



**EXTRAORDINARY MEETING OF
CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY
BUSINESS BOARD: VIRTUAL MEETING MINUTES**

Date: Thursday, 9th July 2020

Time: 12.08p.m. – 12.50p.m.

Present: Austen Adams (Chairman), Tina Barsby, Mark Dorsett, Councillor John Holdich, Faye Holland, Al Kingsley, Nicki Mawby, Jason Mellad, Andy Neely, Mayor James Palmer, Nitin Patel and Rebecca Stephens

149. APOLOGIES AND DECLARATIONS OF INTEREST

The Chairman welcomed everyone to the Business Board meeting.

Apologies were received from Aamir Khalid and Kelly Swingler.

Jason Mellad declared a non-pecuniary interest in the Accelerated 2021 Local Growth Funding Allocated to CPCA Business Board (Item 150), as the Chief Executive of Start Codon Limited.

150. ACCELERATED 2021 LOCAL GROWTH FUNDING ALLOCATED TO CPCA BUSINESS BOARD

Members considered a report on accelerated access to the 2021 Local Growth Funding (LGF) budget allocation, which had provisionally been offered to the Business Board amounting to £14.6 million; the allocation of this funding had been based on population levels and the impact of Covid-19 on the local economy. Attention was drawn to the background to the offer, which set out the process by which these funds were awarded. The criteria for submitting projects was capital only LGF projects with the ability to deliver spend within eighteen months, and outcomes related to jobs, growth and green recovery over the following eighteen months after that spend. The projects also needed to comply with and proceed through the Local Assurance Framework (LAF).

Members were advised of the confusion around the bidding process, which had resulted in other Local Authorities submitting their own bids. Attention was then drawn to Appendix B which detailed Business Board priority ranked projects and new projects from Local Authority partners. It was noted that only the top five ranked projects had been evaluated by Government against the set criteria, which had left three projects. After further evaluation of these three projects, it was proposed that the Peterborough University Phase 2 Innovation Ecosystem Project should be the primary project put forward for further evaluation.

Officers had met with a representative of the Cities and Local Growth Unit on 7 July 2020 to discuss the deliverability of the Peterborough project, which consisted of a Research Centre building on the new university campus and a set of slip roads from Frank Perkins way. Members noted the questions and answers provided at the meeting set out in Section 2.3 of the report. In focusing on the funding gaps, the Board was informed that

Peterborough City Council would provide £1.9m to part fund the construction of the slip roads, and the applicant for the research building would provide £1.5m of private sector funding. The process for procurement of the building contractor would be handled in parallel with the planning process to meet construction timescales. Appendices C and D covered these issues and the aspects for delivery.

The Chairman acknowledged that the tight timeframe had meant that the Board had not been consulted in advance. At this point in time, the Board was being invited to approve the proposal to deploy the awarded accelerated LGF to the Business Board's number one ranked priority project: Greater Peterborough Innovation Ecosystem, subject to successfully completing the LAF application process including ratification by the Combined Authority Board. This would therefore mean that this project would be presented to the Board in September for final recommendation to the Combined Authority for approval of funding. The Chairman reassured the Board that he had been consulted throughout the fast moving process.

One Member who had been involved closely in Phase 1 of the University of Peterborough project highlighted the positive aspects of this proposal. The alignment of courses which were employer/workforce linked and could be flexible to meet demand provided the best opportunity for success post Covid-19.

Another Member queried how the list in Appendix B had been identified as a scheme relating to the Peterborough Station Quarter was not actually on this list. The Director of Business and Skills explained that the Greater Peterborough Innovation Ecosystem project had not been on the list of projects considered by the Board previously, for the use of the small amounts of remaining and recycled LGF left for allocation. This was because the University project requirement for LGF was far greater than the funds remaining to be allocated, hence not considered against those funds. Instead, the University project was sitting in the LGF pipeline awaiting the new large-scale allocation of LGF4 funding in 2021. It was important to note that the Government requirement was for big strategic projects which could be brought forward and delivered by January 2022 to provide a high jobs impact through accelerated access to those 2021 LGF4 funds. This being the reason the University Project had been placed on the new priority list.

Peterborough Station Quarter and many other projects the Board was aware of did not meet this criteria. It was also important to note that all projects had to be evaluated through the LAF criteria. The Director of Business and Skills reported that he would be meeting Local Authority Leaders week beginning 13 July to explain this process.

One Member queried whether the Combined Authority would still receive the funding if a flaw was identified in the project as part of the LAF evaluation process. It was noted that Government would be unlikely to withdraw the £14.6m funding. Instead the Business Board would be invited to consider the College of West Anglia Construction Hub and the Huntingdon Clean Energy Park projects.

Another Member highlighted the fact that he recognised some projects in Appendix B but not others. He reminded Members that the Board had already approved many high quality projects for funding, and he queried why none of these project owners had not been contacted to see if they could extend or propose new projects through this additional funding. He also raised the need to learn from this process so that the Board

could be prepared in the future for such fast-response asks from Government. The Director of Business and Skills explained that the Secretary of State for the Ministry of Housing, Communities and Local Government had made it clear that only new proposals would be considered, which was why no projects already funded and in delivery had been considered. He was surprised that some projects which had been identified by Local Authorities had not been raised with the Combined Authority in the past. The Chairman acknowledged this point particularly in relation to the Clean Energy Park.

The same Member queried the funding arrangements for Phase 1 University of Peterborough given that page 20 of the report stated that the project was fully funded. The Director of Business and Skills reminded the Board that £33.1m had been committed for Phase 1, which included £12.3m from the Combined Authority (to be considered by the Business Board at its July meeting), £12.5m from the LGF (already approved by the Business Board), £1.8m from Peterborough City Council and £6.5m from the academic partner.

Another Member queried whether enough was being done to engage new companies particularly small and medium enterprises in the LGF process. The Director of Business and Skills agreed to provide the Board with a list of all the projects. The Combined Authority had also carried out a significant amount of public relations and communications work to promote the LGF. The Chairman welcomed the proposal to share the full list of projects with the Board. It was also agreed to add a list of applicants as well. **Action Required.**

In agreeing the recommendations below, one Member raised the need to learn lessons from the process in order to have a compatible approach ready if something similar occurred in the future.

It was resolved unanimously to:

- (a) Note the process by which projects were ranked, and the level of funds awarded for accelerated LGF;
- (b) Formally accept the allocation of £14.6million accelerated LGF from Cities and Local Government Unit;
- (c) Recommend that the Mayor formally accepts the allocation of £14.6million accelerated LGF from Cities and Local Government Unit, on behalf of the Combined Authority, in its role as accountable body which would be managed by the Business Board; and
- (d) Approve the plan to deploy the awarded accelerated LGF to the Business Board's no1 ranked priority project: Greater Peterborough Innovation Ecosystem, subject to successfully completing the Local Assurance Framework application process including ratification by the Combined Authority Board.

Chairman