people)	East of England per capita emissions vs national average
Industrial and commercial total (kt CO <sub>2</sub> )	10,378	124,624	7% less
Domestic total (kt CO <sub>2</sub> )	9,939	107,338	3% more
Transport total (kt CO <sub>2</sub> )	11,100	96,333	22% more

Source: BEIS

## 4 Approach and framework

This report has been shaped to address the thematic drivers set out by the LEE group as a distillation of their core economic development priorities. The approach and framework for the outputs within the report are presented in Figure 6. The following commentary is made with reference to currently available layers of the energy data-mapping portal (Figure 2).

It also incorporates narrative around the wider network development plans published by network operators by: National Grid Electricity Transmission (NGET); UK Power Networks (UKPN), the distribution network operator for the Eastern Power Networks (EPN) region; National Grid Gas (NGG), the gas transmission network operator; and Cadent, the gas distribution network operator.



**Figure 6: Framework for Local Energy East Strategy**

Source: Cornwall Insight

Our aim has been to interpret the implications of the available data with respect to the thematic drivers in order to assist the participating LEPs more fully assimilate this information into their future economic development plans. The forward-looking sections will be anchored to future targets of 2030-2036, in line with LEE's economic planning horizons.



## 5 Local Energy East themes

### 5.1 Housing and commercial growth sites

Focuses on where opportunities and constraints may exist for on major housing and commercial development sites. We identify where developments are planned and whether network capacity is available, where it would be easy to reinforce the grid to accept new connections, and where it would be difficult or prohibitively expensive to do so.

### 5.2 Electrification of transport

Focuses on domestic and non-domestic transport electrification. This includes the need to install new charging capacity and the effect on the grid, and future uses for old service station forecourts. We look at a case study on whether service areas will be able to accept multiple fast-chargers.

### 5.3 Secure, affordable, low-carbon domestic power consumption

Focuses on fuel poverty and measures to reduce it, in addition to ensuring that the electricity and gas grids remain stable in face of challenges on increasing demand from heat pumps, electric vehicles charging and so on.

### 5.4 Summary influences from LEP development priorities

Figure 1 (page 5) summarises the key influences feeding into the themes which have been drawn from the participating LEP priority development agendas. The commentary on the thematic drivers derived from each data source will consider how these influences may be affected:

- Supply chain assessment and capacity building;
- Opportunities to innovate;
- Smart, flexible grid development;
- The skills agenda.

# 6 Characteristics of the networks

## 6.1 Electricity transmission network

Map layers **400kV and 275kV substations** and **Electricity transmission network** illustrate the layout of the National Grid (NG) electricity transmission circuits. There are no 275kV circuits in East Anglia, though two exist in Hertfordshire on the London border.

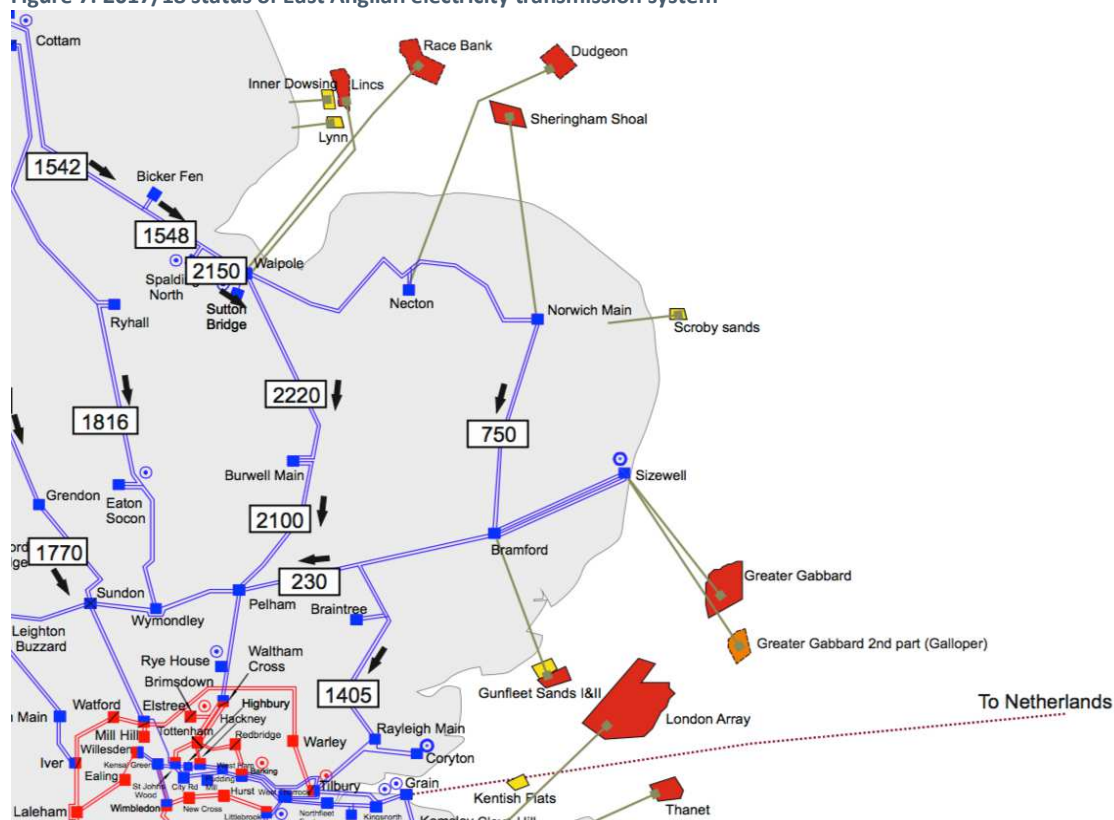
Circuits are generally doubled between substations, but from Sizewell nuclear power station in Suffolk to the Bramford substation near Ipswich, lines are quadrupled. Map layer **Offshore wind farms** shows existing and planned offshore wind sites. Existing wind farms are mostly connected to the distribution network, while future sites are planned to be connected to the transmission network.

Key markers from NGET in its most recent *Electricity Ten Year Statement* include:

- It expects to assess around 80 transmission system reinforcement options in 2018, under the Network Options Assessment (NOA), and anticipates more complex requirements placed upon the system due to impacts from electric vehicles, battery storage and heat pumps
- There will be a legal separation of the electricity system operator (SO) role within National Grid. This should result in new tools to help with industry feedback in the National Electricity Transmission System planning process

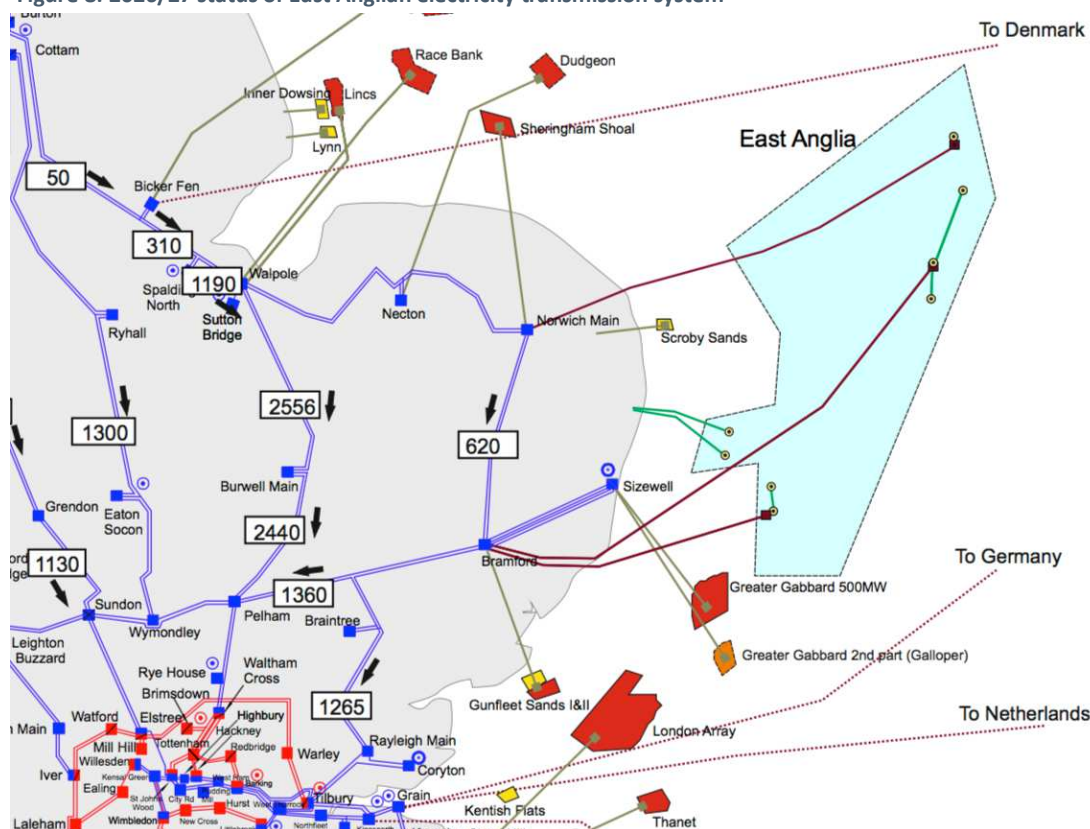
To illustrate the projected changes in power flows, Figure 7 and Figure 8 show snapshots of the winter peak along major circuits, and additional infrastructure that is expected to be added from 2017/18 to 2026/27 in the East Anglian region.

Figure 7: 2017/18 status of East Anglian electricity transmission system



Source: *NGET Electricity Ten Year Statement*

Figure 8: 2026/27 status of East Anglian electricity transmission system



Source: *NGET Electricity Ten Year Statement*

NGET, as SO, develops its *Future Energy Scenarios* in order to help plan for anticipated changes in the future energy landscape for electricity and gas. Of the four scenarios developed in 2017, two lead with decarbonisation agendas – Consumer Power and Two Degrees – that reflect the urgency of this requirement. The other two consider a focus on security of supply and a less progressive long term environmental strategy).

Both the Consumer Power and Two Degrees scenarios imagine a large increase in installed renewable energy capacity: up to 110GW, or 60% of total generating capacity, by 2050 in the case of *Two Degrees*. The Consumer Power scenario suggests that renewable energy technologies could account for 93GW, or 50% of total installed capacity.

These scenarios will impact the four key themes of this commentary through job creation, energy entrepreneurship and innovation, local supply chain capacity and skills, for example. Of the nine administrative regions in England, the East of England region is already in the top three for providing renewable energy from distributed generation, as shown in Figure 9.

Figure 9: Comparative indicators for renewable energy capacity and production in England in 2016

Rank	Number of sites		Installed capacity MWe		Generation GWh all sources	
1	South West	113,166	Yorkshire & Humber	3,880.6	Yorkshire & Humber	19,315.3
2	South East	102,369	East of England	3,743.8	East of England	81,56.9
3	East of England	97,258	South East	3,536.7	South East	7,450.2

Source: *BEIS*

## 6.2 Electricity distribution network

UKPN is the Distribution Network Operator (DNO) of the Eastern Power Network (EPN) region. Its circuits end at the border with the East Midlands region, which is the responsibility of Western Power Distribution (WPD). In the south, EPN borders another UKPN network, the London Power Network (LPN). Other distribution networks have similar responsibilities and face similar challenges to EPN.

NGET's grid supply points (GSPs) pass power to the EPN distribution system across the East Anglian region. It operates at several voltage levels, indicated by various map layers: 132kV (**132kV substations**), 33kV (**33kV substations**), 11kV (unmapped) and 240/400v (unmapped).

132kV substations in the EPN region include Norwich Main, Walpole, Burwell, Eaton Socon, Sundon, Wymondly, Pelham and Bramford. 33kV Substations – often but not necessarily co-located with the larger 132kV substations – feed a wider geographic area.

There are also 132kV substations marking the boundaries of the EPN 132kV networks and provide the main supply to regional towns such as Diss, Thetford, Swaffham, Stowmarket, Wickham Market, Huntingdon, Kings Lynn and others.

From 33kV substations, EPN distributes to hundreds of local substations at 11kV, providing the mainstay of supplies into housing or commercial developments in the LEE area. They are also the main recipients of upward power flows from small- and medium-sized distributed generation equipment. Larger generators will connect through 33kV substations or occasionally to 132kV directly.

Business-as-usual design and operation of the distribution network is achieved by:

- Asset reinforcement to ensure equipment has sufficient capacity to deliver adequate quality power under normal and fault conditions
- Facilitating rapid transfers from normal to back-up operation of equipment and additional back-up routes
- Extensive remote control and monitoring of the high voltage network
- Maintaining equipment reliability through diagnosis, testing or asset replacement

Emerging challenges flagged by UKPN in its *Long Term Development Statement* for the EPN region include the loss of night-time load from the increasing penetration of gas heating systems, increasing summer load from air conditioning and cooling equipment, and the growth in demand from electric vehicle (EV) charging. By 2030, UKPN forecast that there could be connection of 1.2 to 1.9mn EVs across its three licence areas (EPN, LPN, and the South Eastern power network (SEPN)).

UKPN has been receiving an increased level of enquiries to connect distributed generation (DG) to its EPN network: map layers **Low carbon generators >1MW**, **Low carbon generators <1MW** and **Feed-in Tariff Aggregation**. Distributed Generation (DG) can be an advantage to the security of supply if actively managed and adequate protection is available. As the DNO transitions to become a Distribution System Operator (DSO), it becomes more actively involved in local and regional balancing across its circuits. This includes programme such as Flexible Distributed Generation Connections, which introduced non-firm connections to allow DG to connect more rapidly and with less expense, by allowing the DNO to constrain the generator off the network a few days a year due to system stress.

By directly supplying some of end users' demand by DG, the overall load on the regional network is reduced. Technical challenges remain in regulating power factors and voltage, fault levels, losses,

thermal overloads, and real-time variability of bi-directional power flows which may be responding to market price signals.

There are currently six Active Network Management zones in the EPN area, as shown in **LLSOAs and Network Info**:

- March and Peterborough – 15 schemes
- Norwich – 8 schemes
- Walpole East – 85MW accepted generation over the next 18 months
- Maldon-Fleethall – global network constraints
- Great Yarmouth – manages reverse power flow on five super-grid transformers
- Burwell – manages multiple global network constraints by automatically constraining participating distributed generator outputs to maintain circuit safety

These active management areas are found where the distribution network has limited capacity, and participation in active management can offer a faster and cheaper route to connect new DGs.

The recent uptake in Distributed Energy Resources (DERs) – which include flexible loads such as electricity storage and thermal devices as well as generation – offer the potential to help UKPN manage its network. In some cases, it will be able to avoid the need for reinforcement and constraint of generation.

This will also be part of the transition it undertakes from a DNO to a DSO and involve tighter coordination with regional and local energy markets. From this there will be increasing opportunities to realise value for flexibility service providers, in the form of generation and demand side response (DSR).

Map layer **Flexibility service requirement areas** identifies areas around Brandon and Harpendon that UKPN has identified as requiring flexibility services to manage the grid, facilitating further economic development and avoid network reinforcement.

It is likely that, in the absence of physical network reinforcement, more areas on the map will require both active network management and flexibility services in the future, as a greater amount of assets on both generation and demand-side are connected. Reflecting the need for flexibility services, NGET reports that electricity storage asset capacity nationally totalled 4GW in 2016 but could add a further 2GW by 2020.

UKPN provides data on its networks, which shows which areas currently offer its active management service, allowing connection of DG where it would ordinarily not be possible with grid reinforcement. This is replicated for our area in map layer **Network Information**.

## 6.3 Conclusions for the electricity system

Peak demand for electricity on the GB system could be around 85GW in 2050, compared to around 60GW today; EPN currently (2016-17) has peak demand of around 6.4GW. Increasing peak demand is driven by a number of factors, including the charging of electric vehicles, domestic battery storage, cooling and air-conditioning systems and heat pumps displacing gas, oil and biomass heating appliances.

These changes will add complexity at all scales of the system but could also indicate important opportunities for a regional energy economy that strategically aligns with, and potentially leads, in the national decarbonisation effort.

For example, smart management and local balancing of regional and local energy systems can return value to small energy generators and service providers – as well as local consumers – that have not previously been accessible for regulatory and technological reasons.

The impacts upon the four thematic drivers from the above commentary on the EPN distribution system could be summarised as follows:

- Housing and commercial developments must be weighed against the availability of sufficient network capacity to energise loads. In areas of known constraint will require commitment to flexibility:
  - In the Hertfordshire area, capacity is available around Luton, Welwyn Garden City and St. Albans, deliverable from the 132kV network. But in most other areas within the target LEE area, this is not available;
  - With the predicted increase in power flows on the NG super-grid, particularly as new windfarms are commissioned, the possibility of an even greater emphasis on flexibility and active network management of UKPN wires is likely, in the absence of reinforcement from the highest voltages downwards. Direct supply from DERs and local energy systems could mitigate this impact.
- As the shift to a non-gas economy for heating and commercial processes begins, looking out to 2030, the demand for electricity will increase, adding emphasis to the above. There may be a growing opportunity for a hydrogen economy to mitigate the direct pressure on gas to electricity transition:
  - There will likely also be increasing requirements for air-conditioning, cooling and refrigeration as regional air temperature variation rises to more extreme levels, adding to predicted additional electricity demand.
- Transport electrification is happening and is part of the additional load composition. It will be important to plan-in EV charging infrastructure as part of the requirement for economic development, particularly at the economic growth sites highlighted in map layers.

#### **Enterprise Zones and Park & Ride locations**

- Vehicle-to-grid (V2G) solutions may be able to assist in network balancing and offer a mobile source of domestic energy storage or be aggregated to provide grid services.
- The rail network could be included in a wider understanding of how to minimise network loading, as diesel trains are replaced with battery-electric or hydrogen fuel sources.
- With increasing pressure on network owners to provide adequate capacity, taking the option to reinforce circuits will be costly to customers. This will have a negative impact on domestic energy affordability:
  - DGs and DERs open increasingly attractive possibilities for direct supply from local generators, including peer-to-peer and neighbourhood generation and storage, heat networks, microgrids and municipal scale systems. Peer-to-peer transactions may allow direct access to local low-carbon generators for domestic consumers;
  - Tariffs may vary more widely in the future as smart technologies are increasingly employed to actively manage circuits. An emerging underlying requirement for making domestic energy secure and affordable are local energy markets but this will require changes to the regulatory regime to be realised;
  - Housing developers, in addition to building more thermally efficient dwellings for both heating and cooling, could be encouraged to plan community-wide energy solutions that



address direct supply, storage and EV systems. These can offer a measure of community self-support to lessen the impact on the wider electricity network and its consequences.

## 6.4 Gas transmission system

Map layers **Gas transmission network** and **Gas sites** illustrate the layout of gas National Transmission System (NTS) pipelines in East Anglia. Primarily, these run from the Bacton gas entry point in Norfolk into the country, with main channels stretching west towards the Midlands and south west towards London.

Map layer **Fossil fuel power stations** identifies the location of major natural gas loads, in the form of Combined Cycle Gas Turbine (CCGT) power stations connected to the NTS. The Five Oaks Power Plant in Suffolk, a 9MW diesel installation, is also identified.

According to the [NCG TEC register](#), consent has been approved for an additional 1300MW gas-fired power station (Kings Lynn B) to come online in the next 3 years. This could add to the air pollution burden already established in this area, map layers **Air quality management areas** and **CO<sub>2</sub> emissions**.

As gas supplies from the UK Continental Shelf have declined, GB now imports 55% of its gas. GB is dependent on sources from Norway, continental Europe and the world market, the former piped and the latter delivered as Liquefied Natural Gas (LNG).

Imports could be as high as 75% in three of the NG *Future Energy Scenarios* by 2050. In addition, the magnitude of within-day gas stock swings have almost doubled over the last 20 years. Increasing demand from existing and new gas-fired power stations and export to Ireland is adding to the challenge for the System Operator to meet contractual pressure agreements to customers across multiple regions, according to its [Gas Future Operability Planning](#).

If these intra-day swings persist at the Bacton gas terminal, NCG is concerned that it may not be able to deliver contracted gas pressures at nearby offtakes from 2025, at all demand levels. This could question the on-going viability of natural gas fired generators in East Anglia.

In turn, this could threaten the stability of a concentrated renewable generator local power supply. This challenge brings into focus the priority of developing local resilience, possibly through a flexible local energy economy.

Bacton gas terminal is responsible for gas imports from continental Europe and helping to meet increasing demand level volatility, which could rise in 2050 to about twice the peak levels experienced in 2017. According to NCG this would mean an ‘operability solution’, which could impact on East Anglia, is required to transport sufficient gas away from Bacton to the rest of England without breaching asset pressure limits from 2025 to 2030.

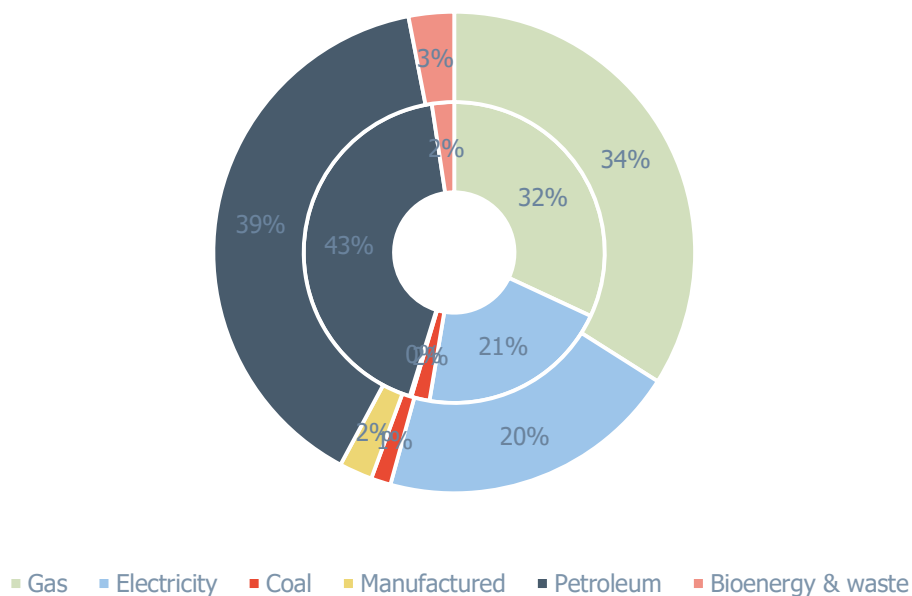
Together with these challenges, gas infrastructure is ageing, some upstream facilities and storage have or will close – in particular, GB’s only large gas storage facility at Rough Undertakings is due to close – and demands upon it are changing. The reliance upon gas as a ‘transition fuel’ to a lower carbon energy system is driving the need for the gas system to become more flexible, as gas peaking plant currently couples closely to the output of intermittent energy sources, primarily wind and solar generators.

Demand variability may therefore be expected, and market pricing signals will drive power flows as well. The growing market for energy services to aid in balancing should mitigate these.

Despite its current importance, the future for natural gas is uncertain. Gas supplies more than half-again as much of [final energy use](#) compared with electricity: 34% compared to 20%. In the Eastern region, this proportion is slightly lower, at 32% compared to 21%, and with more petroleum use

(see Figure 10). NGG predicts it could still provide more energy than electricity in 2050 due to its role as a transition fuel to a lower carbon future.

**Figure 10: Final energy consumption by fuel for Great Britain (outer ring) and East of England (inner ring)**

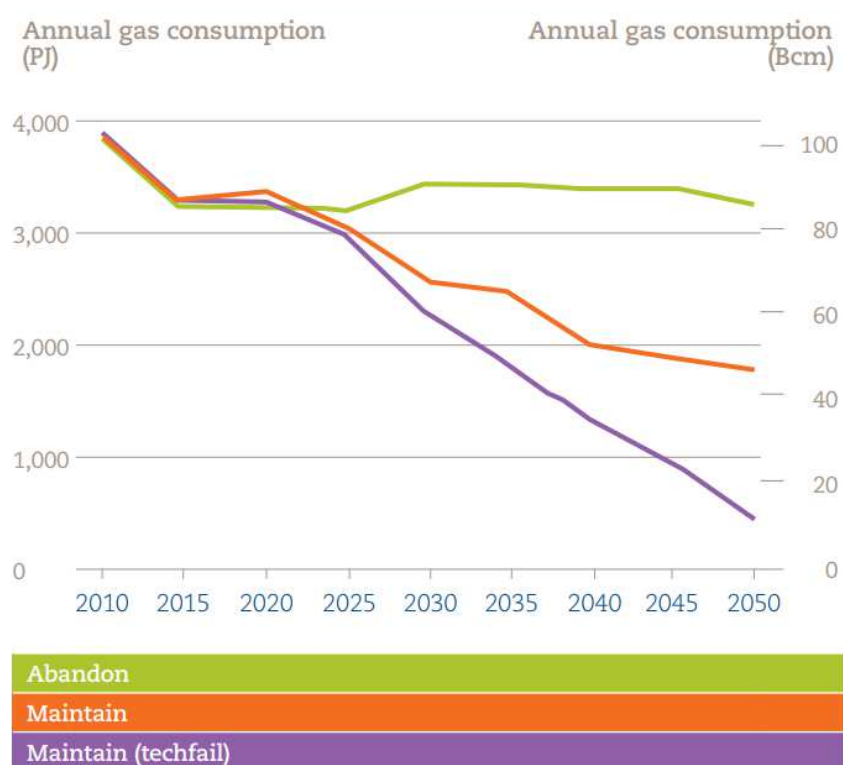


Source: [BEIS](#)

However, an opposing outlook for 2050 is put forward by the [UK Energy Research Centre](#) in which gas usage will drop to about 10% of what it was in 2010 (see Figure 11). This is founded on the assumption, following the government's decision to remove development funding in 2015, that there will be no carbon capture and sequestration (CCS) plant deployed to remove greenhouse gas emissions from gas-fired power stations much before 2035.



Figure 11: Forecast future gas UK consumption to 2050 under three scenarios



Source: [UK Energy Research Centre](#)

A small-scale [CCS demonstration](#) is progressing in North East Scotland and suitable alternatives could be imported if developed elsewhere. As a consequence, the cost of building new gas-fired power plants may become uneconomic, as they will be forced to limit running to low load-factors in order to conform with carbon reduction targets out to 2050.

Taking the conclusion from UKERC's work and the concerns expressed by NG, in a context where new forms of renewable energy, energy storage and smarter, more efficient subsystems continue to come on-stream, the economic viability of natural gas power stations could be limited to the 2020s.

If this were the case, it would put pressure at a macro level upon East Anglian stakeholders to start to plan for greater resilience and smart local management of its regional energy supply. A key enabler in this process is the availability of biomass, which is already being utilised in digesters to create bio-methane to drive Combined Heat and Power (CHP) generators; existing engines are mapped on layers **CHP plants** and **Major heat loads**.

This data tells us that significant amounts of existing concentrated or industrial heat load is not being met by CHP units, which could pose interesting opportunities with respect to the development of lower carbon domestic and commercial developments on heat networks. See also map layer **Mains connected gas households**, which indicates areas where the gas network is less extensive.

In 2016, NGG announced the [Customer Low Cost Connection \(CLOCC\) project](#). This is intended to reduce the cost and time taken for customers to connect to the NTS from three years to one year. In a future where the gas distribution network contains hydrogen as well as natural gas, NGG suggests that CLOCC will provide developers with an affordable and timely route to NTS connection.

In order to gain forward insight other factors to consider within the complex gas-energy scenario include: the decarbonisation of mains gas; through hydrogen injection into natural gas and gas reformation into pure hydrogen; the renewability of gas sources, through biomethane and bio-substitute natural gas; and the connection to gas or otherwise of domestic and commercial

customers to facilitate comfort and economic development, which is addressed in the next section on the gas distribution network.

Alternative sources of gas include the opportunity to exploit shale gas, which is being tested in Lancashire, and is supported by supplies from sand mines in East Anglia. However, UKERC conclude that a strategy to extend the usefulness of fossil fuel gas in this way is likely to be short-lived and more expensive than the alternatives such as the deployment of CCS systems.

In addition, a [recent study](#) by the National Centre for Biotechnology Information concluded that shale gas ranked between fourth and eighth relative to other electricity options, as well as requiring a 329-fold reduction in environmental impacts to become sustainable.

## 6.5 Gas distribution system

Issues connected to the gas distribution system concern the urgent challenge to decarbonise domestic heat, which accounts for approximately 20% of national carbon dioxide emissions. See map layer **LLSOAs and gas connected households**, which sets out connected domestic gas connections: note that blank areas have no gas connected households. Around 12% of households in the LEE area are not connected to the gas grid.

The provision of domestic comfort at an affordable level - see map layer **Fuel poverty** which highlights areas where the affordability challenge is above average – and tightening relationship between DERs, in the form of CHP engines, and the gas supply, shown in map layer **CHP plants**.

BEIS' [DUKES energy study](#) showed that gas accounted for 65% of total domestic primary fuel use compared with the use of coal, petroleum, electricity and bioenergy in 2016, and domestic gas consumption accounted for 51% of national demand. According to the [Committee on Climate Change](#) (CCC), 1 in 20 homes with a gas boiler could join a heat network and save 2 tonnes of CO<sub>2</sub> per annum. In 2015, DECC assessed that 98% of domestic CO<sub>2</sub> emissions came from space and water heating with cooking accounting for the remaining 2%.

Various lower carbon options can be considered as alternatives to the gas-fired domestic boiler, as set out in Figure 12. Some of these will also address those properties not connected to mains gas. These measures should be considered in addition to building fabric thermal improvements for existing stock and future developments in order to reduce overall demand for heating and cooling services.

Figure 12: Relative carbon footprints of different heating technologies

Non-electric technologies	Carbon footprint gCO <sub>2</sub> e/kWh	Electric technologies	Carbon footprint gCO <sub>2</sub> e/kWh
Oil boiler	310-550	Electric heaters	100-370
Gas boiler	210-380	Ground source heat pumps	20-190
Gas micro-CHP	220-300	Air source heat pumps	30-250
Gas absorption heat pumps	150-200		
Bio-sourced gases	20-100	<b>Note:</b> The range of carbon footprints given above are derived from different electricity generation scenarios involving a varied fuel mix.	
Biomass boiler	5-200 (most below 100)		
Geothermal heating	10		

Source: *Houses of Parliament*

As shown in map layer **Gas connections**, gas connected domestic properties follow the route of the gas transmission pipelines, although these do not form contiguous corridors of connections.

A review of this layer and layer **Fuel poverty** suggests a correlation between those in the most extreme fuel poverty – an area extending in an arc from Cromer in North Norfolk around to Lincolnshire – where the majority of households are unconnected to mains gas. As part of the shift to a non-fossil gas, carbon-reducing economy, this would suggest that measures for domestic heat provision described in Figure 12, as well as heat networking where feasible, should be applied to offer affordable and secure energy.

Those areas where CHP units with surplus heat are located – as shown in **Combined Heat & Power** and **District Heating** – could be investigated as a viable heat source for a local district heating network.

Cadent, the Gas Distribution Network Operator (GDNO) for East Anglia, the East Midlands and North London, has estimated in its Long Term Development Plan that the potential for renewable gas from waste and biomass feedstocks is enough to meet 50% of the domestic gas demand, or the equivalent supply to all the homes in the south of England.

Since 2013, 28 biomethane plants have been connected to Cadent's distribution network, providing capacity to heat over 110,000 homes. Biogas plants may also be available to East Anglia beyond 2018 if the current joint venture run by Cadent and National Grid to demonstrate gasification of residual domestic and commercial waste is successful. Existing plant is included in map layer.

### Combined Heat & Power

This gas could be directed towards a renewable transportation fuel, by injection into the gas network, compressed and dispensed from service stations for commercial vehicles. CNG is another commercial transport fuel vector under consideration that will address the 25% contribution road transport makes to national greenhouse gas emissions.

Looking further ahead, Cadent are working with the government to establish a hydrogen economy that delivers hydrogen through the gas distribution network for domestic heat and transport.

Forward projections to 2026 by Cadent for the East Anglian Local Distribution Zone (LDZ) project a growth reduction in gas equivalent TWh demand of around 0.5%.

## 6.6 Conclusions for the gas system

Gas demand in 2016 was up 12.6% on 2015 and reached the highest level since 2011. This was driven both by colder winters and the replacement of coal with gas in electricity generation.

Coupled with the decision to ban new diesel and petrol cars from 2040, we may see new opportunities for gas demand to rise. Despite the upward trend in peak demand, the actual volume of gas being burned is decreasingly primarily because of improvements to domestic gas boiler efficiency.

There still remains a strong drive to connect new customers, with more quotes for connections in 2016 (16,000) than 2015 (13,500). Marking the effort to decarbonise gas in the Cadent service areas has been the growing number of biomethane plants and anticipation of injections from biogas, hydrogen and shale gas.

With most of the investment over the next three years by Cadent in its East of England networks directed towards >7Bar Pressure Reduction Stations and <7 Bar Governors – as well as pipelines and offtakes – we can anticipate the further spread of its networks to connect domestic and commercial properties.

An example of this development is south of the Wootton network, but Cadent's largest priority is meeting the housing development requirements in the Silverstone and Towcester areas on the far side of Milton Keynes, outside our area.

- Housing and commercial developments should consider the alternative options for heat requirements discussed above, especially in areas to which the gas network does not currently extend:
  - A whole systems approach optimising solutions to meet the need for power, thermal efficiency and decarbonised heat is in line with wider national aims and could potentially benefit from the biomass and waste availability in East Anglia;
  - The same approach could apply to the siting of future enterprise zones.
- The shift to a non-gas economy could be read as a non-fossil gas economy. It is clear from gas operator reports that gas is here to stay as a prime mover for the foreseeable future, and even fossil gas could have an extended future with the successful outcome of CCS development projects such as the Acorn project in Scotland:
  - In the short to medium term we are likely to see an increase in bio-methane and biogas injections and following that possibilities exist for pure hydrogen transport through the gas distribution system;
  - These possibilities place agricultural East Anglia well for developing an alternative fuel gas supply market as is in evidence already from map layer **Major heat loads**. It also poses potential solutions to off-grid heat requirements fed from bio residues and waste.
- Electrification of transport may be supplemented by CNG powered commercial vehicles such as were already in evidence from 2013 at Anglian Bus' Beccles depot:
  - Domestic transport is likely to heavily rely on electricity but also hydrogen if sufficient fuelling infrastructure is made available;
  - Germany has started to trial hydrogen powered trains, as has Japan, which may offer Anglian railway operators a viable option to decarbonise heavy diesel branch line rolling stock across the LEE area.
- Secure and affordable domestic energy must again be linked to whole system optimisation and is context specific. There are however multiple options for solutions and willingness to work innovatively in the electricity and gas distribution utilities serving the LEE area:
  - Flexibility, which may include Demand Side Response (DSR), local energy generation (direct supply, CHP) and local energy trading and collaboration (heat networks and microgrids), should be on the future agenda as domestic and commercial community planning priorities for greater local energy resilience and demand reduction.

# 7 Existing and planned situation

## 7.1 Housing and commercial growth sites

Broadly speaking, there is considerable capacity available to connect both generation and demand users in the Hertfordshire area, particularly in the south of the county. The network then grows more constrained across the rest of the EPN region, leaving both Cambridgeshire and Peterborough LEP and New Anglia LEP areas with much less capacity available for future growth.

UKPN typically allow a 2kW connection per domestic property. This means that a large development will require additional connection capacity in the megawatt range, ignoring potential increases in this potential demand caused by EV charging and electric heating.

However, we understand that developers are starting to increase their power demand requirements, and some are requesting 5-6kW – or up to 12kW on occasion – per property. This is a response to be expected peak power demand of heat pumps and EV charging.

### 7.1.1 New developments

#### New Anglia LEP

Developments in Norfolk concentrate on the Greater Norwich area, with expansions to many villages and at least one new dormitory village planned. Considerable development along the route of the Northern Distributor Road (NDR) – opened earlier in 2018, around the north of the city – is also expected. In Suffolk, development will focus on the large towns of Ipswich and Lowestoft.

The network in the area is highly constrained for new demand users, and major grid upgrades – or alternative solutions – are required at otherwise promising economic and housing development sites.

- c.13,000 homes on the new NDR, as well as businesses. The area is known to be electrically constrained. Although there is a limited amount of capacity available at local 33kV substations (Sprowston Primary, George Hill Primary, Boundary Park Primary and Horsford Primary), these are 1km or more away through built-up areas and unlikely to be able to support major development without major investment
  - Norwich's GSPs are to the south of the city and are being worked on to support the connection of extensive offshore wind generation capacity. Building new substations along the NDR is likely to be an expensive proposition
- Great Yarmouth Borough Council is planning 7,000 new homes in the town before 2030. Capacity is available the Magdalen Way and Bradwell 132kV substations to the south of the town, as well as the 33kV substation in the heart of the town but Caister Primary which supplies to the north is significantly constrained
- Sizewell C nuclear plant. Major infrastructure upgrades will be required to connect 3.2GW of new nuclear to the National Grid will be paid for by the developers. However, the shift of electricity from a north-south trajectory to an east-west trajectory may open further opportunities for energy users around the old route – which may have spare capacity – and the new route
- Lowestoft is expected to grow by around 4,000 homes, alongside services and new businesses; the local 33kV substation (Whaplod Road Primary) is reported to have demand capacity

available, however the 132kV substation is constrained and therefore in the medium-term there may be an upgrade required to support additional development

- Sproughton commercial development site just outside Ipswich. This major development site is highly constrained and needs an expensive grid upgrade which may render the development uneconomic, requiring c.£5mn for a new substation. A nearby housing development may suffer similar issues
- 1,050 homes in the Slade Woods area, to the south west of Bury St Edmunds. UKPN report available demand capacity at the local 33kV substations (Boxted Primary or Glemsford Primary), though it should be noted that the former is around 4.5km distant, and the latter over 6km
- 782 homes at Chilton Leys, near Stowmarket. There are multiple 33kV and one 132kV substations in the vicinity (within 3km), but UKPN report limited demand capacity available in the area
- 566 homes on Helena Road in Ipswich. UKPN reports significant capacity available on local 33kV substations (Fore Hamlet Primary and Turret Lane Primary). The site is around 1.2km from the Cliff Quay GSP

### **Cambridgeshire and Peterborough LEP**

Cambridgeshire has plans to build around 33,000 houses in the short term, in addition to large scale commercial expansion. LAs and developers are already finding that problems accessing electric connection capacity are endemic throughout the county, despite prolonged investment from UKPN. Plans include:

- Cambridge City Council's ambitions to install electric vehicle chargers in the centre of the city to support an objective of requiring taxis to be electric-powered have been delayed by a lack of capacity, though we understand that UKPN has been able to assist with this more recently;
- The South Cambridgeshire Cluster is a group of 10 companies seeking around 90MVA of additional electrical capacity to the south of the city over the next 10 years. The area has little existing capacity and to meet the requirements will cost at least £50mn and likely significantly more;
  - 4,000 houses planned in the same area will require around an additional 8MVA of capacity, which again will cost in the tens of millions to install.

### **Hertfordshire LEP**

The Hertfordshire LEP area is unlike New Anglia LEP and Cambridgeshire and Peterborough LEP in not suffering endemic constraint. This means that planners in the area have more flexibility in siting developments or will not have to invest so heavily in network upgrades. Plans include:

- Over two and a half thousand houses to the north west of Bishops Stortford. This is in the immediate vicinity of the local 132kV substation, which reports significant capacity available. However, a new 33kV substation may be required in any case to provide power at a useful voltage. The local 33kV substation is around 600m south and has some capacity available;
- 1,365 new homes to the west of Stevenage. These are in the immediate vicinity of both the 132kV and 33kV substations, both of which have available demand capacity;
- 1,664 homes, of which 1,264 are planned before 2021, on an ex-commercial area in the centre of Welwyn Garden City. This location is very close to the Central Welwyn Primary 33kV substation, which reports significant available capacity;
- 951 new homes in the north-east of Stevenage; local substations are around a kilometre away but report no constraints.

## Rutland

- Rutland suffers from demand constraints in the north and east of the unitary area, due to the Tinwell Road 33kV substation near Ketton.
- The rest of the area is relatively unconstrained, with considerable demand capacity available on the 33kV network.

## South Lincolnshire

- WPD's network capacity mapping tool shows that there is substantial demand capacity available across the South Lincolnshire area, with the exception of Stamford. A corridor from Ketton to Crowland, through Stamford along the WPD-UKPN border is highly constrained for demand capacity on both the 132kV and 33kV networks, which will limit development in the area

## Uttlesford

- Both of the 132kV substations, located in the north of the LA area, show available demand capacity.
- Of the 33kV substations, the Takeley substation near Stansted airport is constrained, though the Hanger Lea and Thorley substations just over the Hertfordshire border may be able to support development around the airport;
  - Further east, the Dunmow substations both have demand capacity available;
  - The White Roding substation in the south of Uttlesford is constrained.

### 7.1.2 Distribution connected generation

Typical small-scale distribution-connected generation in the LEE area includes solar farms, onshore wind, and landfill or bio-gas plant, including CHP engines. A number of map layers, including **Low-carbon generators (>1MW)**, **Low-carbon generators (<1MW)** and **Combined Heat & Power** show these generators.

The generation is largely exported to the local grid, but generators might find it more economically beneficial to create private wire arrangements with local businesses. This could offer a better price for generation, and lower energy costs to the business. However, we note that network charging is a zero-sum game, and charges avoided by these businesses will fall on other users.

It should be noted that while, with the exception of the Cambridgeshire area, the incidence of onshore wind is low, it may be regarded as one of the more useful renewable technologies. Unlike solar, which generates at peak in the summer daytime, wind generators peak during winter evenings, which correlates more closely to GB peak demand.

## UK Power Networks

Map layer **LLSOAs and Network Info** indicates the more and less constrained areas for developing new distribution-connected generation assets. This indicates that new generation can be connected to the distribution network in most of Hertfordshire, but other areas are constrained. The 33kV network is constrained throughout Suffolk and Uttlesford (red areas) and the 132kV network in the rest of Suffolk and west Cambridgeshire (purple areas).

The cyan areas indicate "flexible distributed generation zone" indicates where UKPN offers Active Network Management services. These allow the connection of additional generation to the distribution grid, where ordinarily this would not be possible.



This is backed by an innovative commercial arrangement wherein UKPN can require generators to curtail their output on the few days a year it would cause network issues, and considerably reduces the cost and time to set up a new connection.

UKPN has indicated that it will roll this practice out to the rest of its distribution region over time.

### **Western Power Distribution**

According to its mapping tools, the WPD 132kV network is also highly constrained for new generation, although 33kV substations around Grantham, Spalding, Holbeach and Crowland in Lincolnshire do show headroom for additional generation.

Active network management will be available on the Staythorpe GSP – which covers Grantham – for quotes from November 2018 and commissioning from November 2019. It is not due to be implemented on the Walpole GSP – which covers the constrained area around Stamford – until 2021.

### **7.1.3 Transmission connected generation**

The primary site for new large-scale generation capacity in the LEE area is the North Sea. Existing sites – with the exception of the Dudgeon 402MW farm – are connected to the local distribution network at 132kV. Future sites – which tend to be of higher capacity, up to 2.4GW – will be connected to the transmission network at 400kV.

NGET's Ten Year Development Statement indicates that there will be an additional 7.2GW of offshore wind capacity connected from the East Anglia conglomeration by 2026. This power will be brought ashore by DC cables and connected to the network as indicated below.

Sites include:

- Race Bank. Partially completed, due to connect 573MW of capacity to the Walpole GSP in the King's Lynn and West Norfolk local authority area;
- Galloper wind farm. Currently under construction and partially completed; intended to connect 353MW to Sizewell GSP;
- Hornsea Projects One, Two and Three. The former two will connect to the Killingholme grid supply point (GSP) in North Lincolnshire, while the third will connect 2.4GW of wind capacity to Norwich Main GSP in the south of Norwich;
- East Anglia One and Two will each connect 600-800MW of capacity, East Anglia One North will connect 800MW, and East Anglia Three will connect 1.2GW, all to Bramford GSP near Ipswich;
- The Norfolk Vanguard and Boreas projects will connect 1.8GW each to Necton.

There will also be an interconnector from Denmark to Bicker Fen substation in Lincolnshire, just outside the LEE area. This will connect Viking Link, a HVDC bi-directional interconnector transmitting up to 1.4GW to or from Denmark. This is expected to commission in 2022.

Other new major generators in the LEE area include the proposed new nuclear site at Sizewell (Sizewell C), which may be a 3.2GW plant on the same model as Hinkley C. It is projected that this will be commissioned in the early 2030s.

## **7.2 Electrification of transport, including hydrogen**

Map layer **EV charging points** shows the geographical distribution of electric vehicle (EV) charging points across the LEE area. There are around 300 locations in the LEE area where public charging is



available, the most prevalent operators being POLAR and POD Point, with 88 and 71 locations respectively.

Charging points are clustered in urban areas, with Peterborough, Norwich, Cambridge and Ipswich having the most points. Hertfordshire, a relatively built up area, also has a relatively large number of charge points, though these are concentrated in the south west of the county, leaving the north east unserved. However, there are very few chargers to support the expected 1.2mn-1.9mn EVs on the roads across UKPN's three distribution regions by 2030.

Chargers are present on arterial transport routes, but in the same small numbers as in urban areas. Rural areas are also poorly served, though rural residents may have chargers for their vehicles at home as off-road parking is more common in rural areas.

It is known from anecdotal evidence that certain areas are highly constrained against further charger deployment; in particular Cambridge has smart city ambitions focusing on transport but has thus far been unable to deploy sufficient points to allow its plan of requiring taxis in the city to be electric only.

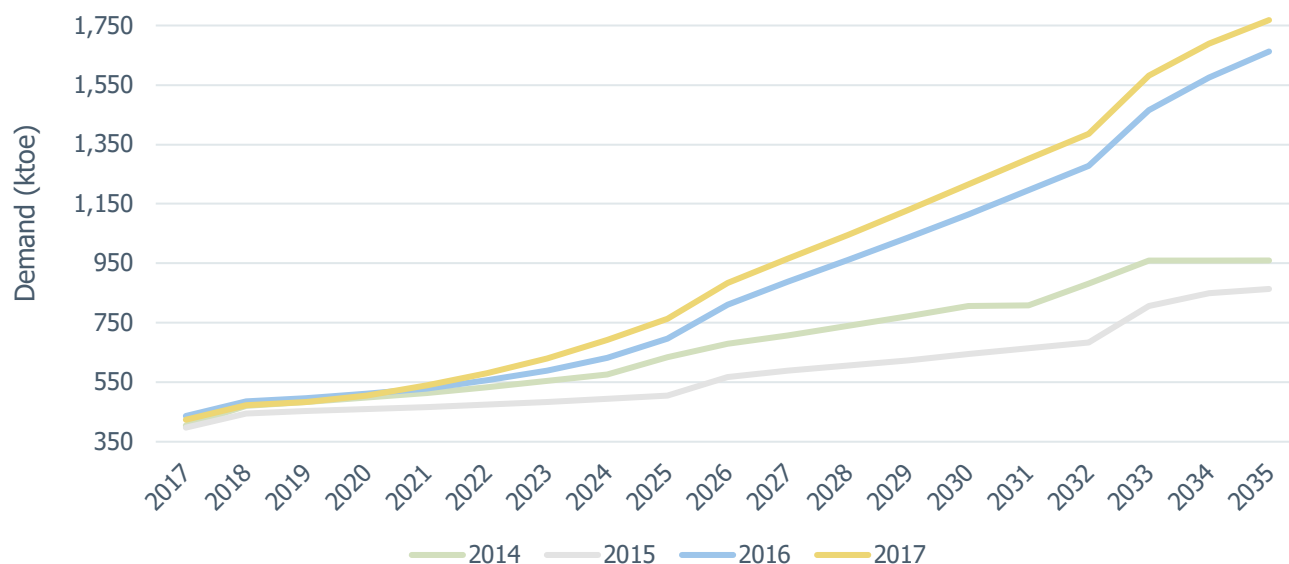
This is a problem nationally, as reflected in the Department for Transport and BEIS' recent [joint call](#) for local authorities to apply for funding to deploy charging infrastructure. The scheme funds residential on-street charging, but the Departments noted that only five councils had applied so far leaving £4.5mn still available.

With the typical fast charging point requiring up to 22kW, the required capacity to connect a small bank of four chargers equates to a connection for around 100 domestic properties. Future chargers requiring up to 150kW for light vehicles and 1.6MW for heavy goods vehicles are in development and will be deployed in the real world as soon as 2019.

## 7.2.1 Total EV demand

BEIS [forecasts](#) that EV electrical demand will rise to 1,768 kilo-tonnes of oil equivalent (ktoe) by 2035. However, predictions for the rate of increase have risen dramatically even over the past few years, as reflected in Figure 13. This reflects the increasing rate at which EVs are being adopted, faster than was originally believed likely.

**Figure 13: EV electrical demand projections, 2017-2035, made in four years 2014-2017**



Source: [BEIS](#)

### 7.2.2 Air quality

Map layer **Air quality management areas** show locations where local authorities have indicated concerns that they will not be able to meet air quality requirements, due to emissions of, for example, nitrogen dioxide from transport.

Management of these issues may include banning diesel vehicles, buses and heavy goods vehicles in urban areas. This gives an opportunity to engage in electrifying these vehicles. Councils may want to consider electrifying their own medium- and heavy-vehicle fleets, such as refuse collection vehicles.

This could be especially beneficial where councils generate their own low-carbon energy which could be used to charge vehicles at a co-located vehicle depot. As market rates for export of energy are much lower than for import, using self-generated energy considerably improves the economics of generation and operating EVs.

Large air quality management areas in the LEE area are mostly urban and include:

- Cambridge city centre;
- Norwich city centre;
- Ipswich city centre;
- Hertford city centre;
- Wisbech town centre;
- Huntingdon town centre;
- Saffron Walden town centre;

There are also sites on key transport arteries through the LEE area:

- M11/ A428 junction to the north west of Cambridge;
- The A14 north west of the M11, towards Huntingdon;
- The A1184 through Sawbridgeworth;
- Areas on or near the northwest quarter of the M25;
- The A52 through Grantham.

### 7.2.3 Available capacity – non-domestic

According to National Grid, around 57% of UK drivers have access to off-road parking, leaving 43% without it. These latter individuals will likely be forced to charge electric vehicles away from their homes, on-street charging infrastructure is still in development.

Others may find it more convenient to charge away from home or find it necessary on long journeys: current high-end EV batteries can support journeys of only 300-400 miles. This will require charging points at places where cars are parked.

EU rules provisionally agreed on 20 December 2017 will also require all new or renovated non-domestic buildings with 10 parking spaces to install at least one charging point per 10 spaces, with ducting and infrastructure to enable 25% of spaces to be easily charging-enabled in the future. These rules may not be instituted before the UK exits the EU, however.

Map layers **132kv substations** and **33kv substations** contain information about capacity available on the local distribution network.

Anecdotally, we received information in 2017 that Cambridge City Council is severely inhibited in its aim to install taxi charging points around the city due to a lack of spare electrical capacity.

We anticipate, from the state of the network, that this will generally be the case across the EPN region for the deployment of large numbers of domestic slow chargers in a single location, or small numbers of high-power rapid chargers in a single location.

However, mapping for Hertfordshire indicates that electrical capacity is not a problem across most of that county, allowing more easy deployment of chargers. This is supported by anecdotal evidence from Hertfordshire local authority planners.

#### **7.2.4 Available capacity – domestic**

The relatively low power of domestic chargers – between 3.5kW and 7kW – means that unless large numbers of EVs are connected in a small area, the demand of EV charging will be “lost in the noise” of general domestic consumption.

Furthermore, EPN operator UKPN is required under its current price control, which runs to 2023, to make upgrades to the network as required to allow all homes to install an EV charger up to 7kW.

The EU rules mentioned above would require all new and renovated residential buildings to have charging points and/ or ducting and infrastructure for EV charging.

We note, however, the following affluent areas where early uptake of EVs might be expected, and where upgrades to the network may be required in the short term:

- Dacorum;
- Three Rivers;
- St Albans;
- South Cambridgeshire;
- North Hertfordshire;
- East Hertfordshire;
- Uttlesford.

#### **7.2.5 Petrol station forecourts and service areas**

The number of forecourts in use nationally has declined from around 14,500 at the turn of the millennium, to as few as 8,500 currently. Many small forecourts have been replaced with fewer, larger ones, with supermarkets becoming a “go-to” location for refuelling.

With relatively few motorways in the LEE area, there are few major service areas. The Baldock Services on the A1(M), Birchanger Green Services on the M11 and Cambridge Services of the A14 are the only major areas. Some electrical capacity is available in the relevant areas, but generation, which could be linked with private wires to offer low-cost and green energy to charge EVs, is not currently significantly available.

- Baldock services, to the north of Letchworth, are constrained on the 33kV network. The 132kV network, which may be more relevant to large-scale installation of high capacity charges, is not constrained. The local 132kV substation is around 2km from the site:
  - The only local generator of size is a CHP fuelled by anaerobic digestion, with capacity of 2.3MW.

- Birchanger Green services, east of Bishop's Stortford, are within 2km of three 33kV substations, all of which have some capacity available; the 132kV substation is a bit further away and on the opposite side of the town, but has significant capacity available:
  - There are no generators in the immediate vicinity of Birchanger Green, though there are two small landfill gas units on the far side of Stanstead Airport, about 4-5km distant, with combined capacity of 2.1MW.
- Cambridge Services, north of the city, are around 1.5km from the constrained Longstanton Primary substation. The nearest 132kV substation is Histon Grid, about 5km distant:
  - There are no generators in the immediate vicinity of Cambridge services; the closest generators are a 5MW solar farm about 6km away, and two landfill gas unit in north Cambridge 6-7km away, with combined capacity of 3.2MW. a further landfill gas unit with 2MW capacity near Huntingdon is slightly further away.

In addition to the large number of currently vacant sites, many more are likely to become vacant, which represents a substantial opportunity for development. Old stations, like most of the closed ones, are likely to be contaminated by fuel which has leaked from degraded fuel tanks, this has resulted in sites being undeveloped for many years, although perhaps as few as 10-20% of sites are actually seriously contaminated.

There may be an opportunity for the LEPs to provide a survey of ex-forecourts and help arrange redevelopment of sites which would otherwise lie vacant. Previous forecourt locations have been redeveloped into commercial, residential and mixed-use properties, with advantageous locations on transport routes.

### 7.2.6 Other low-carbon fuels

Other proposed future fuels for transport include CNG, LNG, and hydrogen. CNG is typically compressed on-site from a gas-grid connection, whereas LNG is typically compressed offsite at a location with a high-pressure gas connection and transported in trucks to the point of sale.

There are no public fuelling stations for these fuels in the LEE area, and currently no plans to introduce them. However, pairing hydrogen electrolyzers with intermittent renewables generation, to minimise constraint and make the best use of local energy, is being trialled in Scotland among other locations and may become an option in coming years, being especially relevant to connecting generation to the network in areas of high constraint.

## 7.3 Secure, affordable, low-carbon domestic power consumption

Fuel poverty is defined in two ways. The old definition is households spending more than 10% of household income on energy bills. The new definition is households having required fuel costs which are above the national median level and where, if the household were to spend that amount, it would be left with a residual income below the official poverty line. There are several causes of fuel poverty including high fuel bills, hard-to-heat homes and low household incomes.

The best short-term way to tackle fuel poverty is by increasing customer engagement with the energy markets. The cheapest domestic tariffs in the LEE area are around one-third less expensive than the Big Six standard variable tariffs which most disengaged customers will be on. If electrically heating, use of storage heaters and an Economy7, Economy10 or other Time of Use tariff could also be beneficial.

Fuel poverty could be addressed in the long term by a number of measures. Gas is currently the lowest-cost heating fuel in GB and giving customers access to gas rather than electrical heating could

save them significant sums. Replacement of the current electrical heating solution with a heat pump would also reduce the amount of electricity used to heat homes.

Treating homes to be more energy efficient and thus require less energy to heat could also cut fuel bills. Returns on investments in insulation vary, but for example the Energy Saving Trust suggests that [loft insulation](#) will save a quarter of the energy used to heat a home, costing £300 to fit but saving £135/year in the average semi-detached home heated by gas. Cavity or solid wall insulation is more expensive (around £800 for cavity walls or £8,000 for solid walls) but could save around a third of the energy used to heat the home.

Supporting energy suppliers to install energy efficiency measures funded through the Energy Company Obligation (ECO) could reduce fuel poverty, while helping suppliers meet their obligations. This would also help to meet the government's targets under the [Clean Growth Strategy](#) (CGS).

The CGS requires all fuel poor homes – around 2.5mn – be upgraded to at least EPC band C by 2030; this will for many homes require a move away from traditional electrical heating to gas, heat pumps or storage heaters. The CGS also noted an intention to consult on strengthening the energy performance standards in the building regulations, including low carbon heating systems. This may include heat pumps, biomass, and a specific target on building and extending heat networks.

Furthermore, it should be noted that large parts of the LEE area are not currently connected to the gas distribution grid. Encouraging future housing development to use electrical heating may, in addition to reducing emissions, save the developers considerable sums in obtaining gas connections. Implementing technologies such as heat pumps is considerably cheaper during the initial build of the property than retrofitting onto existing housing stock., and the electrical demand can be accounted for in electrical connections, managing issues before they arise, and will ensure that the necessary level of insulation is installed to make the best use of the technology.

### 7.3.1 Energy supplier tariffs

See [Appendix 1](#) for a chart summarising tariff prices in the Eastern Region. This highlights the benefit to domestic consumers of engaging with the energy market and switching to a less expensive supplier: cheapest tariffs in the LEE area are around £500/year less than the most expensive, on Ofgem's typical domestic consumption values.

Selecting the most suitable tariff for the level of consumption is the single most important factor in reducing energy spend. Providing assistance and advice to help more consumers engage with the energy markets could be the most valuable investment in helping large numbers of consumers to escape fuel poverty.

Switching rates vary across the LEE area, as shown in map layer **Energy supplier switching rates**. Highest is Peterborough, where around 21% of households switched between September 2016 and August 2017. Lowest was South Holland, where just 13% switched. The LEE area average was 16%, compared to a national average of 22%.

Energy tariffs are mainly made up of [four elements](#): the wholesale price of energy (38%), network costs (26%), environment and social obligation costs (8%) and supplier operating costs and margin (22%).

More efficient trading by suppliers and lower wholesale costs can reduce the first element, and more efficient network use and expansion can (in the medium- to long-term) reduce the second. Environmental and social obligation costs cannot be altered, being mandated by the government, though it is worth noting that small suppliers – those with under 250,000 accounts – are not eligible for some of these costs and do not have to price them into the tariffs offered to consumers. However, it should be recognised some of these obligations, such as the Warm Homes Discount, benefit low income customers.

Supplier operating costs and margin also tend to be lower for small suppliers, partially due to lack of expensive legacy IT systems and partially due to a tendency for new entrant suppliers to operate at a loss for some or all new customers while building a customer base.

### 7.3.2 Fuel poverty

In general, the East of England has a fuel poverty rate nearly a third below the national average: 7.8%, versus a national average of 11.4%. However, there are significant clusters of fuel poverty identified in map layer **Fuel poverty**.

Areas with significantly higher-than-average levels of fuel poverty include:

- The southern area of the King's Lynn and West Norfolk local authority area: 26.3%;
- West Barsham, East Barsham, Houghton St Giles, Great Snoring and Little Walsingham: 24.7%;
- An area around Swanton Novers, Berney and Fulmodeston: 24%;
- An area from the Wash, through Sandringham and West Newton, Flitcham, and stretching to Great Massingham: 23.9%;
- An area of Breckland around North Elmham, Gateley and Guist: 23.2%;
- South Cambridgeshire around Wendy and Shingay: 22.8%;
- The western Dedham Vale: 22.3%.

Most of these areas are primarily rural in nature, being made up of isolated households and villages.

### 7.3.3 ECO measures

The Energy Company Obligation (ECO) scheme requires energy suppliers to install energy efficiency measures in the homes of GB domestic consumers. Spending is in the region of £640mn/year, and over 2.2mn households have benefited from installed measures to date. These measures are primarily made up of loft insulation, cavity wall insulation, and solid wall insulation, but also include gas boiler installation or replacement, draught-proofing, double glazing, heat pumps and others.

8.01% of GB households have benefited from at least one ECO measure, but in the LEE area only 5.66% of households have received measures. Suppliers – particularly large suppliers – engage in their own marketing campaigns to source customers to meet their obligations. However, some suppliers – including small and medium suppliers – have indicated a desire to work with local authorities to identify areas to target with ECO campaigns.

Map layer **ECO measures** identifies several areas where the number of ECO measures is particularly low. Local authorities may find it advantageous to their fuel poverty agendas to engage with suppliers to help residents to benefit from ECO measures. Suppliers, particularly small suppliers, may find it difficult to engage customers to provide measures, and the [BEIS ECO3 consultation](#) held in 30 March to 29 April 2018 indicated that search costs for customers ran to £125/customer for those on gas-grids, and £400/customer for those off-gas-grid.

LA areas where lower than average percentages of households have benefited from ECO measures are concentrated to the south of the LEE area. Note that at the granularity we have been able to obtain this information – local authority level – a low number of ECO measures does not seem to indicate a deprived area. As only households receiving income support or benefits are able to obtain ECO support, an area with few measures deployed may in fact be well off.

### 7.3.4 ECO and Fuel poverty interaction

Comparing map layers **Fuel poverty** and **ECO measures**, we can to an extent identify areas where local authorities may wish to prioritise ECO measures. These will be areas which suffer from both from high levels of fuel poverty and low levels of installed ECO measures.

North Norfolk District Council and King's Lynn and West Norfolk District Council may in particular wish to develop relationships with ECO-mandated suppliers. Despite the presence in their areas of elevated levels of fuel poverty, only 5.13% and 6.94% of households respectively have benefited.

### 7.3.5 Feed-in Tariff

Map layer **FiT** shows the spread of small-scale FiT generation across the LEE area. The FiT subsidises renewable generation, which includes solar PV, anaerobic digestion, CHP, hydro and wind generation, but is mostly be made up of solar panels on the rooftops of homes and small businesses. Domestic energy generation can alleviate fuel poverty in two ways:

- Reduced cost of energy imports;
- Revenue from exporting energy.

FiT generation can support the deployment of low-carbon electrical heating by defraying the cost of importing energy from the grid. However, it should be noted that the times at which solar PV generates most energy do not align with the times of the day or year at which energy would be needed for heating.

How much households with solar will save by self-generation of energy will depend on the particular consumption profile of the household. Solar generates electricity in a peak forming a rough sine-wave around 12 noon on a daily basis, and around late June/ early July on an annual basis. Those households using energy during summer day-times will therefore use more of the energy they generate than others and save more money.

Typically, GB households tend to use most energy during the morning and the evening, however. This means that the energy generated is mostly spilled to the grid, and more costly energy is purchased by the household in the mornings and evenings. Use of a battery may help to reduce this mismatch but given the low generation potential of solar panels in winter, a household is unlikely to be able to self-supply its own electrical heating demand.

Energy spilled to grid is currently remunerated by the FiT export tariff, wherein 50% of generation is deemed to be exported, and compensated at a default rate by the energy supplier. This rate is currently (post-April 2018) 5.24p/kWh for installations after 1 August 2012, considerably below the average 12-15p/kWh which domestic customers pay for energy imports.

While both solar and batteries are expensive to install, costs have fallen considerably in recent year and are forecast to continue falling: the cost of batteries in particular fell by 60% from 2014-17 and is forecast to fall a further 54-61% from current prices by 2030.

FiT currently subsidises small-scale wind generation as well, and subsidy rates can be much higher (8.46p/kWh versus 4.01p/kWh for generation, for wind up to 50kW and solar up to 10kW). Wind generation times correlate much better to peak domestic electricity demand need than solar panels.

However, according to the Energy Saving Trust, costs are higher, with an average 2.5kW system costing £10,000-19,000 vs £4,000-5,000 for solar. Planning permission is also required, and the turbine needs to stand alone away from buildings, taking up more space. Nonetheless, small- or micro-scale wind generation is currently a viable alternative for some rural households.



It should be noted that the FiT scheme is likely to be closed to new accreditations in April 2019, according to an announcement in the autumn 2017 budget. It is not clear that price parity has yet been reached for these technologies to be deployed on a domestic scale, and it may be difficult to secure offtake agreements (to obtain revenue for power spilled to the grid). This may inhibit the deployment of domestic-scale generation in the short term.

### 7.3.6 Social housing Feed-in Tariff aggregation

Existing Feed-in Tariff (FiT) subsidised small-scale generation, under 30kW, is highlighted in map layer **FiT**. Combining this with map layer **Social Housing**, we can note that there are several areas with large number of social homes but without solar arrays.

Providing solar panels – and possibly also electrical storage units – to these homes is a way of reducing the energy bills of vulnerable tenants. It could also derive additional revenues for the social housing organisation and, in the case of storage units, provide flexibility services to support the national or regional electricity networks.

Local authorities may wish to engage with social housing providers to discuss the benefits this could bring to tenants or review their own housing stock for its solar potential.

### 7.3.7 Off-gas-grid

In the short-term, gas connections represent a cheaper fuel option than electricity – or indeed oil, wood or biomass – for the majority of users' heating requirements. However, despite the presence in Norfolk of the Bacton gas terminal, and major gas transmission lines across the area – map layers **Gas transmission network** and **Gas sites** – most rural areas are mainly or entirely off the gas grid.

Map layer **Gas connections** shows the extent of this. These households will use oil, electricity and biomass heating. In terms of saving these customers more and alleviating fuel poverty concerns, as well as wider low carbon ambitions, these rural households would be the obvious initial targets for a push to install renewable heating, deploying district heating, or extend the gas grid. Extending connection of these areas to the grid could offer many fuel poor or otherwise vulnerable customers access to much cheaper energy to heat their homes. This is the principle aim of initiatives such as the Fuel Poor Network Extension Scheme.

Urban areas, including cities and towns, are more likely to be connected to the gas grid, with the exception of areas where there are large numbers of new-build flats – for example Norwich and Ipswich's riverside developments – where electrical underfloor heating is the normal heat source rather than gas boilers.

### 7.3.8 Domestic electricity and gas consumption, and carbon emissions

High levels of electricity consumption can indicate several factors, positive as well as negative: lack of gas connection resulting in use of electric heating; hard to heat properties; alternatively, it can be a sign of wealth in the area with larger houses and less concern over minimising use of electricity use and potentially with early adopters of electric cars.

Areas with high electricity consumption are focused in Herts, and wide deviation between median and mean values indicates that there are a relatively small number of well-above-average users. High-consumption areas include:

- The outskirts of Moor Park, Hertfordshire;
- Little Gaddesden, Hertfordshire;
- An area between Chorleywood and Croxley Green, Hertfordshire;



- An area between Radlett and Borehamwood, Hertfordshire;
- An area to the north of Hertford.

None of these areas correlates to high levels of fuel poverty. However, some areas of slightly above average consumption, such as the Great/ Little Hornead area and the Cottered, Throcking and Westmill area, both in East Herts, do correlate noticeably to fuel poverty. Both areas are also entirely off the gas grid.

Carbon dioxide emissions (CO<sub>2</sub>) are shown in map layer **Carbon dioxide emissions**. In aggregate, the data measures total emissions from industry and commercial users, domestic users and transport users at the local authority level.

### **Domestic emissions**

Domestic CO<sub>2</sub> emissions average 195.1kt/CO<sub>2</sub> across the local authority areas, with a high of 284.9kt/CO<sub>2</sub> in Peterborough and with a low of 72kt/CO<sub>2</sub> in Rutland. Emissions are above 280kt/year in three areas: Peterborough, Huntingdonshire (281.2kt/CO<sub>2</sub>) and King's Lynn and West Norfolk (280.8kt/CO<sub>2</sub>). Emissions are below 140kt/CO<sub>2</sub> in three areas: Stevenage (124.2kt/CO<sub>2</sub>), Forest Heath (102.1kt/CO<sub>2</sub>) and Rutland.

Domestic emissions per capita are in line with the national average, 1.7t/CO<sub>2</sub>/person compared to 1.69t/CO<sub>2</sub>/person.

### **Domestic gas**

Looking at just domestic gas emissions, these vary between 1.2t/CO<sub>2</sub>/person and 0.6t/CO<sub>2</sub>/person, with an outlier of Mid Suffolk, at 0.4t/CO<sub>2</sub>/person. Three Rivers, St Albans and Hertsmere have highest gas-related emissions per person, and Forest Heath, North Norfolk, South Norfolk, King's Lynn and West Norfolk, and Breckland all have lowest.

Looking at emissions from other domestic fuels – including coal, biomass and fuel oil – urban areas cause relatively little: Three Rivers, Norwich, Broxbourne, Stevenage, Cambridge, St Albans, Welwyn Hatfield, Hertsmere, Watford and Ipswich are all under 0.05t/CO<sub>2</sub>/person.

Areas already identified as suffering high fuel poverty and being off the gas grid have relatively high levels of other domestic fuel emissions: Mid Suffolk, North Norfolk and King's Lynn and West Norfolk all have emissions per person of over 0.5t/CO<sub>2</sub>/person, ten times as much as the urban areas.

## **7.3.9 Renewable Heat**

The Renewable Heat Incentive subsidises installation of renewable heating technologies in both domestic and non-domestic properties. The scheme subsidises non-domestic installations for 20 years and domestic for seven years.

Modern electric heating, in the form of heat pumps, is relatively rare in the LEE area: the latest statistics on the Domestic Renewable Heat Incentive, which subsidises heat pumps, shows just 4,823 air-source and 869 ground-source heat pumps in the East of England region at the end of March 2018.

The scheme also subsidises solar thermal and biomass installations; there are 844 of the former and 861 of the latter. Both technologies offer relatively low-carbon heating, but the latter also benefits from easier installation and wider compatibility with existing central heating setups.

Broken down by local authority area (the lowest granularity of data available), installations tend to be concentrated in the more rural areas. For example, in Cambridgeshire the 1,073 total installations include 523 in South Cambridgeshire, compared to 41 in the city itself. This may align with the

prevalence of connections to the gas grid, with those who have gas available being less likely to take up these new technologies.

It should be noted that many homes, especially rural, solid-walled properties, may not have the level of insulation required to make best use of low-temperature heat pump heating. Heat pumps are best installed at the time of construction, when the correct level of insulation can be built into the property, and ground-source pipes installed without damage to gardens.

**Figure 14: RHI-subsidised installation by Local Authority (March 2018 data)**

County	LA	No. of installations
Cambridgeshire	County total	1,073
	Cambridge	41
	East Cambridgeshire	142
	Fenland	176
	Huntingdonshire	191
	South Cambridgeshire	523
Essex	Uttlesford	151
Hertfordshire	County total	779
	Broxbourne	8
	Dacorum	126
	East Hertfordshire	130
	Hertsmere	38
	North Hertfordshire	304
	St Albans	85
	Stevenage	13
	Three Rivers	32
	Watford	10
	Welwyn Hatfield	33
Norfolk	County total	2,089
	Breckland	349
	Broadland	253
	Great Yarmouth	104
	King's Lynn and West Norfolk	493

County	LA	No. of installations
Suffolk	North Norfolk	445
	Norwich	30
	South Norfolk	415
	County total	1,710
	Babergh	209
	Forest Heath	195
	Ipswich	21
	Mid Suffolk	314
	St Edmundsbury	180
	Suffolk Coastal	285
	Waveney	506
Lincolnshire		
	South Holland	190
	South Kesteven	210

Source: [BEIS](#)

### 7.3.10 Biomass heating

Biomass boilers for domestic use can be eligible for support under the RHI. This may make them attractive options for powering central heating in off-gas-grid areas, especially as they are regarded as low-carbon.

The LEE area benefits from extensive foresting around Thetford, which could become a source of local biomass for fuelling boilers. The [Brandon and Elveden Forest Plan 2017-2017](#), consulted on 11 September to 8 October 2017, indicates that some 1,430 hectares of Forestry Commission land is available for biomass, with areas due for logging over the next ten years.

While biomass can be a relatively flexible, low carbon and low-cost solution to off-gas-grid heating for many homes, emissions of particulate matter mean that air quality management areas are unsuitable locations for new installations.

## 8 Future developments

### 8.1 Housing and commercial growth sites

Targets across the three LEPs are for 144,000 new homes in New Anglia by 2036, 156,000 in Cambridgeshire and Peterborough over the next 10 years, and 16,500 new homes in Hertfordshire. New Anglia is also targeting 88,000 new jobs and 30,000 new businesses by 2036. Hertfordshire is targeting 11,000.

### 8.2 Electrification of transport, including hydrogen

#### 8.2.1 National Grid forecasts

National Grid's *Future Energy Scenarios* document looks ahead to 2050, forecasting that 90% of cars sold will be electric by this time. Since publication, the UK government announced a ban on ICE car sales in 2040, so NG's forecasts will of necessity be out, but provide a solid baseline nonetheless.

NG notes that, if uncontrolled, EV charging could add 18GW, or 30%, to peak electricity consumption. This is based on 25mn EVs and 200,000 heavy-duty goods vehicles by the early 2040s.

#### 8.2.2 National Grid's forecourt thoughts

NG forecasts current 3.5kW and 7kW home chargers will be replaced by 2040 with 11kW chargers, which it sees as a sensible compromise between speed of charge and remaining within the typical domestic 60-80amp maximum demand. An 11kW charger could charge the currently typical large EV battery from 25% to 90% in 6 hours, as opposed to the 19 hours a 3.5kW charger would take.

It expects, however, that much charging will be done on the forecourts of what were previously petrol stations, where chargers as large as 350kW could provide a similar level of charge in as little as 12 minutes. With the typical forecourt forecast to have nine pumps in 2050, NG calculates that a 3.1MW connection would be needed: enough to supply 1,000 domestic connections.

Large forecourts with up to 20 pumps are also becoming more common and would require connections of 7MW. Both of these connection sizes would need connection to the 33kV or 132kV networks. Also, unlike domestic charging, scope for smart charging would not be available, though on-site batteries might be a possibility to manage peak energy use.

### 8.3 Secure, affordable, low-carbon domestic power consumption

#### 8.3.1 Fuel poverty

In the immediate future energy bills are perhaps likely to fall, with an Ofgem cap on SVTs recently extended from prepayment customers to Warm Home Discount customers – a wider group of vulnerable households – and expected to be extended to a still wider group soon. Government is planning to introduce a cap for all SVT customers in time for implementation before winter 2017-18.

This may alleviate fuel poverty in some areas, though is unlikely to eliminate the problem. Full engagement in the energy market to select the appropriate tariff will be of most benefit to fuel poor customers and supporting them to do so should be a priority. Switching will save the average consumer several hundreds of pounds a year (see Appendix 1: Local tariffs), whereas the government SVT price cap is projected to save only around £100/year.

### 8.3.2 FiT and RHI amendments

The government indicated in its Autumn 2017 budget that the small-scale FiT would close to new applications from April 2019. Once the scheme is closed, there will be no subsidy route for the installation of small-scale renewable generation, considerably damaging the economics of installing, for example, rooftop solar arrays. There will also be no obvious route to market for export of excess power generated.

This may make solar thermal panels more attractive, as these will continue to benefit from subsidy via the RHI. Solar thermal panels can reduce the use of gas in boilers to heat water or make the use of electric/ immersion heaters more affordable.

BEIS announced in November 2017 that it was not currently planning to amend tariff rates for the RHI. This may not be the case in the long term as a scheme of digression is in place. This will kick in as and when the scheme begins to see numbers of installations – and therefore costs – increase.

### 8.3.3 ECO measures

A consultation from the government – specifically the Department of Business, Energy and Industrial Strategy – is expected shortly to consider revisions to the scheme and set up “ECO3”. Likely amendments include extension of the scheme to more suppliers, probably targeting those with at least 100,000 customer accounts, rather than the current 250,000.

The previous set of revisions were completed early in 2017 and created the current “ECO2t” scheme, which runs from April 2017 to the end of September 2018. The changes gave local authorities additional powers to designate properties to eligibility for ECO measures to be installed.

If this trend of increasing LA involvement continues, it may pay dividends to fuel poverty reduction goals for local authorities to engage closely with one or more suppliers to focus attention on deprived areas, for example with door-to-door campaigns or local surgeries to explain the scheme and help eligible residents to apply.

### 8.3.4 Off-gas-grid

LAs may wish to target concentrations of off-gas-grid homes as suitable for district heating projects. CHPs and boilers have been deployed successfully in this role; this has historically been mostly in cities, but villages may also be suitable targets.

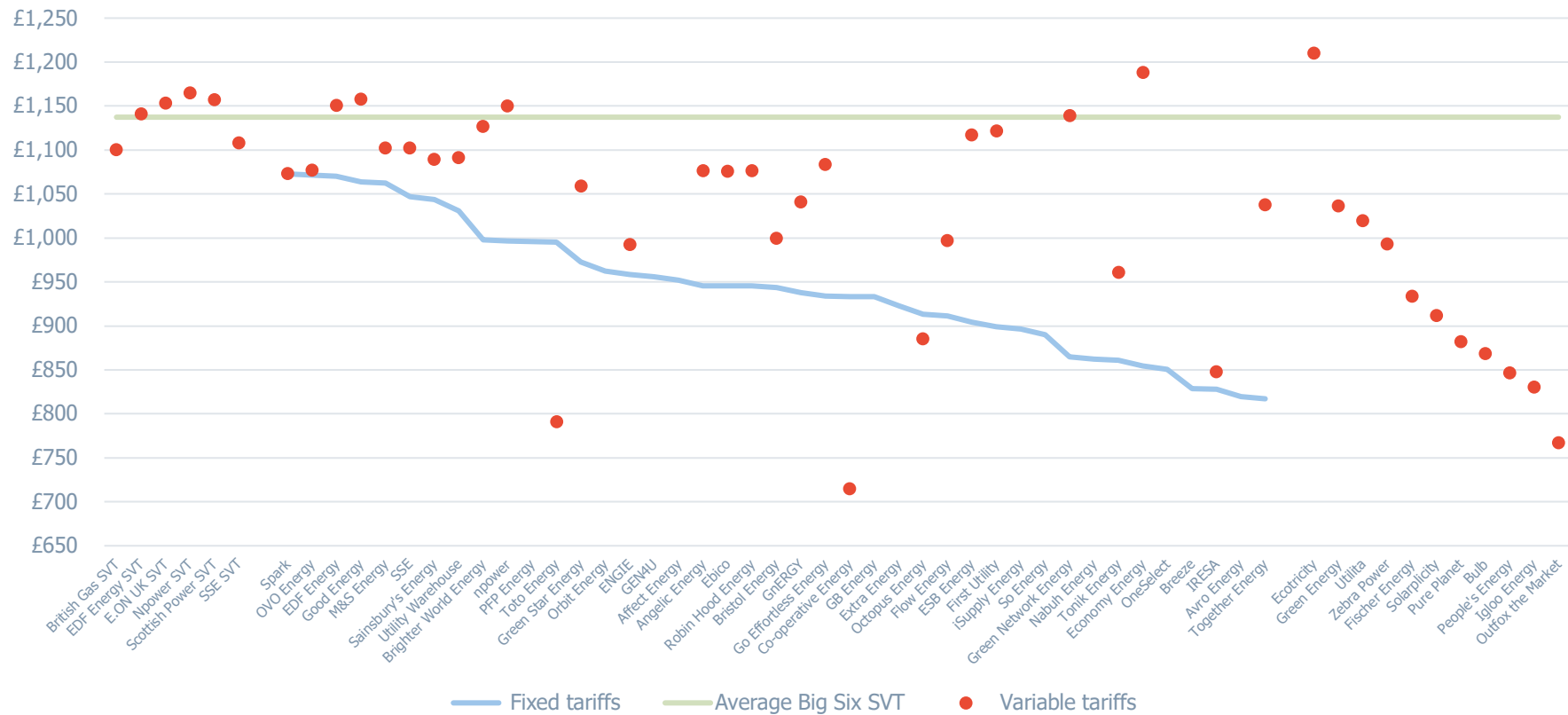
Alternatively, the CCC suggested that one in four homes using oil for heating and one in three using electric heating could benefit from switching to an air-source heat pump. This could save 3.2t of CO<sub>2</sub> emissions for oil and 0.8t of CO<sub>2</sub> emissions for electric conversions respectively.

The domestic Renewable Heat Incentive (RHI) is a government scheme promoting low-carbon heating. Revisions to the RHI came into force on 20 September 2017, including tariff uplifts for air- and ground-source heat pumps from 7.63p/kW to 10.18p/kW and 19.64p/kW to 19.86p/kW for air- and ground-source pumps respectively.

Mass deployment of heat pumps could also, in concert with central control and flexibility, be used to engage in domestic DSR and supply grid services to the national or local networks. This could provide an income stream to offset installation costs and electricity bills.

## 9 Appendix 1: Local tariffs

Figure 15: Tariff prices in the Eastern region, Ofgem TDCVs, direct debit and dual-fuel



Source: Cornwall Insight

Data is correct to 31 December 2017.

## 10 Appendix 2: National forecasts

Revised projections were published by BEIS on energy generation and demand over the period to 2035 in January 2035. Cornwall Insight's Mike Mahoney commented on the changing picture, which we feel may be relevant to the LEP's future planning.

This piece is taken from *Energy Spectrum* [issue 604](#).

### Searching for clues among BEIS's new energy projections

BEIS's latest Energy and Emissions Projections (EEP) were published in early January. These cover the period through to 2035.

In this week's *Energy Perspective* we look at what the forecasts tell us about the shifting official view of the energy system of the future.

#### Working those little grey cells

It's the sixth time the sponsoring department has updated the projections in this format since they were first produced in 2012. This time they are based on policy analysis from July 2017 and power sector modelling from September 2017.

Potential savings from a subset of policies in the autumn's Clean Growth Strategy are included, but the full impact of new policies and proposals from it "will be included in future EEP editions when they are developed more fully".

But with several policy updates taking place since the modelling work and important elements of the Clean Growth Strategy still to be detailed, there is a sense that there is much more at play now than is captured here.

Furthermore, unfortunately many assumptions remain opaque and have to be derived from the supporting data annexes. The commentary is also minimal and unlike in previous editions a lot of it borders on the overtly political.

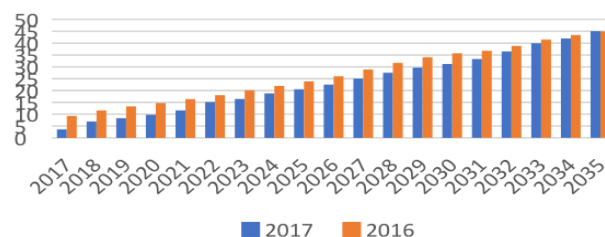
#### Fingerprints

While much of the document is framed against projected performance relative to carbon budgets, we are more focused here on changes since last time round and the factors that are driving these. Up close, there have

been significant shifts in some assumptions, many of which are likely to influence policy formulation going forward.

The power generation sector must still deliver considerable emissions reductions if progress towards the adopted carbon budgets is to be maintained. Changes to projected output from the 2016 report shows substantive changes in terms of expected build-out, and it is the emissions impact of these that has caught the media headlines.

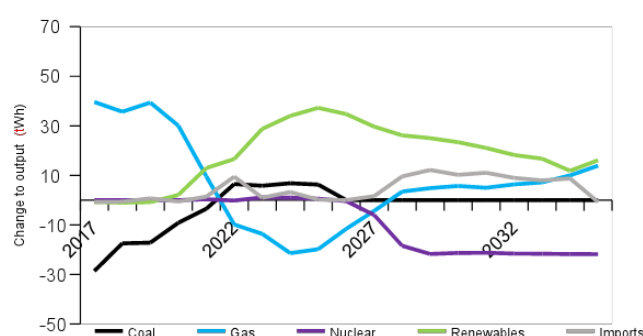
Figure 1: Cumulative new capacity



In the round, while the same amount of capacity comes onto the system by 2035, this is much more back-loaded than the previous projections, with consistently less new build coming forward until 2030 (see Figure 1).

On top of this, there are significant shifts between output levels from the different technologies (see Figure 2). For instance, coal output is significantly reduced in the near-term reflecting higher than previously expected coal prices, making a brief recovery before disappearing in 2025.

**Figure 2: Generation changes 2017 vs. 2016**

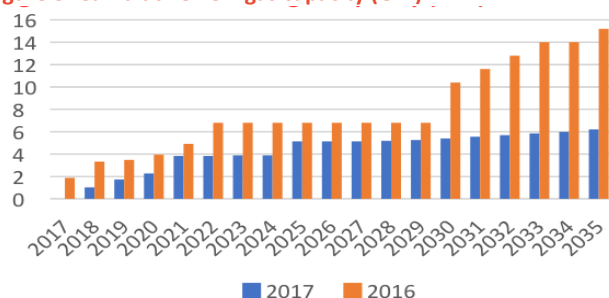


In contrast, there is significant output growth from renewables from 2020 despite a reduction in the pace and volume of new capacity assumed to be deployed. The improvements come from increased load factors and the assumed ability of the system to deal with these levels of output.

BEIS does not specify the composition of renewables, but improvements are linked to offshore wind, where considerable efficiency gains are already being observed. And our calculations suggest that much of the gap between today's build out and new capacity assumed could be filled by the remaining CfD budget.

Gas-to-power output increases from 2017 at the expense of coal, but only to reduce again from 2021-22. Indeed, the forecast of new capacity over the period reduces by more than half the forecast from the previous update (Figure 3) (which in turn had seen a halving from the previous year's forecast). The small increment from 2024 does not offset falling overall capacity during the period.

**Figure 3: Cumulative new gas capacity (GW)**



As for CHP, we see a significant reduction in capacity projections relative to 2016, falling from more than 3GW to little more than 1GW

by the end of the projection period. This is, the document notes, "purely a result of the different modelling methodology this year and is not due to any change in government policy", which is questionable given changes to GQCHP regime.

Nuclear output reduces by 6TWh from 2027 without BEIS specifying which site is lost, but this seems an unusual move following renewed commitment from government to Smaller Modular Reactor technology and the tie-in with China for further development of the macro sites.

As for carbon capture and storage, this is now conspicuous by its absence until the very back-end of the projections period.

Not immediately obvious from the data are changes to new storage capacity. Projections in 2016 used a linear annual increase of 250MW. For 2017, BEIS has added shape to the deployment but is also indicating a hiatus to growth during the first half of the 2020s (see Figure 4). Storage capacity grows quickly afterwards, surpassing the previous forecast in 2028 and adding 4GW by the end of the period.

### Least likely suspect

Net interconnector volumes are also up notably from the medium term, continuing a theme from the 2016 projections. In both years, the projections reflect large increases in imported electricity. This time round BEIS forecasts imports to rise from 21TWh in 2017 to 78TWh in 2025, by which time this is equivalent to 23% of total UK demand.

No one doubts that sizeable new interconnector links are being built, but growth of imports of this magnitude raises some key questions about the continuation of current carbon price differentials between the UK and the mainland. Even if the UK were to be outside the EU ETS, carbon price support is assumed to continue at current levels through the next decade. This has a very beneficial impact: it displaces new domestic gas generation but replaces it with zero emission-rated imports.



## False disguise

For all the stirring of the power generation mix, the improved emissions outlook is largely based on two other, demand-side factors.

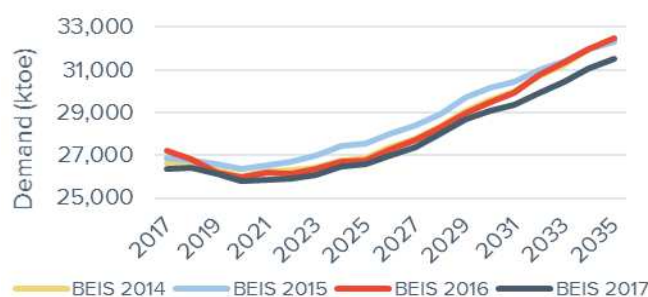
Firstly, there will be fewer “heating degree days” (days requiring internal heating) as winter temperatures continue to moderate. Secondly, demand from I&C consumers will be lower because of higher energy prices.

**Figure 4: Cumulative storage growth (GW)**



The dominating factor here is the changing demand base, growing steadily beyond 2023 as load increases from both renewable heat and transport. But the recent trend of year on year downgrades has continued in 2017, lowering total consumption by over 3% by the end of the period compared with the 2016 projections (see Figure 5).

**Figure 5: BEIS final electricity demand projections**



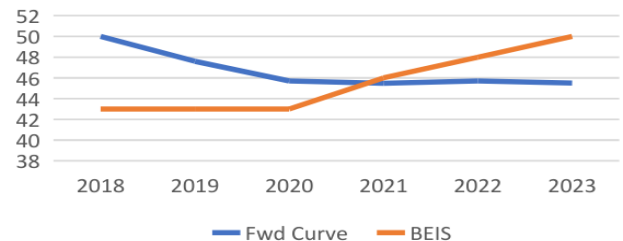
## New witnesses

In his *Cost of Energy Review*, Dieter Helm delivered a withering assessment of government forecasts, persisting with steadily rising commodity prices. Peter Atherton made the point recently (*ES600*, p.20) that energy prices had long decoupled from GDP, and many other global factors are greater influences on the market price.

But BEIS's latest forecasts remain at odds with the markets. Oil, gas and coal curves of

forward prices are set to fall and follow different trajectories. Indeed BEIS' gas price forecast is essentially a mirror image of the front of the current gas curve (see Figure 6), which illustrates the vagaries of producing accurate projections in a changing world.

**Figure 6: Forward gas curves (p/therm)**



These difficulties will increase as the influence of oil, gas and coal on electricity prices is reducing. Gas remains a key generation fuel, but the market is well supplied over the forecast horizon period. Increasing flows from Russia and modest demand growth are also protecting European prices from Asian demand influence.

A significant element missing in the projections, it seems, is the price cannibalisation impact of increased renewables under subsidy. This element should be exerting considerable and increasing pressure on prices during the forecast period, reflecting increased renewables output (see Figure 7), as demonstrated by our own forecast, but it appears not to weigh in the EEPs.

**Figure 7: BEIS power price projections vs Cornwall insight**



## Locked room

In the EEPs, BEIS put reference projected emissions from existing and agreed policies at closer to meeting both fourth (2023-27) and fifth (2028-32) carbon budgets. These now show achievement levels of 97% and 95%

respectively, an improvement on the estimates posted alongside the Clean Growth Strategy.

As noted, these projections include policies mentioned in the Clean Growth Strategy only if they were classed as implemented, adopted or agreed at the cut-off point of July 2017. It also included an initial estimate of the savings from a further subset of planned policies showing savings over the fourth carbon budget period and the fifth carbon budget periods. BEIS remains upbeat that the gaps will be closed, as missing detail is added and as the Clean Growth Strategy is turned into more specific plans.

### **The big reveal**

So BEIS has cut its projections for new gas generation needed by 2035 by more than half since publishing last year's forecasts. In all we are now looking at 4GW, with most of that appearing in the immediate years. This marks the demise of gas as the balancing fuel on the system as decarbonisation runs its course, which has been the defining feature of energy projections for the past decade. CCS and new CHP have now gone almost entirely.

Low-carbon sources of electricity are now expected to overtake gas as the UK's single largest source of power as soon as 2020, which would represent a phenomenal landmark. Indeed, BEIS now expects twice as much renewable energy capacity to come online by 2035 as it did in 2015. It also expects twice as much battery storage capacity as it projected a year ago. Given recent changes in deployment costs, these shifts should not come as a total surprise.

The figures also show there remains a gap in the overall CO<sub>2</sub> cuts needed to meet statutory carbon reduction targets represented by the later carbon budgets from 2023 onwards. This is largely due to much lower take up of renewable heat and transport than required, but the impact continues to be mitigated by demand reductions.

BEIS published the EEP update much earlier than in previous years. It has promised further detail over the course of 2018, and this promise of better engagement and explanation is welcome. We look forward to a more transparent explanation of the modelling methodology to improve understanding.



<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 3.2</b>
<b>27 JUNE 2018</b>	<b>PUBLIC REPORT</b>

## **STRATEGIC COMMUNITY LAND TRUST (CLT) PROGRAMME DEVELOPMENT**

### **1.0 PURPOSE**

- 1.1 Community Land Trusts were recognised in the devolution deal agreement as an important mechanism for delivery of new and affordable housing. The Mayor made community land trusts a key commitment in his manifesto and as a central feature of the emerging housing strategy, this approach provides innovation and accelerated delivery to meet housing demand.
- 1.2 A strategic approach is now required to determine how best Community Land Trusts can be delivered across the whole Combined Authority area. This report seeks Board support to develop a new model to achieve this, using the learning to date from the operation of the East Cambs Trading Company Ltd (ECTC).
- 1.3 The report also considers a specific proposal within this wider context, which is to provide ECTC with a revolving loan facility capped at a maximum loan amount of £40m to deliver the East Cambs Strategic Community Land Trust Programme. The Board previously approved in March 2018, a £6.5m loan in principle to ECTC for a development in Haddenham, and the paper signaled the proposal that this would form part of a total commercial loan facility of £40m over a ten-year period. The £40m could be facilitated through an umbrella agreement and entirely funded through external borrowing – although this will need to be fully considered and agreed with HM Treasury as part of a revised borrowing cap.
- 1.4 This paper sets out the key principles of an umbrella agreement for ECTC that could then be applied on an area wide scale and asks the Board to consider this area wide approach. If approved, further work will then be undertaken to develop an area wide proposal for a similar arrangement into a paper for further Board approval, ensuring the implications of facilitating additional loan facilities are understood and considered.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Mayor James Palmer</b>
<b>Lead Officer and Author:</b>	<b>Roger Thompson, Director of Housing &amp; Development</b>
<b>Forward Plan Ref: Not applicable</b>	<b>Key Decision: No</b>
<p>The Combined Authority Board is recommended to</p> <ul style="list-style-type: none"> <li>(a) Note the intention to develop a strategic model to deliver Community Land Trust schemes across the Cambridgeshire and Peterborough area, including an assessment of the total loan facility required</li> <li>(b) Agree the s151 Officer engage with HM Treasury to establish the position with regards to the existing Borrowing Cap for CPCA in respect of the potential borrowing requirement, and establish any treasury rules, guidelines or requirements for borrowing for this purpose.</li> <li>(c) Agree in principle the proposal to develop an umbrella agreement which could provide a loan facility, with up to £40m to potentially be funded through borrowing for ECTC</li> <li>(d) Agree that the Board will approve <ul style="list-style-type: none"> <li>a. (based upon the principles in paragraph 3.6) the procedures for agreeing the future draw down of funding within the loan facility</li> <li>b. the appropriate level of delegations to officers for scheme sign off</li> <li>c. the monitoring of the delivery of housing schemes under the loan facility at appropriate stages to maintain oversight of delivery</li> </ul> </li> </ul>	<p><b><i>Voting arrangements</i></b></p> <p>Simple majority of all Members.</p>

## 2.0 BACKGROUND

2.1 The Cambridgeshire and Peterborough Combined Authority Devolution deal included a commitment to work with Community Land Trusts<sup>1</sup> to deliver new

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<sup>1</sup> Devolution Deal: New Homes and Communities, Para 22 (d) e. Work with Community Land Trusts to deliver new schemes recognising the benefits these schemes bring to the community.

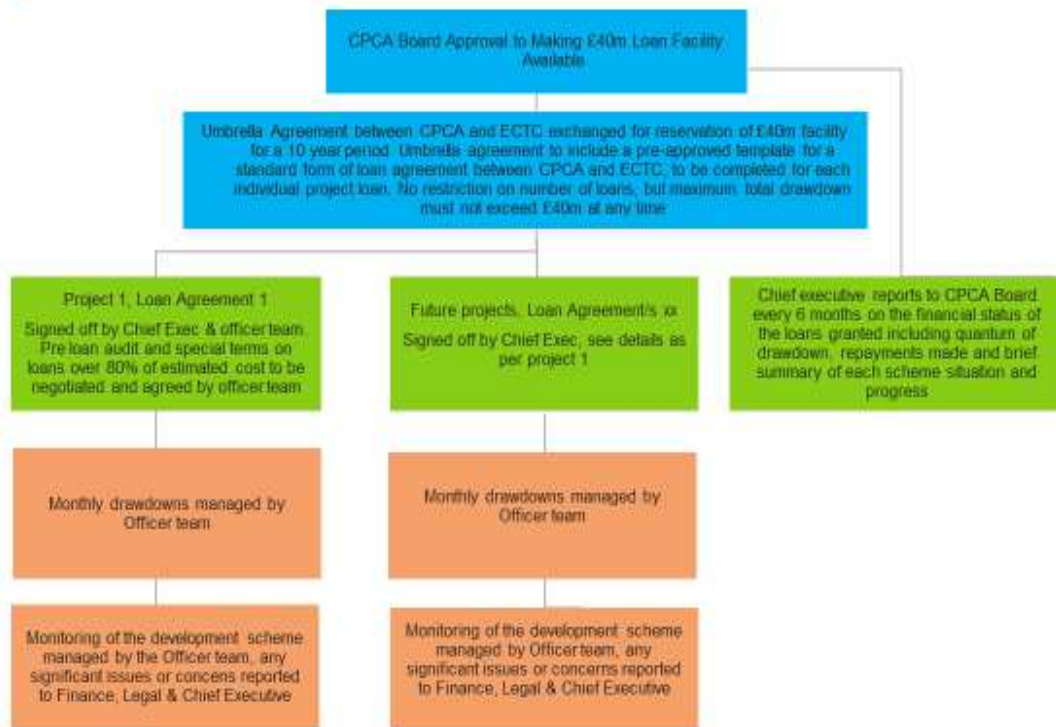
schemes recognising the benefits of these schemes to the community. The Combined Authority has to date approved £6,620,000 of loan funding from the £100m housing programme (being £120,000 grant for 8 CLT owned affordable units at The Shade, Soham and a £6.5m repayable loan for a CLT scheme of 54 homes at West Gardens, Haddenham).

- 2.2 The CPCA now needs to consider how best to accelerate the CLT programme by taking a strategic approach across the whole area.
- 2.3 The example of the loan to East Cambs Trading Company Ltd (ECTC - a development company wholly owned by East Cambridgeshire District Council) which was established in April 2016, demonstrates that using its available financial resources (a £5m loan facility from the Council), ECTC is close to completing its first 24 homes at Ely and Soham.
- 2.4 If the CPCA explores how to access funding through borrowing, subject to HM Treasury agreed borrowing caps, then the acceleration of the CLT programme can be achieved.
- 2.5 The concept of the Umbrella agreement for ECTC has the potential to be 'rolled out' for other CLT's across the Combined Authority region.

### **3.0 ECTC LOAN PROPOSAL EXAMPLE**

- 3.1 The proposal to make available when called for, a commercial loan facility up to no more than £40m to fund the East Cambridgeshire Strategic CLT programme of (projected up to a level of 250 homes per annum for 10 years) under an umbrella agreement. A loan from CPCA to ECTC of £6.5m over two years, which was approved in principle by the Board March 2018 would form part of the £40m.
- 3.2 There is a proposal to provide this facility through an umbrella agreement, which would be subject to the provision of individual loan agreements under it as shown below:

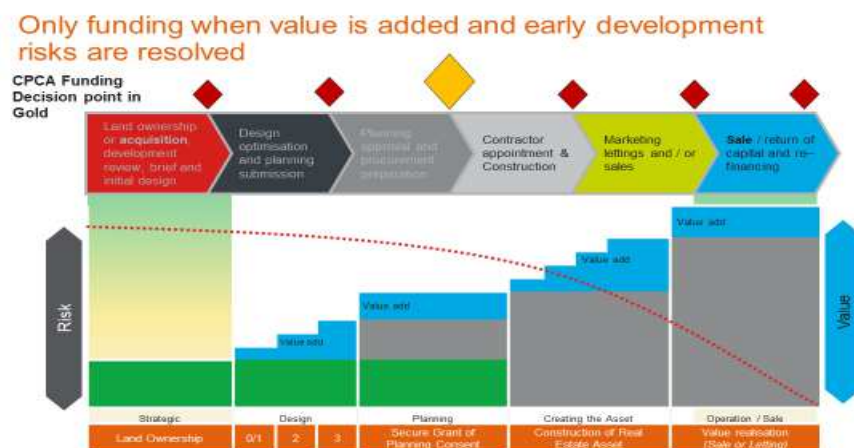
## Proposed CPCA to ECTC £40m Umbrella structure



- 3.3 The concept of the umbrella agreement should provide an opportunity to recycle funding, enabling the reuse capital to fund an expanding pipeline of development.
- 3.4 The principle on each scheme in the CLT programme is that it uses a 'land value capture' mechanism to provide the cross subsidy necessary to build CLT owned affordable homes and other community benefits/assets within a scheme. These will be held in perpetuity by the local CLT and the income streams derived from the completed affordable homes will enable the local CLT to bring forward additional sites.
- 3.5 The umbrella agreement will commit the Combined Authority to have funds available and be prepared to release those funds, subject to the business case being approved for the provision of a loan on any individual scheme or project in the East Cambridgeshire Strategic CLT programme. The form of the legal document to be used for each loan agreement will be pre-agreed as the 'approved form' of loan documentation. It is envisaged that the final form of the loan agreement currently under preparation for the Haddenham scheme will help develop the template for an 'approved form' for future loans under the umbrella agreement.
- 3.6 Also work is currently in progress with the Portfolio Holder Fiscal, to develop grant and loan conditions.

3.7 Through the provision of an umbrella agreement with ECTC, the Combined Authority can enable ECTC to be more confident, positive and pro-active in operating in the market, to look at accelerating future schemes knowing that the source and vast majority of steps to secure funding is already in place. The Umbrella agreement will:

- Confirm the Combined Authority as a willing lender in principle;
- Enable the ECTC to apply for up to 100% of the funding required to deliver any particular development scheme. If the borrower only borrows up to 80% of the cost required, then the commercial principles behind the interest cost and commercial terms as agreed at Haddenham will apply. i.e. a low rate of interest (compliant with EU competition guidelines at the time of the loan);
- If funds in excess of 80% of the total cost to deliver a scheme are being applied for, the Combined Authority will have the right to negotiate to share a proportion of the developers profit to reflect the Combined Authorities provision of the additional funding and the saving that will represent to ECTC. Any such calculation will be on a case by case basis as it will depend on the financial circumstances of each scheme. This will be paid to the Combined Authority, in addition to the return of the loan and interest due.

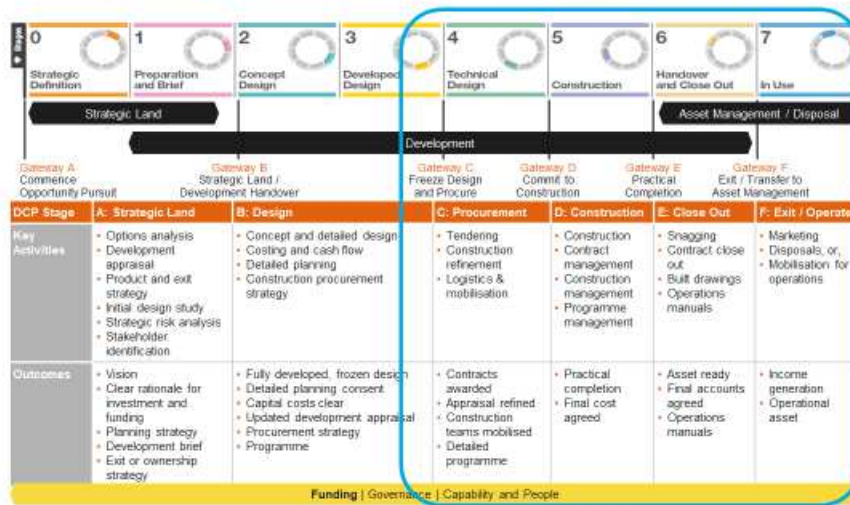


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- Funding will not be provided until the borrower has both a good legal title in the land so the combined authority can take a first legal charge for investment security purposes and an appropriate planning permission to deliver the development. Also it will be a key principle that the value of drawdown cannot exceed the work in progress value of assets at any time.



CPCA to support development once land & planning interests are secured, by providing funding



## EAST CAMBRIDGESHIRE STRATEGIC CLT PROGRAMME

- 3.8 The East Cambridgeshire Strategic CLT Programme is being delivered through the East Cambs Trading Company. The target for the programme is to increase production over the period until 250 homes are being built each year.
- 3.9 The ten year pipeline from 2018/19 to 2027/28 is expected to complete 1850 homes (553 affordable CLT homes and 1297 market homes).

ECTC 10 year pipeline (projection - housing completions per year in Blue, likely borrowing in red)										
2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Total
24	75	141	185	215	233	240	238	250	249	1850
£19m	£28m	£32m	£30m	£29m	£tbc	£tbc	£tbc	£tbc	£tbc	

- The ECTC will be delivering 24 homes as projected in 2018/19. Together with sites already secured at pre-construction and planning stage, the current pipeline totals 554 homes, which consists mainly of the Kennett scheme. The 2018/19 borrowing figure above comprises £6.5m for Haddenham and £11.5m anticipated at Kennett in Jan/Mar 2019.
- On top of the above, additional sites will be sought that if successfully negotiated and secured, could be expected to deliver a target of a further 340 homes, bringing the total development pipeline to circa 900 homes (270 CLT owned affordable and 630 market).
- It is expected that over the term of the 10 year programme, further sites will become available to expand the pipeline so that the target of 1,850 homes can be achieved (approx 500-550 CLT).



- 3.10 The provision of umbrella agreement, under which loan agreements for individual schemes will be made, will enable the schemes beyond 2018/19 to be delivered and provide finance to make significant inroads into the target of 1850 homes outlined above.

#### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 If agreed, the work following this Board report to develop the strategic CLT programme, will need to carefully consider the financial implications of any arrangements.
- 4.2 The example of the ECTC proposal for an umbrella agreement for a maximum facility of £40m to be potentially funded through borrowing, raises a number of matters that will need to be carefully considered and dealt with in order to ensure appropriate financial advice can be provided to the Board.
- 4.3 For example, when the current CPCA borrowing cap levels were agreed with HM Treasury, they did not take account of this £40m and so it is necessary for the s151 Officer to engage with HMT as soon as possible to clarify the position in respect of the cap on this proposal. Also it will need to be established what the technical implications of borrowing for this purpose may be and whether there are any restrictions – this will likely inform the best structure which can then be proposed to fulfil the principle of providing financial security to achieve CPCA objectives in this way.
- 4.4 The specific terms of the proposed umbrella agreement and any individual loan terms, would need to be considered fully in due course. As indeed, will matters of state aid and appropriate markets rates for interest charges or investment purposes. This would be undertaken by the S151 officer alongside the Portfolio Holder Fiscal and the Chief Executive.
- 4.5 The development of the funding options for the Strategic CLT programme, will also need to be considered alongside the development of the CPCA Investment Strategy, which will be undertaken over the summer by the s151 Officer in full consultation with the Portfolio Holder Fiscal.
- 4.6 A full consideration of the potential risks arising from the programme and proposals will also need to be undertaken, both financial and non-financial to enable appropriate decision-making. This would also be undertaken by the S151 officer alongside the Portfolio Holder Fiscal and the Chief Executive.

#### **5.0 LEGAL IMPLICATIONS**

- 5.1 The Combined Authority has the ability to lend under s.12 Local Government Act 2003 “power to invest” as well as under the general power of competence, provided that it is compliant with European State Aid rules.
- 5.2 In making any such investment the Authority is required to have regard to the Government’s statutory Guidance on Local Government Investment (section

15 Local Government Act 2003), and specific guidance published by the Chartered Institute of Public Finance and Accountancy.

5.3 The Combined Authority now has the power to borrow for these purposes.

5.4 The Combined Authority should reserve the right to terminate the agreement if in future the facility is not being used by ECTC.

## **6.0 SIGNIFICANT IMPLICATIONS**

6.1 None

## **7.0 APPENDICES**

None

<b><u>Source Documents</u></b>	<b><u>Location</u></b>
Devolution Deal	<a href="http://cambridgeshirepeterborough-ca.gov.uk/">http://cambridgeshirepeterborough-ca.gov.uk/</a>



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 4.1</b>
<b>27 JUNE 2018</b>	<b>PUBLIC REPORT</b>

## **BUDGET UPDATE**

### **1.0 PURPOSE**

- 1.1. This report provides the outturn position against budget for the year to 31 March 2018 and an update of the preparation and audit of the draft Statement of Accounts of the Combined Authority for the year to 31 March 2018.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Cllr Steve Count, Portfolio Holder for Fiscal Strategy</b>
<b>Lead Officer:</b>	<b>Interim Chief Finance Officer</b>
<b>Forward Plan Ref: Not applicable</b>	<b>Key Decision: No</b>
<p>The Combined Authority Board is recommended to:</p> <ol style="list-style-type: none"> <li>1. Note the outturn position against budget for the year to 31 March 2018.</li> <li>2. Note progress being made in the preparation and audit of the draft Statement of Accounts for 2017/18.</li> <li>3. Note that a further report will be brought to the Board to recommend the approval of certain unspent budgets, to be identified in that report, to be carried forward for use in 2018/19.</li> </ol>	<p><b>Voting arrangements</b></p> <p>Simple majority of all Members</p>

## 2.0 BACKGROUND

- 2.1. The Board approved the 2017/18 budget at its meeting of 20 March 2017. The budget has been developed since then as the Board has approved requests for funding during the course of the year.
- 2.2. The Combined Authority's first full year statement of accounts for 2017/18 have been published in draft form and are currently being audited by the Combined Authority's auditors Ernst & Young LLP.
- 2.3. The outturn position set out in this report is based on unaudited figures. Any updates to the outturn required as a result of any audit findings will be reported to the Board at a future date.

### Outturn Report 2017/18

- 2.4. The outturn position shows overall expenditure for the year of £40.7m, against a budget of £53.5m, a net underspend of £12.8m.
- 2.5. Whilst some variances on individual budget lines are due to actual under or overspends against budget, some are due to funding allocations being made available in advance of actual need, or because of programme 'slippage'.
- 2.6. As this was the first year of operation for the CPCA, it would have always been anticipated that the budget which was set was indicative and variances would be expected.
- 2.7. A separate exercise will be conducted to analyse all 2017/18 variances to establish which are genuine under/overspends and which require unspent budgets to be carried forward for use in future years. A further report will be brought to the Board to request approval to carry these budgets forward into 2018/19.
- 2.8. The most significant outturn variances against the approved budget for the year are set out below. The detailed Outturn position for 2017/2018 and its impact on reserves is shown at **Appendix 1**.

### 2.9. Transport and Infrastructure Schemes

Budget - £4,200.0k

Outturn - £337.4k

Underspend- £3,862.6k

The underspend of £3,862.6k for the year includes the following:

**M11 extension to A47 (underspend of £1,151.5k against a budget of £1,250.0k)** – A re-analysis is required of the original budget allocation and of the phasing of the period over which the funds will be required. It is anticipated

that £500k of the original £1,151.5k allocation will be requested to be carried forward into 2018/19 to conclude the current feasibility stage.

**A10 Upgrade (underspend of £500.0k against a budget of £500.0k)** - The initial budget allocation was not required because the project phase has since secured alternative funding. The budget is being re-purposed for the current and future development of the A10, to include the development of a Strategic Outline Business Case.

**Wisbech Garden Town Study (underspend of £1,950.0k against a budget of £1,950.0k)** - The viability of this scheme is dependent upon strategic flood modelling and subsequent approvals by Defra and the Environment Agency. This work is due to be completed in July 2018.

## **2.10. Transport and Infrastructure – National Productivity Investment Fund**

Budget - £3,290.0k

Outturn - £0.0k

Underspend - £3,290.0k

In June 2017, the Board approved 'local' funding of £3,290.0k, being 30% of the full costs of the March Junctions and Wisbech Access Improvement schemes, if the schemes were successful in their bids for funding from the Department for Transport's National Productivity Investment Fund.

DfT funding has since been secured, but will not become available until 2018/19. Hence the unspent budget will be required to be carried forward into 2018/19 to provide the local funding required when the DfT funds are released in the new financial year.

## **2.11. Transport and Infrastructure – Priority Transport Schemes**

Budget - £3,530.0k

Outturn - £698.8k

Underspend - £2,831.2k

Outturn underspends amongst Priority Transport Schemes include delivery partners not yet drawing down allocated funds for the 'Cambridgeshire Rail Capacity Study', and for 'Cambridge South Station' projects.

The 'Regeneration of Fenland Railways' project is dependent upon the completion of earlier work by Network Rail which was not concluded by the end of the financial year.

All of the Priority Transport Scheme underspend will be required to be carried forward and made available in 2018/19.

## **2.12. Employment and Skills – University of Peterborough Business Case**

Budget - £3,840.0k

Outturn - £671.8k

Underspend - £3,168.2k

At its meeting on 28 June 2017, the Board approved funding towards workstreams 1, 2 and 3 of the phase 2 Peterborough University business case, subject to agreement being reached on grant conditions.

Two payments of 'interim funds' were made during 2017/18 to ensure continuation of the University project pending the agreement of those grant conditions. Further funding payments are also subject to the agreement of the grant conditions and so the balance of the unspent budget will need to be carried forward and made available in 2018/19 to provide for this.

## **Draft Statement of Accounts 2017/18**

2.13. The draft Statement of Accounts for the year ended 31 March 2018 was presented to the Audit and Governance Committee at an informal workshop on 22 May 2018.

2.14. The draft Statement of Accounts, together with the draft Narrative Report and the draft Annual Governance Statement were then signed by Rachel Musson, the Interim Chief Finance Officer on 30 May, and published in draft form on the Combined Authority's website together with the notice of the exercise of public rights by the due date.

2.15. The notice of the exercise of public rights states that the documents are unaudited and subject to change, and sets out the rights of members of the public and local government electors in the audit process.

2.16. Ernst & Young LLP are currently auditing the draft Statement of Accounts, and will present their findings to the Audit and Governance Committee on 20 July 2018.

2.17. The final audited version of the Statement of Accounts needs to be signed and published on the Combined Authority's website by 31 July 2018.

## **3.0 FINANCIAL IMPLICATIONS**

3.1. A further report will be brought back to the Board to request approval for unspent budgets to be carried forward from 2017/18 to 2018/19 to enable outstanding commitments and programmes to be completed.

3.2. All other financial implications are covered elsewhere in this report.

## **4.0 LEGAL IMPLICATIONS**

- 4.1. The Statement of Accounts have been prepared in accordance with statutory requirements, detailed in the Local Government Act 20103, the Accounts and Audit Regulations 2015 and The Code of Practice on Local Authority Accounting in the United Kingdom 2015/16 (the Code).

## **5.0 SIGNIFICANT IMPLICATIONS**

- 5.1. There are no other significant implications to bring to the Board's attention.

## **6.0 APPENDICES**

- 6.1. The Outturn position for 2017/18 is shown at Appendix 1.

<b><u>Source Documents</u></b>	<b><u>Location</u></b>
Draft CPCA Statement of Accounts 2017/18	<a href="http://cambridgeshirepeterborough-ca.gov.uk/assets/Audit-and-Governance-Committee/CPCA-Draft-Statement-of-Accounts-201718.pdf">http://cambridgeshirepeterborough-ca.gov.uk/assets/Audit-and-Governance-Committee/CPCA-Draft-Statement-of-Accounts-201718.pdf</a>

# Appendix 1

<u>Cambridgeshire and Peterborough Combined Authority</u> <u>Outturn 2017/18</u>	<u>2017/18</u> <u>Budget</u> <u>(£k)</u>	<u>2017/18</u> <u>Outturn</u> <u>(£k)</u>	<u>Variance</u> <u>Budget -</u> <u>Outturn</u> <u>(£k)</u>	<u>Variance</u> <u>(Favourable/</u> <u>Adverse)*</u>	
<b><u>Operational Budget</u></b>					
Staffing Costs	1,027.0	851.0	176.0	FAV	Vacant posts not filled during year
Support provided by Constituent Authorities	272.2	673.3	-401.1	ADV	Additional Legal, Finance, HR and Dem Services support to cover vacant posts and additional professional support required for Legal and Finance to support workstream projects and transfer of LEP business.
Corporate Overheads	241.9	205.7	36.1	FAV	Underspend on Comms and IT infrastructure
Corporate Income	0.0	-289.4	289.4	FAV	Income generated from investments
Election costs	1,044.0	1,036.8	7.2	FAV	
Governance Costs	4.0	1.1	2.9	FAV	
<b>Total Operational Budget</b>	<b>2,589.1</b>	<b>2,478.6</b>	<b>110.5</b>		
<b><u>Workstream Budget</u></b>					
<b><u>Fiscal</u></b>					
Development of an Investment Fund Strategy	50.0	25.0	25.0		Balance to c/fwd
Development of a Market Towns Strategy	75.0	53.4	21.6		Balance to c/fwd
Contribution to Local Growth Initiatives National Evaluation	30.6	12.7	17.9		Balance to c/fwd
Kings Dyke Nature Reserve Contribution to CCC	0.0	10.0	-10.0		Payment in accordance with Officer delegated authority
Transfer to LEP	0.0	776.9	-776.9	ADV	£400k advance plus provision for LEP net liabilities as part of transfer of LEP business
<b>Total Fiscal</b>	<b>155.6</b>	<b>878.0</b>	<b>-722.4</b>		
<b><u>Economic Strategy</u></b>					
IEC: Developing Economic Strategy	145.0	231.6	-86.6	ADV	Board agreed to underwrite LEP contribution to IEC
<b>Total Economic Strategy</b>	<b>145.0</b>	<b>231.6</b>	<b>-86.6</b>		
<b><u>Transport and Infrastructure</u></b>					
Transport & Infrastructure Schemes	4,200.0	337.4	3,862.6		Initial budget allocation to be rephased to match programme delivery
National Productivity Investment Fund	3,290.0	0.0	3,290.0		Approved funding to be allocated to DfT NPIF funds in 2018/19
Local Transport Plan	200.0	25.6	174.4		Allocated funds to be c/fwd to complete outstanding work
Rapid, Mass Transport Strategic Options Appraisal	100.0	28.2	71.8		Allocated funds to be c/fwd to complete outstanding work
Priority Transport Schemes	3,530.0	698.8	2,831.2		Cambridge Rail Capacity Study and Cambridge Sth Stn Suppliers have not yet drawn down allocated funds.
Strategic Bus Review	60.0	0.0	60.0		Fenland Railways project awaiting completion of Network Rail work.
LTP Capital Grant Fund	27,654.0	27,654.0	0.0		Expenditure to be incurred in 2018/19
Pothole/Drought damaged roads Maintenance Grant	2,724.0	2,724.0	0.0		Grants received forwarded on to CCC and PCC
<b>Total Transport and Infrastructure</b>	<b>41,758.0</b>	<b>31,492.8</b>	<b>10,265.2</b>		Grants received forwarded on to CCC and PCC



<b>Cambridgeshire and Peterborough Combined Authority Outturn 2017/18</b>	<b>2017/18 Budget (£k)</b>	<b>2017/18 Outturn (£k)</b>	<b>Variance Budget - Outturn (£k)</b>	<b>Variance (Favourable/ Adverse)*</b>	
<b><u>New Homes &amp; Communities</u></b>					
Programme delivery support to the Housing Programme.	240.0	164.8	75.2		Balance to be c/fwd to support £100m Housing fund costs
Housing Strategy	160.0	52.8	107.2		Balance to be c/fwd to support £100m Housing fund costs
Modular Housing	25.0	19.9	5.1	FAV	
Housing Investment Fund Programme - Quick Wins	2,570.0	2,152.3	417.7		Balance of budget to be c/fwd to meet future project costs
Cambridge City (£70m Devolution Fund)	0.0	594.2	-594.2		Grant payments in accordance with Cambridge City £70m Housing Agreement
<b>Total New Homes &amp; Communities</b>	<b>2,995.0</b>	<b>2,984.0</b>	<b>11.0</b>		
<b><u>Employment &amp; Skills</u></b>					
University of Peterborough - Business Case	3,840.0	671.8	3,168.2		Balance of budget to be c/fwd to meet future project costs
Skills Hub	461.0	458.9	2.1	FAV	
Devolution of Adult Education Budget	40.0	114.9	-74.9	ADV	Grant of £46k received towards costs towards future devolution
Career & Pay Progression - transfer	1,300.0	1,300.0	0.0		
<b>Total Employment &amp; Skills</b>	<b>5,641.0</b>	<b>2,545.7</b>	<b>3,095.3</b>		
<b><u>Strategic Planning</u></b>					
Non Statutory Spacial Plan	150.0	20.7	129.3		Balance of budget to be c/fwd to meet future costs
<b>Total Strategic Planning</b>	<b>150.0</b>	<b>20.7</b>	<b>129.3</b>		
<b>Total CPCA Budget</b>	<b>53,433.7</b>	<b>40,606.7</b>	<b>12,827.0</b>		
<b><u>Mayor's Office</u></b>					
Mayoral Allowance	76.0	75.9	0.1	FAV	
Mayoral Staffing Costs	59.0	65.1	-6.1	ADV	
Mayoral Expenses	11.0	8.0	3.0	FAV	
Mayoral Conference, Washington	8.5	7.7	0.8	FAV	Costs of conference net of contributions received to date
<b>Total Mayor's Office</b>	<b>154.5</b>	<b>156.6</b>	<b>-2.2</b>		
<b>Grand Total</b>	<b>53,588.2</b>	<b>40,763.3</b>	<b>12,824.8</b>		

\*Variances are not classified as 'Favourable' or 'Adverse' where balances of unspent funds are required to meet ongoing liabilities

	<u>Funding Source</u>					
<u>Cambridgeshire and Peterborough Combined Authority</u> <u>Outturn 2017/18 - Movement in Reserves</u>	<u>Gain Share</u> <u>Revenue</u> <u>(£k)</u>	<u>Gain Share</u> <u>Capital</u> <u>(£k)</u>	<u>Housing -</u> <u>General</u> <u>(£k)</u>	<u>Housing -</u> <u>Cambridge</u> <u>(£k)</u>	<u>Other</u> <u>(£k)</u>	<u>Total</u> <u>(£k)</u>
Reserves Funding Brought Forward from 1 April 2017	7,057.0	12,000.0	10,000.0	10,500.0	446.0	40,003.0
2017/18 Funding Received	8,000.0	12,000.0	30,000.0	10,500.0	31,724.0	92,224.0
CPCA Costs	5,135.6	763.0	2,389.8	594.2	31,724.0	40,606.7
Mayoral Costs	156.6					156.6
Reserves Balance Carried Forward as at 31 March 2018	9,764.7	23,237.0	37,610.2	20,405.8	446.0	91,463.7
Movement between reserves	-54.0				54.0	
Reserves carried forward as at 31 March 2018	9,710.7	23,237.0	37,610.2	20,405.8	500.0	91,463.7