



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

Monday, 20 March 2017

2:00p.m. – 4:00p.m

The Boathouse Business Centre, Harbour Square, Nene Parade, Wisbech, Cambs PE13 3BH

AGENDA

No	Agenda Item	Leader / Chief Officer	Papers
	Part 1- Business Items		
1.1	Membership of the Combined Authority	Chief Executive of the Shadow Combined Authority	Yes
1.2	Appointment of Chair and Chair's opening remarks	Chief Executive of the Shadow Combined Authority	Yes
1.3	Appointment of Vice-chair	Chair	Yes
1.4	Approval of Cambridgeshire & Peterborough Authority Order 2017	Chair	Yes
1.5	Apologies for absence	Chair	Verbal
1.6	Declarations of Interest	Chair	Verbal
1.7	Forward Plan	Chair	Yes
	Part 2 – Governance Items		
2.1	Approval and adoption of Constitution	Cllr Lewis Herbert / Kim Sawyer	Yes



No	Agenda Item	Leader / Chief Officer	Papers
2.2	Voting rights for Greater Cambridge Greater Peterborough Local Enterprise Partnership	Cllr Lewis Herbert / Kim Sawyer	Yes
2.3	Appointment of Portfolios	Cllr Lewis Herbert / Kim Sawyer	Yes
2.4	Appointment of working groups	Cllr Lewis Herbert / Kim Sawyer	Yes
2.5	Observers to the Combined Authority	Cllr Lewis Herbert / Kim Sawyer	Yes
2.6	Appointment of Shadow Scrutiny Committee members	Cllr Lewis Herbert / Kim Sawyer	Yes
2.7	Recruitment of the Chief Executive	Cllr Robin Howe/ John Hill	Yes
2.8	Appointment of Statutory Officers	Cllr Lewis Herbert / Kim Sawyer	Yes
2.9	Ratifying decisions of Shadow Combined Authority	Cllr Lewis Herbert / Kim Sawyer	Yes
Part 3 – Ordinary Business			
3.1	Housing: Developing our Strategy and Affordable Housing	Cllr Peter Topping / Antoinette Jackson	Yes



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No	Agenda Item	Leader / Chief Officer	Papers
	Part 4 – Finance framework		
4.1	Budget Report 2016/17 to 2020/21	Cllr Robin Howe / John Harrison	Yes
	Part 5 – Date of next meeting Date: Wednesday 26 April at 10.00 am Venue- Huntingdon District Council offices, Pathfinder House, Huntingdon		

The Shadow Combined Authority currently comprises the following members:

Councillors: J Clark, S Count, L Herbert, J Holdich,
R Howe, J Palmer & P Topping; LEP Chairman M Reeve

Substitute members:

Councillors D Brown, W Fitzgerald, R Hickford, K Price, C Roberts, W Sutton & N Wright;
LEP substitute member to be confirmed

Observers: J Ablewhite (Police and Crime Commissioner), J Bawden (Clinical
Commissioning Group), and Sir P Brown (Chairman, Cambridgeshire and Peterborough Fire
Authority)

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY

BOARD MEETING

Date: 20 March 2017

Portfolio Holder: Chief Executive of Shadow Combined Authority

MEMBERSHIP OF COMBINED AUTHORITY

1. PURPOSE AND REASON FOR REPORT

1.1 The purpose of this report is to:

- (a) Note the Members and substitute Members appointed by the Constituent Councils as set out in **Appendix 1**;
- (b) Note nominations of the Members and substitute Member nominated by the Greater Cambridge/Greater Peterborough Enterprise Partnership (GCGP LEP) and confirm these appointments as set out in **Appendix 1**.

2. DECISIONS REQUIRED

<p>The Combined Authority Board is recommended to:</p> <ul style="list-style-type: none"> Note the Members and substitute Members appointed by the Constituent Councils to the Combined Authority. Confirm the appointment of the Member and substitute Member nominated by the Greater Cambridge/Greater Peterborough Enterprise Partnership (GCGP LEP) to the Combined Authority. 	<p><i>Voting Arrangements</i></p> <p>Simple Majority</p>
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3. BACKGROUND

- 3.1 In accordance with the Cambridgeshire and Peterborough Combined Authority Order 2017, each Constituent council must appoint one of its elected members and a substitute member to the Combined Authority. Each council made such appointments at its respective Council meeting in November 2016.
- 3.2 The Local Enterprise Partnership must nominate one of its members and a substitute member and the Combined Authority must appoint the member nominated by the LEP. The Members and substitute Members appointed by the Constituent Councils and the nominations received from the GCGP LEP are set out in Appendix 1.
- 3.3 These appointments were noted at the Shadow Combined Authority for the municipal year 2016/17.

4. FINANCIAL IMPLICATIONS

- 4.1 In accordance with the Cambridgeshire and Peterborough Combined Authority Order 2017 no remuneration is to be payable by the Combined Authority to its members.

5. CONSTITUTION AND LEGAL IMPLICATIONS

- 5.1 These are dealt with in the report.

6. EQUALITIES IMPLICATION

- 6.1 N/A

7. BACKGROUND DOCUMENTS

- 7.1 The Cambridgeshire and Peterborough Combined Authority Order 2017.

8. APPENDICES

- 8.1 Membership of Combined Authority Board.

Appendix 1 to the Membership Report

CAMBRIDGE AND PETERBOROUGH COMBINED AUTHORITY BOARD MEMBERSHIP 2016-2017

Nominating Body	Member	Substitute Member
Constituent Authorities	Leader	
Cambridge City Council	Cllr Lewis Herbert	Cllr Kevin Price
Cambridgeshire County Council	Cllr Steve Count	Cllr Roger Hickford
East Cambridgeshire District Council	Cllr James Palmer	Cllr Charles Roberts
Fenland District Council	Cllr John Clark	Cllr Will Sutton
Huntingdonshire District Council	Cllr Robin Howe	Cllr Daryl Brown
Peterborough City Council	Cllr John Holdich	Cllr Wayne Fitzgerald
South Cambridgeshire District Council	Cllr Peter Topping	No nominee
GCGP LEP	Mark Reeve	No nominee



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BOARD MEETING

Date: 20 March 2017

Portfolio Holder: Chief Executive of the Shadow Combined Authority

APPOINTMENT OF THE CHAIR

1. PURPOSE AND REASON FOR REPORT

- 1.1 The purpose of this report is to ask the Cambridgeshire and Peterborough Combined Authority Board to appoint a Chair of the Cambridgeshire and Peterborough Combined Authority Board.

2. DECISIONS REQUIRED

	<i>Voting Arrangements</i>
The Combined Authority is asked to appoint Councillor Robin Howe as Chair of the Cambridgeshire and Peterborough Combined Authority Board until 8 May 2017.	Simple Majority

3. BACKGROUND

- 3.1 Following the agreement of all Councils to the Secretary of State making an Order to establish the Cambridgeshire and Peterborough Combined Authority, the Cambridgeshire and Peterborough Shadow Combined Authority was established in December 2016. On 31 January, the Shadow Board appointed Councillor Robin Howe as Chair of the Combined Authority Shadow Board.
- 3.2 Following the signing of the Cambridgeshire and Peterborough Combined Authority Order 2017, the Combined Authority was formally established on 3 March.
- 3.3 In accordance with the Order, the Combined Authority Board must appoint a Chair from among its constituent Council Members and the appointment is to be the first business transacted after the appointment of Members of the Combined Authority, at its first meeting.
- 3.4 The position of Chair of the Combined Authority is abolished with effect from 8 May 2017.



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- 3.5 A person ceases to be Chair of the Combined Authority if they cease to be a member of the Combined Authority. If a vacancy arises in the office of Chair, an appointment to fill the vacancy is to be made at the next ordinary meeting of the Combined Authority, or, if that meeting is to be held within 14 days of the vacancy arising, at the meeting following that meeting.

4. FINANCIAL IMPLICATIONS

- 4.1 In accordance with the Cambridgeshire and Peterborough Combined Authority Order 2017, no remuneration is to be payable by the Combined Authority to its Members.

5. CONSTITUTION AND LEGAL IMPLICATIONS

- 5.1 These are dealt with in the report.

6. EQUALITIES IMPLICATION

- 6.1 N/A

7. BACKGROUND DOCUMENTS

- 7.1 Agenda and minutes for meetings of the Cambridgeshire and Peterborough Shadow Authority are available on the Cambridgeshire County Council website.

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY

BOARD MEETING

Date: 20 March 2017

Portfolio Holder: Councillor Lewis Herbert

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY APPOINTMENT OF VICE CHAIR

1. PURPOSE AND REASON FOR REPORT

- 1.1 The purpose of the report is to ask the Cambridgeshire and Peterborough Combined Authority Board to appoint a vice-chair of the Combined Authority Board.

2 DECISIONS REQUIRED

<p>The Combined Authority Board is recommended to appoint Councillor Holdich as Vice-Chair of the Combined Authority Board until 8 May 2017.</p>	<p><i>Voting Arrangements</i></p> <p>Simple Majority</p>
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3. BACKGROUND

- 3.1 Following the agreement of all Councils to the Secretary of State making an Order to establish the Cambridgeshire and Peterborough Combined Authority, the Cambridgeshire and Peterborough Shadow Combined Authority was established in December 2016. On 14 December the Shadow Board appointed Councillor Holdich as Vice-Chairs of the Combined Authority Shadow Board
- 3.2 Following the signing of the Cambridgeshire and Peterborough Combined Authority Order 2017, the Combined Authority was formally established on 3 March. In accordance with the Order, the Combined Authority must appoint a Vice-Chair from among its members.
- 3.3 The appointment of the Vice-Chair is to be the first business transacted after the appointment of members of the Combined Authority and the Chair of the Combined Authority at its first meeting.



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3.4 The Vice-Chair of the Combined Authority ceases to hold office on 8 May 2017.

3.5 A person ceases to be Vice-Chair of the Combined Authority if they cease to be a member of the Combined Authority. If a vacancy arises in the office of Vice-Chair, an appointment to fill the vacancy is to be made at the next ordinary meeting of the Combined Authority, or, if that meeting is to be held within 14 days of the vacancy arising, at the meeting following that meeting.

4. FINANCIAL IMPLICATIONS

4.1 In accordance with the Cambridgeshire and Peterborough Combined Authority Order 2017, no remuneration is to be payable by the Combined Authority to its members.

5. CONSTITUTION AND LEGAL IMPLICATIONS

5.1 These are dealt with in the report.

6. EQUALITIES IMPLICATION

6.1 N/A

7. BACKGROUND DOCUMENTS

7.1 Agenda and minutes for meetings of the Cambridgeshire and Peterborough Shadow Authority are available on the Cambridgeshire County Council website.

8. APPENDICES

None.



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CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY

BOARD MEETING

Date: 20 March 2017

Portfolio Holder: Councillor Lewis Herbert

APPROVAL OF THE CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY ORDER 2017

1. PURPOSE AND REASON FOR REPORT

- 1.1 The purpose of this report is to ask the Combined Authority to adopt the Cambridgeshire and Peterborough Combined Authority Order 2017.

2. DECISIONS REQUIRED

	Voting Arrangements
The Combined Authority is recommended to adopt the Cambridgeshire and Peterborough Combined Authority Order 2017 as set out in Appendix 1 to this report.	Simple Majority

3. BACKGROUND

- 3.1 On 2 March, the Cambridgeshire and Peterborough Combined Authority Order setting up the Combined Authority was made following its passage through the Parliamentary process. The Order took effect the following day.

- 3.2 Members are asked to formally adopt the final Order as set out in Appendix 1 to this report.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no financial implications.

5. CONSTITUTION AND LEGAL IMPLICATIONS

- 5.1 There are no specific legal implications.



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6. EQUALITIES IMPLICATION

6.1 There are no specific equalities implications.

7. BACKGROUND DOCUMENTS

7.1 None.

8. APPENDICES

8.1 Appendix 1 – Order

http://www.legislation.gov.uk/uksi/2017/251/pdfs/uksi_20170251_en.pdf

2017 No. 251

LOCAL GOVERNMENT, ENGLAND

TRANSPORT, ENGLAND

**The Cambridgeshire and Peterborough Combined Authority
Order 2017**

Made - - - -

2nd March 2017

Coming into force in accordance with article 1

This Order is made in exercise of the powers conferred by sections 103(1), 104(1)(a), 105(1) and (3), 105A(1)(a), (2) and (3)(b), 107A(1) and (2), 107D(1), (7)(a), (b), (c), (d) and (e), and (8)(b), 107G(1), 113D(1), 114(1) and (3) and 117(5) of, and paragraph 3 of Schedule 5A to and paragraph 3 of Schedule 5B to, the Local Democracy, Economic Development and Construction Act 2009(a) (“the 2009 Act”).

The Secretary of State, having had regard to the scheme prepared and published under section 109 of the 2009 Act, considers that—

- (a) the making of this Order is likely to improve the exercise of statutory functions in the area to which this Order relates, and
- (b) the consultation required by section 110(2) of the 2009 Act has been carried out.

The Secretary of State is satisfied that the area to which this Order relates meets the conditions set out in section 103(2) and (5) of the 2009 Act(b).

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- (a) 2009 c. 20. Section 103 was amended by sections 12 and 14 of the Cities and Local Government Devolution Act 2016 (c. 1) (“the 2016 Act”). Section 104 was amended by sections 8 and 14 of, and Schedule 5 to, the 2016 Act. Section 105 was amended by sections 6, 9 and 14 of the 2016 Act. Section 105A was inserted by section 7 of the 2016 Act. Section 107A was inserted by section 2 of the 2016 Act. Section 107D was inserted by section 4 of the 2016 Act. Section 107G was inserted by section 5 of the 2016 Act. Section 113D was inserted by section 10 of the 2016 Act. Section 114 was amended by Schedule 5 to the 2016 Act. Subsections (2), (2A) and (3) of section 117 were substituted by section 13 of the Localism Act 2011 (c. 20) and section 117(5) was inserted by paragraph 29 of Schedule 5 to the 2016 Act. Schedules 5A and 5B were inserted by Schedules 3 and 1 respectively to the 2016 Act.
- (b) Section 103 provides that the Secretary of State may by order establish as a body corporate a combined authority for an area on condition that the area consists of the whole of two or more local government areas in England and that no part of the area forms part of (a) the area of another combined authority, (b) the area of an Economic Prosperity Board, or (c) an integrated transport area.

In making this Order, the Secretary of State has had regard to the need to reflect the identities and interests of local communities, and to secure effective and convenient local government^(a).

In accordance with sections 104(10), 105(3A), 105B(2) and 113D(2) of the 2009 Act^(b), the councils for the local government areas of Cambridge, Cambridgeshire, East Cambridgeshire, Fenland, Huntingdonshire, Peterborough and South Cambridgeshire have consented to the making of this Order.

In accordance with section 105B(9) of the 2009 Act, the Secretary of State has laid before Parliament a report explaining the effect of this Order and why the Secretary of State considers it appropriate to make this Order.

A draft of this instrument has been laid before, and approved by a resolution of, each House of Parliament pursuant to section 117(2) of the 2009 Act.

Accordingly, the Secretary of State makes the following Order:

PART 1

General

Citation and commencement

1.—(1) This Order may be cited as the Cambridgeshire and Peterborough Combined Authority Order 2017.

(2) Save as provided in paragraph (3), this Order comes into force on—

(a) 1st February 2017; or

(b) if the Order is made on or after 1st February 2017, on the day after the day on which it is made.

(3) Articles 7 and 12 come into force on 8th May 2017.

Interpretation

2. In this Order—

“the 1980 Act” means the Highways Act 1980^(c);

“the 2000 Act” means the Transport Act 2000^(d);

“the 2003 Act” means the Local Government Act 2003^(e);

“the 2011 Act” means the Localism Act 2011^(f);

“Area” means the area consisting of the areas of the constituent councils;

“Combined Authority” means the Cambridgeshire and Peterborough Combined Authority as constituted by article 3;

(a) Section 110(4) of the 2009 Act requires the Secretary of State when making an order to establish a combined authority to have regard to the need to reflect the identities and interests of local communities, and to secure effective and convenient local government.

(b) Section 105B was inserted by section 7 of the 2016 Act.

(c) 1980 c. 66.

(d) 2000 c. 38.

(e) 2003 c. 26.

(f) 2011 c. 20.

“constituent councils” means the councils for the local government areas of Cambridge, Cambridgeshire, East Cambridgeshire, Fenland, Huntingdonshire, Peterborough and South Cambridgeshire;

“Local Enterprise Partnership” means the board of the Greater Cambridge Greater Peterborough Enterprise Partnership Limited^(a);

“Mayor” means the mayor for the Combined Authority as provided for by article 5; and

“upper-tier authority” means Cambridgeshire County Council or Peterborough City Council.

PART 2

Establishment of a combined authority for Cambridgeshire and Peterborough

Establishment

3.—(1) There is established as a body corporate a combined authority for the areas of the constituent councils.

(2) The combined authority is to be known as the Cambridgeshire and Peterborough Combined Authority.

(3) The functions of the combined authority are those functions conferred or imposed upon it by this Order or by any other enactment (whenever passed or made), or as may be delegated to it by or under this Order or any other enactment (whenever passed or made).

Constitution

4. The Schedule (which makes provision about the constitution of the Combined Authority) has effect.

Mayor

5.—(1) There is to be a mayor for the Area.

(2) The first election for the return of a mayor is to take place on 4th May 2017.

(3) Subsequent elections for the return of a mayor for the Area are to take place—

(a) on the ordinary day of election in 2021, and

(b) in every fourth year thereafter on the same day as the ordinary day of election.

(4) The term of office of the mayor returned at an election for the return of a mayor for the Area—

(a) begins with the fourth day after the day of the poll at the election for the return of a mayor for the Area, and

(b) ends with the third day after the day of the poll at the next election for the return of a mayor for the Area.

(5) In this article, “the ordinary day of election”, in relation to any year, means the day which is the ordinary day of election in that year of councillors for counties and districts in England as determined in accordance with sections 37 and 37A of the Representation of the People Act 1983^(b).

^(a) The Greater Cambridge Greater Peterborough Enterprise Partnership is registered as a company limited by guarantee, Company No: 07553554.

^(b) 1983 c. 2. Section 37 was amended by section 17 of, and Schedule 3 to, the Greater London Authority Act 1999 (c. 29) and by section 60(1) of the Local Government and Public Involvement in Health Act 2007 (c. 28). Section 37A was inserted by section 60(2) of the Local Government and Public Involvement in Health Act 2007.

Funding

6.—(1) The constituent councils must meet any reasonably incurred costs of the Combined Authority, other than the costs mentioned in paragraph (2), to the extent that the Combined Authority has not decided to meet these costs from other resources available to the Combined Authority.

(2) Subject to paragraph (4), the constituent councils must meet the costs of the expenditure reasonably attributable to the exercise of the function specified in article 12(1), to the extent that the Mayor has not decided to meet these costs from other resources available to the Combined Authority.

(3) Any amount payable by each of the constituent councils to ensure that the costs of the Combined Authority referred to in paragraphs (1) and (2) are met is to be determined by apportioning such costs between the constituent councils in such proportions as they may agree or, in default of such agreement, in equal proportions.

(4) In relation to the expenditure mentioned in paragraph (2)—

- (a) to the extent to which such expenditure is met by amounts payable under arrangements made under paragraph (3)—
 - (i) the Mayor must agree with the Combined Authority the total expenditure mentioned in paragraph (2) in advance of incurring this expenditure; and
 - (ii) in the absence of the agreement specified in paragraph (i), no such expenditure may be incurred; and
- (b) any precept issued in relation to such expenditure under section 40 of the Local Government Finance Act 1992 (issue of precepts by major precepting authorities)(a) is to be disregarded in any calculation of the costs of that expenditure.

PART 3

Transport

Power to pay grant

7.—(1) The functions of a Minister of the Crown specified in section 31 of the 2003 Act (power to pay grant) are functions of the Combined Authority that are exercisable in relation to the Area.

(2) These functions are exercisable—

- (a) concurrently with a Minister of the Crown; and
- (b) only for the purpose of paying grant to an upper-tier authority.

(3) Paragraph (4) applies where, in exercising the functions referred to in paragraph (1), the Combined Authority determines an amount of grant to be paid towards expenditure incurred or to be incurred by an upper-tier authority in relation to the exercise of its highway functions.

(4) In determining that amount, the Combined Authority must have regard to the desirability of ensuring that the upper-tier authority has sufficient funds to facilitate the effective discharge of those functions.

(5) To comply with paragraph (4), the Combined Authority must take into account—

- (a) any other sources of funding available to the upper-tier authority for expenditure incurred or to be incurred in relation to the exercise of its highway functions; and
- (b) the most recent determination by the Secretary of State of an amount of grant paid to the upper-tier authority for those purposes.

(a) 1992 c. 14. Section 40 was amended by section 83 of the Greater London Authority Act 1999, section 79 of and paragraph 7 of Schedule 17 to the 2011 Act and section 5 of the 2016 Act.

(6) For the purposes of the exercise of the functions of the Combined Authority referred to in paragraph (1), section 31 of the 2003 Act has effect as if—

- (a) in subsection (1)—
 - (i) the reference to a Minister of the Crown were a reference to the Combined Authority;
 - (ii) the reference to a local authority in England were a reference to an upper-tier authority;
- (b) subsection (2) were omitted;
- (c) in subsections (3) and (4), the references to the person paying it (the grant) were references to the Combined Authority;
- (d) subsection (6) were omitted.

(7) In this article “highway functions” means the functions exercisable by an upper tier authority (in whatever capacity) in relation to the highways for which they are the highway authority(a).

Local transport

8. The following functions are exercisable by the Combined Authority, instead of the upper-tier authorities, in relation to the Area—

- (a) functions of the upper-tier authorities specified in Parts 4 (local passenger transport services) and 5 (financial provisions) of the Transport Act 1985(b); and
- (b) the functions of the upper-tier authorities as local transport authorities specified in Part 2 (local transport) of the 2000 Act(c).

Agreements between authorities

9.—(1) The functions of the upper-tier authorities specified in section 6 of the 1980 Act (powers to enter into agreements with the Minister or strategic highways companies relating to the exercise of functions with respect to trunk roads etc.)(d) are exercisable by the Combined Authority in relation to the Area.

(2) The functions of the upper-tier authorities as local highway authorities specified in the following provisions of the 1980 Act are exercisable by the Combined Authority in relation to the Area—

- (a) section 8 (power to enter into agreements with local highway authorities and strategic highways companies for the doing of certain works)(e);
- (b) section 62 (general power of improvement)(f);
- (c) section 64 (dual carriageways and roundabouts)(g);
- (d) section 65 (cycle tracks);

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- (a) Section 1(2) of the 1980 Act provides that outside Greater London the council of a county or metropolitan district is the highway authority for all highways in the county or, as the case may be, the district, whether or not maintainable at the public expense, which are not highways for which the Minister or a strategic highways company is the highway authority.
 - (b) 1985 c. 67.
 - (c) Section 108(4) of the 2000 Act provides that in Part 2 of that Act “local transport authority” means (a) a county council in England, (b) a council of a non-metropolitan district in England comprised in an area for which there is no county council, (c) an Integrated Transport Authority for an integrated transport area in England, (ca) a combined authority, or (d) a county council or county borough council in Wales.
 - (d) Section 6 was amended by section 8 of, and paragraph 4 of Schedule 4 to, the Local Government Act 1985 (c. 51), section 22 of, and paragraph 2 of Schedule 7 to, the Local Government (Wales) Act 1994 (c. 19), section 1 of, and paragraph 7 of Schedule 1 to, the Infrastructure Act 2015 (c. 7), and S.I. 1995/1986.
 - (e) Section 8 was amended by section 22 of, and paragraph 3 of Schedule 7 to, the Local Government (Wales) Act 1994, section 8 of, and paragraph 5 of Schedule 4 to, the Local Government Act 1985, and section 1 of, and paragraph 8 of Schedule 1 to, the Infrastructure Act 2015 (c. 7).
 - (f) Section 62 was amended by Schedule 10 to the Transport Act 1981 (c. 56), Schedule 17 to the Local Government Act 1985 (c. 51), and section 1(1) of the Traffic Calming Act 1992 (c. 30).
 - (g) Section 64 was amended by Schedule 17 to the Local Government Act 1985 and Schedule 9 to the New Roads and Street Works Act 1991 (c. 22).

- (e) section 66 (footways and guard-rails etc for publicly maintainable highways)(a);
- (f) section 68 (refuges);
- (g) section 69 (subways)(b);
- (h) section 70 (footbridges over highways);
- (i) section 73 (power to prescribe improvement line for widening street) (c);
- (j) section 74 (power to prescribe a building line)(d);
- (k) section 75 (variation of widths of carriageways and footways);
- (l) section 76 (levelling of highways);
- (m) section 77 (alteration of levels);
- (n) section 78 (cutting off of corners);
- (o) section 79 (prevention of obstruction to view at corners)(e);
- (p) section 80 (power to fence highways)(f);
- (q) section 81 (provision of highway boundary posts);
- (r) section 91 (construction of bridge to carry existing highway maintainable at public expense);
- (s) section 92 (reconstruction of bridge maintainable at public expense);
- (t) section 93 (power to make orders as to reconstruction, improvement, etc of privately maintainable bridges)(g);
- (u) section 94 (powers of highway authorities and bridge owners to enter into agreements);
- (v) section 96 (powers of highway and local authorities to plant trees, lay out grass verges etc);
- (w) section 97 (lighting of highways)(h);
- (x) section 98 (delegation of lighting functions of highway authority);
- (y) section 99 (metalling of highways);
- (z) section 100 (drainage of highways)(i); and
- (aa) section 101 (power to fill in roadside ditches etc).

(3) The functions specified in paragraphs (1) and (2) are exercisable by the Combined Authority concurrently with the constituent councils.

(4) In this article, “local highway authority” has the meaning given by section 329(1) of the 1980 Act (further provision as to interpretation)(j).

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- (a) Section 66 was amended by paragraph 17 of Schedule 4 to the Local Government Act 1985, section 70(1) of the Countryside and Rights of Way Act 2000 (c. 37), and paragraph 23 of Schedule 1 to the Infrastructure Act 2015 (c. 7).
 - (b) Section 69 was amended by Schedule 17 to the Local Government Act 1985, paragraph 7 of Schedule 7 to the Local Government (Wales) Act 1994 (c. 19), and paragraph 24 of Schedule 1 to the Infrastructure Act 2015 (c. 7).
 - (c) Section 73 was amended by sections 37 and 46 of the Criminal Justice Act 1982 (c. 48) and paragraph 62 of Schedule 25 to the Water Act 1989 (c. 15).
 - (d) Section 74 was amended by sections 37 and 46 of the Criminal Justice Act 1982 and paragraph 62 of Schedule 25 to the Water Act 1989.
 - (e) Section 79 was amended by paragraph 18 of Schedule 17 to the Local Government Act 1985, paragraph 8 of Schedule 7 to the Local Government (Wales) Act 1994, sections 37 and 46 of the Criminal Justice Act 1982, and paragraph 52 of Schedule 9 to the Crime and Courts Act 2013 (c. 22).
 - (f) Section 80 was amended by paragraph 19 of Schedule 4 to the Local Government Act 1985, paragraph 45(4) of Schedule 2 to the Planning (Consequential Provisions) Act 1990 (c. 11) and paragraph 25 of Schedule 1 to the Infrastructure Act 2015 (c. 7).
 - (g) Section 93 was amended by paragraph 27 of Schedule 1 to the Infrastructure Act 2015 (c. 7).
 - (h) Section 97 was amended by paragraph 29 of Schedule 1 to the Infrastructure Act 2015 (c. 7).
 - (i) Section 100 was amended by paragraph 21 of Schedule 4 to the Local Government Act 1985, paragraph 62 of Schedule 25 to the Water Act 1989, paragraph 36(1) of Schedule 1 to the Water Consolidation (Consequential Provisions) Act 1991, and paragraph 9 of Schedule 7 to the Local Government (Wales) Act 1994.
 - (j) This definition in section 329(1) of the 1980 Act was amended by paragraph 60(1) of Schedule 1 to the Infrastructure Act 2015 (c. 7).

PART 4

Additional functions

Economic development and regeneration functions

10. The functions of the constituent councils specified in the following provisions are exercisable by the Combined Authority in relation to the Area—

- (a) section 144 of the Local Government Act 1972 (the power to encourage visitors and provide conference and other facilities)(a); and
- (b) sections 15ZA, 15ZB, 15ZC, 17, 18A(1)(b), 514A and 560A of the Education Act 1996 (duties and powers related to the provision of education and training for persons over compulsory school age)(b).

General power of competence

11. Chapter 1 of Part 1 of the 2011 Act (general powers of authorities) is to have effect in relation to the Combined Authority as it has effect in relation to a local authority(c).

General functions of the Combined Authority exercisable only by the Mayor

12.—(1) The function of the Combined Authority corresponding to the function in section 31 of the 2003 Act (power to pay grant) is a general function exercisable only by the Mayor(d).

(2) For the purposes of the exercise of the general function mentioned in paragraph (1)—

- (a) the Mayor must consult the Combined Authority before exercising the function; and
- (b) members and officers may assist the Mayor in the exercise of the function.

(3) Subject to paragraphs (4) and (5), the Mayor may do anything that the Combined Authority may do under Chapter 1 of Part 1 of the 2011 Act (general powers of authorities).

(4) Any exercise by the Mayor of the general power conferred by paragraph (3) which involves the transfer of property, rights and liabilities of the Combined Authority to or from any of the constituent authorities requires the consent of—

- (a) all members of the Combined Authority appointed by the constituent councils, or
- (b) substitute members acting in place of those members.

(5) Any exercise by the Mayor of the general power conferred by paragraph (3) which involves the preparation and publication of a document including a statement formulating the Mayor's strategy for spatial development in the Area requires the consent of—

- (a) all members of the Combined Authority appointed by the constituent councils, or
- (b) substitute members acting in place of those members.

(a) Section 144 was amended by section 81 of and Schedule 2 to the Local Government (Miscellaneous Provisions) Act 1976 (c. 57); by section 194 of and Schedule 34 to the Local Government, Planning and Land Act 1980 (c. 65); and by sections 1 and 102 of and Schedule 17 to the Local Government Act 1985. There are other amendments which are not relevant to this instrument.

(b) 1996 c. 56. Sections 15ZA, 15ZB, 15ZC, 18A, 514A and 560A were inserted by sections 41, 42, 45 to 48 of the Apprenticeships, Skills, Children and Learning Act 2009 (c. 22), and by S.I. 2010/1158. Section 15ZA was amended by paragraph 5 of Schedule 3(1) to the Children and Families Act 2014 (c. 6), by paragraph 44 of Schedule 14(2) to the Deregulation Act 2015 and by S.I. 2015/1852. Section 15ZC was amended by S.I. 2015/1852. Section 18A was also amended by the Education Act 2011 (c. 21), sections 30 and 82 and by paragraph 8 of Schedule 3(1) to the Children and Families Act 2014. Section 514A was amended by paragraph 50 of Schedule 3(1) to the Children and Families Act 2014. Section 560A was amended by paragraph 54 of Schedule 3(1) to the Children and Families Act 2014.

(c) Section 113D of the 2009 Act as inserted by section 10 of the 2016 Act enables the Secretary of State by order to confer the General Power of Competence, found in Chapter 1 of Part 1 of the 2011 Act, on a combined authority.

(d) Section 107D(2) of the 2009 Act provides that in Part 6 of that Act references to "general functions", in relation to a Mayor for the area of a combined authority, are to any functions exercisable by the Mayor other than police and crime commissioner functions.

(6) For the purpose of paragraphs (4) and (5), the consent must be given at a meeting of the Combined Authority.

Incidental provisions

13. The following provisions have effect in relation to the Combined Authority as if it were a local authority—

- (a) section 113 of the Local Government Act 1972 (power to place staff at the disposal of other local authorities)(a);
- (b) section 142(2) of the Local Government Act 1972 (power to arrange for publication of information etc relating to the functions of the authority)(b); and
- (c) section 222 of the Local Government Act 1972 (power to prosecute and defend legal proceedings)(c).

14.—(1) The Combined Authority shall have the power to exercise any of the functions described in section 88(1)(a) and (b) of the Local Government Act 1985 (research and collection of information)(d) whether or not a scheme is made under that section.

(2) For the purposes of paragraph (1), paragraphs (a) and (b) of section 88(1) of the Local Government Act 1985 have effect as if a reference to “that area” were a reference to the Area.

15. Section 13 of the Local Government and Housing Act 1989 (voting rights of members of certain committees)(e) has effect in relation to the Combined Authority as if—

- (a) in subsection (4) after paragraph (h) there were inserted—
 - “(i) subject to subsection (4A), a committee appointed by the Cambridgeshire and Peterborough Combined Authority.”; and
- (b) after subsection (4) there were inserted—
 - “(4A) A person who is a member of a committee falling within paragraph (i) of subsection (4) or a sub-committee appointed by such a committee shall for all purposes be treated as a non-voting member of that committee or sub-committee unless that person is a member of one of the constituent councils as defined by article 2 of the Cambridgeshire and Peterborough Combined Authority Order 2017.”

16. In Part 2 of Schedule 3 (pension funds) to the Local Government Pension Scheme Regulations 2013(f), at the end of the table insert—

“An employee of the Cambridgeshire and Peterborough Combined Authority established by the Cambridgeshire and Peterborough Combined Authority Order 2017	Cambridgeshire County Council.”
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- (a) 1972 c. 70. Section 113 was amended by paragraph 151 of Schedule 4 to the National Health Service Reorganisation Act 1973 (c. 32); by section 66(1) of and paragraph 13 of Schedule 9 to the National Health Service and Community Care Act 1990 (c. 19); by paragraph 18 of Schedule 4 to the Health and Social Care (Community Health and Standards) Act 2003 (c. 43); by paragraph 51(a) of Schedule 1 to the National Health Service (Consequential Provisions) Act 2006 (c. 43); by paragraph 17 of Schedule 5, paragraph 3 of Schedule 7, and paragraph 3 of Schedule 17 to the Health and Social Care Act 2012 (c. 7); by S.I. 2000/90; by S.I. 2002/2469; and by S.I. 2007/961.
- (b) Section 142 was amended by section 3(1)(a) of the Local Government Act 1986 (c. 10); there are other amendments which are not relevant to this instrument.
- (c) To which there are amendments not relevant to this instrument.
- (d) 1985 c. 51.
- (e) 1989 c. 42. Section 13 was amended by paragraph 1 of Schedule 21(II) and paragraph 96 of Schedule 37(I) to the Education Act 1993 (c. 35); by paragraph 36 of Schedule 4(I) and by paragraph 1 of Schedule 9(I) to the Police and Magistrates’ Courts Act 1994 (c. 29); by paragraph 1 of Schedule 24 to the Environment Act 1995 (c. 25); by paragraph 96 of Schedule 37(I) and by paragraph 1 of Schedule 38(I) to the Education Act 1996 (c. 56); by paragraph 22 of Schedule 30 to the School Standards and Framework Act 1998 (c. 31); by paragraph 1 of Schedule 5(4) to the Children Act 2004 (c. 31); by paragraph 81 of Schedule 6 to the 2009 Act; by paragraph 14 of Schedule 14 and by paragraph 1 of Schedule 22(4) to the Marine and Coastal Access Act 2009 (c. 23); by paragraph 15 of Schedule 8 to the Public Service Pensions Act 2013 (c. 25); by S.I. 2001/1517; and by S.I. 2010/1158.
- (f) S.I. 2013/2356. Schedule 3 was amended by regulations 31 and 32 of S.I. 2015/755.

Signed by authority of the Secretary of State for Communities and Local Government

2nd March 2017

Bourne of Aberystwyth
Parliamentary Under Secretary of State
Department for Communities and Local Government

SCHEDULE Constitution

Article 4

Membership

1.—(1) Each constituent council must appoint one of its elected members to be a member of the Combined Authority.

(2) Each constituent council must appoint another of its elected members to act as a member of the Combined Authority in the absence of the member appointed under sub-paragraph (1) (“the substitute member”).

(3) The Local Enterprise Partnership must nominate one of its members to be a member of the Combined Authority.

(4) The Local Enterprise Partnership must nominate another of its members to act as a member of the Combined Authority in the absence of the member appointed under sub-paragraph (3) (“the substitute member”).

(5) The Combined Authority must appoint the member nominated by the Local Enterprise Partnership under sub-paragraph (3) as a member of the Combined Authority (“Local Enterprise Partnership Member”).

(6) The Combined Authority must appoint the member nominated by the Local Enterprise Partnership under sub-paragraph (4) to act as a member of the Combined Authority in the absence of the member appointed under sub-paragraph (5) (“the substitute member”).

(7) A person ceases to be a member or substitute member of the Combined Authority if they cease to be a member of—

- (a) the constituent council that appointed them; or
- (b) the Local Enterprise Partnership that nominated them.

(8) A person may resign as a member or substitute member of the Combined Authority by written notice served on the proper officer of the constituent council that appointed them or, as the case may be, the chair or vice-chair of the Local Enterprise Partnership that nominated them, and the resignation takes effect on receipt of the notice by the proper officer of the council or chair or vice-chair of the Local Enterprise Partnership (as the case may be).

(9) Where a member or substitute member of the Combined Authority’s appointment ceases by virtue of sub-paragraph (7) or (8)—

- (a) the constituent council that made the appointment must, as soon as practicable, give written notice of that fact to the Combined Authority and appoint another of its elected members in that person’s place;
- (b) the Local Enterprise Partnership must, as soon as practicable, give written notice of that fact to the Combined Authority and nominate another of its members in that person’s place, such nomination to take effect from the date on which the written notice of nomination is received by the Combined Authority.

(10) A constituent council may at any time terminate the appointment of a member or substitute member appointed by it to the Combined Authority and appoint another one of its elected members in that person’s place.

(11) Where a constituent council exercises its power under sub-paragraph (10), it must give written notice of the new appointment and the termination of the previous appointment to the Combined Authority and the new appointment shall take effect and the previous appointment terminate at the end of 14 days beginning with the day after the date on which the notice is given or such longer period not exceeding one month as is specified in the notice.

(12) The Local Enterprise Partnership may at any time terminate the appointment of a Local Enterprise Partnership Member or substitute member nominated by it to the Combined Authority and nominate another of its members in that person's place.

(13) Where the Local Enterprise Partnership exercises its power under sub-paragraph (12), it must give written notice of the new nomination and the termination of the previous appointment to the Combined Authority.

(14) The Combined Authority must appoint a Local Enterprise Partnership Member nominated under sub-paragraph (13) and the new appointment shall take effect and the previous appointment terminate at the end of one week beginning with that day after the date on which the notice is given or such longer period not exceeding one month as is specified in the notice.

(15) The Combined Authority must appoint a Local Enterprise Partnership Member nominated under sub-paragraph (9)(b) or sub-paragraph (13) at the next meeting of the Combined Authority.

Chair and vice-chair

2.—(1) The Combined Authority must appoint a chair from among its constituent council members and the appointment is to be the first business transacted after the appointment of members of the Combined Authority, at the first meeting of the Combined Authority.

(2) A person ceases to be chair of the Combined Authority if they cease to be a member of the Combined Authority.

(3) If a vacancy arises in the office of chair, an appointment to fill the vacancy is to be made at the next ordinary meeting of the Combined Authority, or, if that meeting is to be held within 14 days of the vacancy arising, at the meeting following that meeting.

(4) The chair of the Combined Authority ceases to hold office on 8th May 2017^(a).

3.—(1) The Combined Authority must appoint a vice-chair from among its members and the appointment is to be the first business transacted after the appointment of members of the Combined Authority and the chair of the Combined Authority, at the first meeting of the Combined Authority.

(2) A person ceases to be vice-chair of the Combined Authority if they cease to be a member of the Combined Authority.

(3) If a vacancy arises in the office of vice-chair, an appointment to fill the vacancy is to be made at the next ordinary meeting of the Combined Authority, or, if that meeting is to be held within 14 days of the vacancy arising, at the meeting following that meeting.

(4) The vice-chair of the Combined Authority ceases to hold office on 8th May 2017.

(5) The office of vice-chair of the Combined Authority is abolished with effect from 8th May 2017.

Proceedings

4.—(1) Subject to the following sub-paragraphs, any question to be decided by the Combined Authority is to be decided by a majority of the members, and such majority is to include the Mayor, or the deputy Mayor acting in place of the Mayor, and substitute members, acting in place of members.

(a) Section 107A(6) of the 2009 Act provides that the mayor for the area of a combined authority is by virtue of that office a member of, and the chair of, the combined authority.

(2) If the office of chair exists, no business is to be transacted at a meeting of the Combined Authority unless at least five members, including the chair or substitute members, appointed by the constituent councils are present at the meeting.

(3) If the Mayor is in office, no business is to be transacted at a meeting of the Combined Authority unless at least five members are present at the meeting, and such members include—

- (a) the Mayor, or the deputy Mayor acting in place of the Mayor, and
- (b) at least four members appointed by the constituent councils, or substitute members.

(4) Each member, or substitute member acting in that member's place, is to have one vote and no member is to have a casting vote.

(5) If a vote is tied on any matter it is deemed not to have been carried.

(6) Members appointed from the Local Enterprise Partnership shall be non-voting members of the Combined Authority.

(7) A decision on a question relating to the following matters requires a vote in favour at a meeting of the Combined Authority, at which all members of the Combined Authority are present, by a majority of at least two-thirds of all members appointed by the constituent councils to include the members appointed by the councils for the local government areas of Cambridgeshire and Peterborough, or substitute members acting in place of those members, present and voting on that question to be carried—

- (a) the transport plan; and
- (b) any spending plans or plans for the allocation of transport-related funding.

(8) A decision to reject the mayoral budget, mayoral strategy or mayoral spending plan requires a vote in favour at a meeting of the Combined Authority, at which all members of the Combined Authority are present, by a majority of at least two-thirds of all members appointed by the constituent councils, or substitute members acting in place of those members, present and voting on that question to be carried.

(9) The proceedings of the Combined Authority are not invalidated by any vacancy among its members or substitute members or by any defect in the appointment or qualifications of any member or substitute member.

(10) In sub-paragraph (4), the reference to a member includes—

- (a) the Mayor or the deputy Mayor acting in place of the Mayor;
- (b) a constituent member or a substitute member acting in that member's place; and
- (c) a member appointed from the Local Enterprise Partnership who has been given voting rights by resolution of the Combined Authority.

(11) The provisions in the Schedule relating to the Mayor or deputy Mayor only have effect where the Mayor, or deputy Mayor, as the case may be, is in office.

Overview and scrutiny committees

5.—(1) The Combined Authority must appoint at least one member of each of the constituent councils to the overview and scrutiny committee appointed by the Combined Authority, so that the members of the committee taken as a whole reflect so far as reasonably practicable the balance of political parties for the time being prevailing among members of the constituent councils.

(2) An overview and scrutiny committee appointed by the Combined Authority may not include any substitute member of the Combined Authority.

(3) The Combined Authority must appoint an appropriate person^(a) who is a member of one of the constituent councils to be the chair of the overview and scrutiny committee appointed by the Combined Authority.

(a) See paragraph 3(5) of Schedule 5A to the 2009 Act.

Records

6.—(1) The Combined Authority must make arrangements for the names of members and substitute members present at any meeting to be recorded.

(2) Minutes of the proceedings of a meeting of the Combined Authority, or any committee or sub-committee of the Combined Authority, are to be kept in such form as the Combined Authority may determine.

(3) Any such minutes are to be signed at the same or next suitable meeting of the Combined Authority, committee or sub-committee as the case may be, by the person presiding at that meeting.

(4) Any minute purporting to be signed as mentioned in sub-paragraph (3) is to be received in evidence without further proof.

(5) Until the contrary is proved, a meeting of the Combined Authority, committee or sub-committee, a minute of whose proceedings has been signed in accordance with this paragraph, is deemed to have been duly convened and held, and all the members and substitute members present at the meeting are deemed to have been duly qualified.

(6) For the purposes of sub-paragraph (3), the next suitable meeting is the next meeting or, where standing orders made by the Combined Authority provide for another meeting of the authority, committee or sub-committee, to be regarded as suitable, either the next meeting or that other meeting.

Standing orders

7. The Combined Authority may make standing orders for the regulation of its proceedings and business and may vary or revoke any such orders.

Remuneration

8.—(1) Save as provided for in sub-paragraph (2), no remuneration is to be payable by the Combined Authority to its members.

(2) The Combined Authority may only pay an allowance to the Mayor if—

- (a) the Combined Authority has considered a report published by an independent remuneration panel established by one or more of the constituent councils under regulation 20 of the Local Authorities (Members' Allowances) (England) Regulations 2003^(a) which contains recommendations for such an allowance; and
- (b) the allowance paid by the Combined Authority does not exceed the amount specified in the recommendation made by the independent remuneration panel.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order establishes the Cambridgeshire and Peterborough Combined Authority.

Part 6 of the Local Democracy, Economic Development and Construction Act 2009 (“the 2009 Act”) provides for the establishment of combined authorities for the areas of two or more local authorities in England. Combined authorities are bodies corporate which may be given power to exercise specified functions in their area.

The Secretary of State may only establish a combined authority for an area where a scheme for such an authority has been published under section 109 of the 2009 Act. This Order has been made following the publication of such a scheme on 6th May 2015 by the constituent councils

(a) S.I. 2003/1021.

whose areas together make up the combined area of the new authority. The scheme is available at: <https://www.peterborough.gov.uk/upload/www.peterborough.gov.uk/council/strategies-polices-and-plans/Devolution-CambridgeshireAndPeterboroughAuthoritiesGovernanceReview-AppendixB-17June2016.pdf?inline=true>

Part 2 of the Order establishes the new authority, to be known as the Cambridgeshire and Peterborough Combined Authority (“the Combined Authority”), and makes provision for its constitution and funding.

Article 4 of and the Schedule to the Order make provision for the constitution of the Combined Authority. This is supplemental to the provision that is made by Part 1A of Schedule 12 to the Local Government Act 1972 (see paragraph (6A) of that Schedule, as amended by the 2009 Act).

Article 5 of the Order creates the office of Mayor for the area of the Combined Authority. This article further specifies the term of office for the Mayor for the area of the Combined Authority, and the dates on which elections for the return of a Mayor shall take place and the intervals between elections.

Article 6 makes provision for the funding, by the constituent councils, of the costs of the Combined Authority and the elected Mayor.

Part 3 concerns the transport functions of the Combined Authority. Article 7 provides for the Combined Authority to pay grant to Cambridgeshire County Council and Peterborough City Council. Articles 8 to 10 provide for the exercise of specified transport functions by the Combined Authority.

Part 4 confers additional functions on the Combined Authority. Article 11 provides for the powers in sections 1 to 8 of the Localism Act 2011 (general powers of authorities) to have effect in relation to the Combined Authority as they have effect in relation to a local authority. Article 12 sets out the functions of the Combined Authority which are to be only exercisable by the Mayor. Articles 13 to 16 make some general, incidental provisions relating to the Combined Authority to enable it to carry out its functions effectively.

A full regulatory impact assessment has not been prepared as this instrument will have no impact on the costs of business or the voluntary sector.

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£6.00

UK2017030224 03/2017 19585

<http://www.legislation.gov.uk/id/uksi/2017/251>

ISBN 978-0-11-115533-2



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CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY'S FORWARD PLAN OF EXECUTIVE DECISIONS

PUBLISHED: 10 MARCH 2017

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 interim 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 interim 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 interim Monitoring Officer for the Combined Authority using the form attached.

		FORWARD PLAN AS AT 10 MARCH 2017							
DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	KEY DECISION / DECISION	RELEVANT SCRUTINY COMMITTEE	CONSULTATION	CONTACT DETAILS / REPORT AUTHORS	LEAD MEMBER	DOCUMENTS RELEVANT TO THE DECISION SUBMITTED TO THE DECISION MAKER (INCLUDING EXEMPT APPENDICES AND REASONS FOR EXEMPTION)
1.	Appointment of Chair	Cambridgeshire and Peterborough Combined Authority	20 March 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	Chief Executive of the Shadow Combined Authority		It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
2.	Appointment of Vice Chair	Cambridgeshire and Peterborough Combined Authority	20 March 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	Chair		It is not anticipated that there will be any documents other than the report and relevant appendices to be published.

3.	Approval of Cambridgeshire and Peterborough Authority Order 2017	Cambridgeshire and Peterborough Combined Authority	20 March 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	Chair		It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
4.	Forward Plan	Cambridgeshire and Peterborough Combined Authority	20 March 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	Kim Sawyer, Interim Monitoring Officer for Combined Authority	Councillor Lewis Herbert	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
5.	Approval and Adoption of the Constitution of the Combined Authority	Cambridgeshire and Peterborough Combined Authority	20 March 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	Kim Sawyer, Interim Monitoring Officer for Combined Authority	Councillor Lewis Herbert,	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.

6.	Voting Rights for the Greater Cambridge Greater Peterborough Local Enterprise Partnership	Cambridgeshire and Peterborough Combined Authority	20 March 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	Kim Sawyer, Interim Monitoring Officer for Combined Authority	Councillor Lewis Herbert	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
7.	Appointment of Portfolios	Cambridgeshire and Peterborough Combined Authority	20 March 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	Kim Sawyer, Interim Monitoring Officer for Combined Authority	Councillor Lewis Herbert	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
8.	Appointment of Working Groups	Cambridgeshire and Peterborough Combined Authority	20 March 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	Kim Sawyer, Interim Monitoring Officer for Combined Authority	Councillor Lewis Herbert	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.

9.	Observers to the Combined Authority	Cambridgeshire and Peterborough Combined Authority	20 March 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	Kim Sawyer, Interim Monitoring Officer for Combined Authority	Councillor Lewis Herbert	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
10.	Appointment of Scrutiny Committee Members	Cambridgeshire and Peterborough Combined Authority	20 March 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	Kim Sawyer, Interim Monitoring Officer for Combined Authority	Councillor Lewis Herbert	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
11.	Recruitment of the Chief Executive	Cambridgeshire and Peterborough Combined Authority	20 March 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	John Hill, Chief Executive Lead for Governance Work Stream	Councillor Robin Howe	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.

12.	Appointment of Statutory Officers	Cambridgeshire and Peterborough Combined Authority	20 March 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	Kim Sawyer, Interim Monitoring Officer for Combined Authority	Councillor Lewis Herbert	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
13.	Ratifying Decisions of the Shadow Combined Authority	Cambridgeshire and Peterborough Combined Authority	20 March 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	Kim Sawyer, Interim Monitoring Officer for Combined Authority	Councillor Lewis Herbert	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
14.	Housing: Developing our Strategy and Affordable Housing	Cambridgeshire and Peterborough Combined Authority	20 March 2017	Key Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	Antoinette Jackson Lead for New Homes Work Stream	Councillor Peter Topping	It is not anticipated that there will be any documents other than the report and relevant appendices to be published

15.	Budget Report 2016/17 to 2020/21	Cambridgeshire and Peterborough Combined Authority	20 March 2017	Key Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	John Harrison, Interim Chief Finance Officer for Combined Authority/ Lead for Finance Work Stream	Councillor Robin Howe	It is not anticipated that there will be any documents other than the report and relevant appendices to be published
16.	Minutes of the Meeting on 20 March 2017 and Decision Log	Cambridgeshire and Peterborough Combined Authority	26 April 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	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.
17.	Forward Plan	Cambridgeshire and Peterborough Combined Authority	26 April 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	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.

18.	Fiscal Strategy	Cambridgeshire and Peterborough Combined Authority	31 May 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	Martin Whiteley, Programme Manager	Councillor Robin Howe	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
19.	Transport Plan	Cambridgeshire and Peterborough Combined Authority	31 May 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	Martin Whiteley, Programme Manager	Councillor James Palmer	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
20.	Infrastructure Plan	Cambridgeshire and Peterborough Combined Authority	31 May 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	John Harrison, Interim Chief Finance Officer for Combined Authority/Lead for Finance Work Stream	Councillor Robin Howe	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.

21.	Housing Strategy	Cambridgeshire and Peterborough Combined Authority	31 May 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	Antoinette Jackson, Lead for New Homes Work Stream	Councillor Peter Topping	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
22.	Skills Strategy and Programmes	Cambridgeshire and Peterborough Combined Authority	31 May 2017	Decision	Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	Jo Lancaster, Lead Officer for Learning Skills Work Stream	Councillor John Holdich	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
			28 June 2017						
			27 July 2017						
			27 September 2017						
			25 October 2017						
			29 November 2017						
			20 December 2017						

			31 January 2018						
	Budget 2018/19	Cambridgeshire and Peterborough Combined Authority	28 February 2018		Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee	Relevant internal and external stakeholders	John Harrison, Interim Chief Finance Officer for Combined Authority/Lead for Finance Work Stream	Councillor Robin Howe	It is not anticipated that there will be any documents other than the report and relevant appendices to be published.
			28 March 2018						
			25 April 2018						
			30 May 2018						

**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?

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY

BOARD MEETING

Date: 20 March 2016

Portfolio Holder: Councillor Lewis Herbert

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY CONSTITUTION

1. PURPOSE AND REASON FOR REPORT

- 1.1 The purpose of the report is to ask the Board to note the Cambridgeshire and Peterborough Combined Authority Order 2017 and to consider and formally adopt phase 1 of the constitution.

2. DECISIONS REQUIRED

The Combined Authority is recommended to:-	<i>Voting Arrangements</i>
1. Approve phase one of constitution set out in Appendix 1 , subject to consultation with the shadow Overview and Scrutiny Committee on the scrutiny arrangements set out in chapter 6 of the constitution, and the financial limits set for a key decision.	Two thirds majority
2. Agree the Monitoring Officer be requested to report to the next meeting on the Shadow Overview and Scrutiny Committees' comments.	Simple Majority
3. Agree the following general delegations until approval of the scheme of delegation (a) The Chief Executive, Monitoring Officer and Section 151 is authorised to progress any matters within the budget allocations approved to ensure the smooth and effective running of the Combined Authority; (b) This will be subject to the delegation not being (i) in respect of a matter reserved to the Board (ii) relevant officer consulting the Chair and any relevant portfolio holder.	Simple Majority
4. Note that Phase 2 of the constitution will be presented for approval at the next meeting in April.	



3. CONSTITUTION

- 3.1 The Combined Authority must have a constitution relating its business. The constitution has been prepared to ensure there is effective open and transparent decision making and to conform with the legislation relating to the Combined Authority.

- 3.2 The constitution is being prepared in two phases:

Phase 1 relates to the essential elements for holding meetings and decision making and is attached (Appendix 1).

Phase 2 will include the budget framework, the officer scheme of delegation and other codes and conduct and internal procedural rules. Phase 2 will be reported to the Board in April.

Phase 1

- 3.3 Phase 1 includes the following chapters:

Chapter	Description	Description
2	Summary and Overview	Summary of how the Combined Authority works, include its membership
3	The Mayor	General functions and powers of the Mayor
4	Combined Authority Board	Functions and powers, membership and procedure rules for Board meetings including voting arrangements and public involvement
5	Executive Bodies	The Board's powers to delegate to executive committees, sub-committees, working groups, and officers
6	Overview and Scrutiny Committee	The functions, terms of reference, membership and procedure rules of the Committee, including powers to refer matters for review and call in of Executive key decisions.
7	Audit and Governance Committee	The functions, terms of reference, membership and procedure rules of the Committee and the appointment of an independent member.
8	Access to Information Procedure Rules	Rights of the public to attend meetings, and access to agendas, reports and minutes. Publication of the forward plan and key decisions and urgency arrangements.
14 Part 1	Members Codes of Conduct	Includes responsibility of declaring interests, register of interests, gifts and hospitality.
15	Statutory Framework	Summary of the legislative framework for the Authority.
16	Cambridgeshire and Peterborough Combined Authority Order 2017	

- 3.4 Those parts relating to the Mayor will come into effect following the elections of the Mayor in May. The parts relating to the Overview and Scrutiny and Audit and Governance Committees will come into effect on 8 May 2017.



- 3.5 It is proposed that prior to its formal establishment, the shadow Overview and Scrutiny Committee meet to consider and comment on the section of the constitution relating to the scrutiny arrangements and on the Authority's financial definition of a key decision. Their views will be reported to the next meeting of the Board.
- 3.6 A detailed scheme of delegation will be published in Phase 2. In the absence of any approved scheme the Combined Authority is asked to authorise the statutory officers to take any necessary actions to meet the commitments in the approved budgets.
- 3.7 In the absence of the approved Contract Standing Orders the Peterborough City Council rules will be followed in the interim.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no financial implications

5. LEGAL AND CONSTITUTIONAL IMPLICATIONS

- 5.1 The legal implications for the constitution have been addressed in the report and appendices.

6. EQUALITIES IMPLICATION

- 6.1 The constitution has been drafted to ensure there is open and transparent decision making and the ability of the public to ask questions and submit petitions.

7. BACKGROUND DOCUMENTS

None

8. APPENDICES

Appendix 1 – Constitution Phase 1

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY CONSTITUTION (PHASE1)



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Constitution

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Chapter 15	Scheme for Members Allowances	<i>Phase 2</i>

Appendices

Appendix 1	Cambridgeshire and Peterborough Combined Authority Order 2017
Appendix 2	Statutory Framework



Items for approval appear as Phase 1
Items for future approval appear as Phase 2

Chapter 2 – Summary and Overview

1. The Constitution

- 1.1. The Cambridgeshire and Peterborough Combined Authority was established as a corporate body on 3 March 2017.
- 1.2. This Constitution sets out how we work, how we make decisions, and the procedures we follow to make sure our work is efficient, and effective, and is both transparent and accountable to local people. Some of these procedures are set by law, while others are ones we have chosen to follow.

2. The Cambridgeshire and Peterborough Combined Authority Order 2017

- 2.1. The Combined Authority was set up by the Cambridgeshire and Peterborough Combined Authority Order 2017 for the Peterborough and Cambridgeshire area.

3. Members of the Combined Authority

- 3.1. The Combined Authority consists of the following members:
 - 3.1.1. An elected member appointed by each of the Constituent Councils;
 - 3.1.2. A representative of the Greater Cambridge Greater Peterborough Enterprise Partnership ("the LEP"); and
 - 3.1.3. Non-Constituent Members (non-voting) as may be admitted to the Combined Authority from time to time.
- 3.2. Each Member representative will act in the best interests of the Combined Authority as a whole, taking into account all relevant matters. Members will always comply with the Code of Conduct for Members.
- 3.3. Each of the Constituent Councils shall appoint a member (usually its Leader) to be a Member of the Combined Authority and another member to act in the absence of the appointed member (the Substitute Member). All appointments shall be for a one year term.
- 3.4. The LEP will nominate one of its members, normally the Chair, to be a Member of the Combined Authority and another Member to act in the absence of the appointed Member (the Substitute Member). The Combined Authority will appoint the LEP member and the LEP Substitute Member. Each appointment shall be for a one year term.
- 3.5. A person will cease to be a Member or a substitute Member of the Combined Authority if they cease to be a Member of the Constituent Councils that appointed them or the LEP that nominated them. The Constituent Councils or LEP shall appoint or nominate a replacement as soon as possible.
- 3.6. A Member or Substitute Member may resign by giving written notice to the Proper Officer of the Constituent Councils that appointed them or the Chair or

Vice Chair of the LEP as the case may be, and the resignation takes effect on the receipt of the notice. The relevant Constituent Councils or LEP shall notify the Combined Authority forthwith of the resignation.

- 3.7. Each Member shall at any time be entitled to terminate the appointment of a Member or Substitute Member appointed to the Combined Authority and replace that Member or Substitute Member at any time.
- 3.8. The Constituent Council must give written notice of the new appointment and the termination of the previous appointment to the Combined Authority. The new appointment shall take effect and the previous appointment terminate at the end of fourteen days from the date on which the notice was given, or such longer period not exceeding one month.
- 3.9. Where the LEP terminates an appointment and nominates another of its members in that person's place, it must give written notice of the new nomination and the termination of the previous appointment to the Combined Authority.
- 3.10. The Combined Authority must consider the appointment of the nominated LEP Member at the next meeting of the Combined Authority. The new appointment shall take effect and the previous appointment terminate upon the determination of the appointment by the Combined Authority.
- 3.11. Non-constituent members are neighbouring local authorities who have been invited to join the Combined Authority but they are not full members. They may have speaking rights but will not be given voting rights. Non-constituent members are part of the organisation and may be invited to sit on working groups.

4. Directly Elected Mayor

- 4.1. There shall be a directly elected Mayor for the area of the Combined Authority. The Mayor will be elected in May 2017.
- 4.2. The term of office of the Mayor elected in May 2017 shall be four years. Each subsequent election shall take place in each fourth year following the first election on the same day of ordinary election.

5. Combined Authority

- 5.1. The Combined Authority is responsible for a number of transport, economic development and regeneration functions as set out in Parts 3 and 4 of the 2017 Order.
- 5.2. Those functions reserved to the Combined Authority are set out in Chapter 4 of this constitution.

6. Combined Authority Board - Meetings and Procedure

- 6.1. The Combined Authority Members shall comprise the Board. The Board will meet monthly but additional meetings may take place if required.
- 6.2. There are three types of meeting:
 - (a) The Annual Meeting;
 - (b) Ordinary meetings; and
 - (c) Extraordinary meetings.
- 6.3. All meetings will be conducted in accordance with the Rules of Procedure set out in Chapter 5 of this Constitution.
- 6.4. The Board may invite Observers to sit on the Board as set out in Chapter 4 of this constitution. Observers may attend board meetings.

7. Executive Bodies

- 7.1. The Combined Authority may establish committees or sub-committees as it thinks fit to discharge its functions.

8. Non-Executive Committees

- 8.1. The Combined Authority is required to establish the following non-executive committees:
 - (a) An Overview and Scrutiny Committee
 - (b) Audit and Governance Committee

Their functions and terms of reference are set out in Chapters 6 and 7 of this constitution.

9. Working Groups

- 9.1. The Combined Authority may establish informal non-decision making working groups to assist with the delivery of its objectives.

10. Joint Arrangements

- 10.1. The Combined Authority has power to make arrangements with other local authorities to discharge their functions jointly.
- 10.2. Such arrangements may involve the discharge of those functions by a joint committee of such authorities or by an officer of one of them.
- 10.3. The Combined Authority may not arrange for the discharge of any Mayoral functions by a joint committee, unless permitted by legislation.

11. Management Structure

Statutory Officers

11.1. The Combined Authority will appoint a:

- (a) Head of Paid Service (known as Chief Executive)
- (b) Monitoring Officer
- (c) Chief Finance Officer (S151)
- (d) Scrutiny Officer

11.2. Their functions and responsibilities are set out in Chapter 12 of this Constitution.

Other Chief Officers

11.3. The Combined Authority will appoint other Chief Officers it considers necessary to carry out its functions in accordance with the Officer Employment Procedure rules.

Other Staff

11.4. The Combined Authority may engage such staff (referred to as officers), as it considers necessary to carry out its functions.

12. Decision Making

12.1. Decision making will be in accordance with the arrangements set out in this Constitution.

12.2. In summary, they will include

- (a) Decisions reserved to the Combined Authority Board
- (b) Decisions made by Officers.

13. Finance, Contracts and Legal Matters

13.1. The management of the Combined Authority's financial affairs will be conducted in accordance with the Financial Regulations set out in chapter 10 of this Constitution.

13.2. The management of its legal affairs will be conducted in accordance with this constitution.

14. Public Rights

14.1. The rights of the public are set out in the Access to Information rules set out in Chapter 8 of this Constitution.

14.2. Any public enquiries should be addressed to the Chief Executive at the Combined Authority Offices.

15. Monitoring and Reviewing the Constitution

15.1. The constitution will be amended as the Combined Authority develops. The Monitoring Officer will regularly review the Constitution. Authority is delegated to the Monitoring Officer amend the Constitution, in order to reflect organisational or legislative changes, or to make any textual or grammatical corrections.

15.2. Any other changes shall be agreed by the Combined Authority Board in accordance with the voting arrangements set out in Chapter 5.

Chapter 4 – Combined Authority Board Functions

Part 1 – Functions reserved to the Board

1. Matters reserved to the Board

- 1.1. The following functions are reserved to the Combined Authority Board:

2. Strategies and Plans

- 2.1. The adoption of, and any amendment to or withdrawal of the following plans and strategies:

16.

- (a) Economic Strategy
- (b) Growth Strategy
- (c) Transport Plan
- (d) Skills Strategy
- (e) Housing Strategy
- (f) The Investment Plan
- (g) Delivery Plan
- (h) Other Strategies and plans as agreed

3. Frameworks

- 3.1. The adoption of, and any amendment to or withdrawal of the following framework documents:

17.

- (a) Assurance Framework
- (b) Programme Management Framework
- (c) Prioritisation Framework
- (d) Monitoring & Evaluation Framework
- (e) Equality Framework

4. Financial Matters

- (a) The Combined Authority budget
- (b) Any spending plans or plans for the allocation of transport-related funding
- (c) Treasury Management Strategy including approval of borrowing limits
- (d) Capital Investment Strategy
- (e) Single Investment Fund Allocation
- (f) Fiscal Strategy

5. Governance

- (a) Adoption and amendment of the Constitution
- (b) Establishment and membership of committees and sub-committees

- (c) Establishment and membership of joint committees and commissions
- (d) Approval of Mayoral Allowance
- (e) Appointment of Independent Member of the Audit and Governance Committee
- (f) Appointment of Statutory Officers
- (g) Any other matters reserved to the Board

Part 2 – Membership of the Board

1. The Board

1.1. The Combined Authority Board consist of the Members as set out below:

- (a) An elected Member appointed by each of the Constituent Authorities or Substitute Members acting in their place;
- (b) A Representative of the Greater Cambridge Greater Peterborough Enterprise Partnership "the LEP" or Substitute Members acting in their place;
- (c) Non-Constituent Members (non-voting) as may be admitted to the Combined Authority from time to time;
- (d) Observers invited to attend who shall be present to contribute on issues related to the organisation they represent.

1.2. If a Member fails throughout a period of six consecutive months from the date of their last attendance to attend any meeting of the authority, then, subject to certain exceptions, they cease to be a member of the authority.

2. Non-Constituent Members

2.1. The Combined Authority may invite non-constituent councils to be non-constituent members of the Combined Authority. Non-constituent members are neighbouring local authorities who have been invited to join the Combined Authority but they are not full members. Non-constituent members may be invited to sit on working groups.

2.2. All decisions on admission of non-constituent councils shall be made formally by proposal and report at a Combined Authority Board meeting.

2.3. A proposal for an authority be given non-constituent council status may be made by any Constituent Council Member or the Mayor, and must be agreed by a two thirds majority of those present and voting. Non-constituent council status takes effect upon agreement by the Board. This will be an annual appointment and will be reviewed at each annual meeting of the Board.

-
- 2.4. Non-constituent council status confers no legal status and no entitlement to vote and is an formal arrangement to promote a strategic approach to joint working in the development of significant policy issues.
 - 2.5. A non-constituent council shall be represented at meetings of the Combined Authority by a named member or a named substitute to be approved by the Board.
 - 2.6. Such Member or substitute may participate in the debate on issues relevant to their organisation on agenda items and must comply with the terms of the Constitution as they relate to debate, but will not have entitlement to vote on any issue or agenda item.
 - 2.7. The Chair of any meeting of the Combined Authority may require the Member or Substitute to absent themselves from any meeting of the Combined Authority at the Chair's discretion.
 - 2.8. Where the Combined Authority invites an organisation to become a non-constituent council member, then the Combined Authority's Monitoring Officer will prepare a memorandum of understanding in such form as the Monitoring Officer deems appropriate setting out their rights to participate in the business of the Combined Authority.

3. [Observers](#)

- 3.1. The Combined Authority may invite public sector organisations with direct responsibility for functions relevant to the Combined Authority delivery to become Observers to attend the Combined Authority Board and may take part in the debate. All decisions on observers shall be made formally by proposal and report at a Combined Authority Board meeting.
- 3.2. A proposal for an authority be given Observer status may be made by any Constituent Council Member or the Mayor and must be agreed by a two thirds majority of those present and voting. Observer status takes effect upon agreement by the Board.
- 3.3. Observers appointed to the Board are listed in the annex to this constitution.
- 3.4. Observer status confers no legal status and no entitlement to vote and is an informal arrangement to promote a strategic approach to joint working in the development of significant policy issues.
- 3.5. An Observer organisation shall be represented at meetings of the Combined Authority by a named representative or a named substitute. Notice of the names of the Observers' representative or substitute must be provided to the Monitoring Officer by the Observer at least five working days prior to attendance at any meeting of the Combined Authority.

- 3.6. Such representative or substitute may participate in the debate on issues relevant to their organisation on agenda items and must comply with the terms of the Constitution as they relate to debate, but will not have entitlement to vote on any issue or agenda item.
- 3.7. The Chair of any meeting of the Combined Authority may require the Observers' named representative or named substitute to absent themselves from any meeting of the Combined Authority at the Chair's discretion.
- 3.8. Where the Combined Authority invites an organisation to become an Observer, then the Combined Authority's Monitoring Officer will prepare a memorandum of understanding in such form as the Monitoring Officer deems appropriate.

4. Functions of the Combined Authority

- 4.1. The functions of the Combined Authority are grouped into portfolios and allocated to each Constituent Council member of the Combined Authority, and include the following responsibilities:-
 - (a) To lead and champion their allocated portfolio functions;
 - (b) To lead on the development of key strategic documents for approval by the Combined Authority;
 - (c) To develop and present investment proposals to the Combined Authority;
 - (d) To communicate with the public on matters within their portfolios and to be accountable for their portfolio areas.
 - (e) To input into future devolution proposals and public sector reform
 - (f) To liaise with members holding similar Portfolios within the Constituent Councils.
- 4.2. The Portfolios are set out in Annex 1.

Part 3 – Executive Bodies

1. Governance

- 1.1 The Combined Authority Board has the power to delegate its functions, which are not reserved to it, to committees, sub-committees, officers, joint committees or other local authorities.

2. Working Groups

-
- 2.1. The Combined Authority may establish informal working groups. These groups are non-decision making groups of officers and members. The Working Groups established are set out in Annex 2.

3. Membership

- 3.1. The Combined Authority shall appoint the membership of all executive committees, sub-committees, joint committees and working groups, including the appointment of the Chair and Vice Chair, Substitute Members and any co-opted Members.
- 3.2. The political balance rules apply to all committees, sub-committees and joint committees.

4. Quorum

- 4.1. The quorum for all committees, sub-committees and working groups is at least two-thirds of the total number of members and may be no fewer than 3 members.

5. Access to meetings

- 5.1. The Access to Information rules apply to all committees, sub-committees and joint committees. They do not apply to working groups.

1. Portfolios of the Cambridgeshire and Peterborough Combined Authority

Portfolio	Key Responsibilities
Economic Growth, including Business Support	<ul style="list-style-type: none"> • Enabling economic growth – economy, transport, homes, skills and infrastructure through development of a strategy • Business support, redesign • Evidencing economic growth
Fiscal and Deputy Chair	<ul style="list-style-type: none"> • Strategic financial planning – Income and expenditure • Budget setting and monitoring • Attracting inward investment
Homes	<ul style="list-style-type: none"> • Delivery of new affordable homes • Effective relationships with housing providers, developers and builders
Transport and Infrastructure	<ul style="list-style-type: none"> • Programme and delivery of infrastructure schemes • Local transport plan • Effective commissioning
Skills and Training and Deputy Chair	<ul style="list-style-type: none"> • Skills, jobs and productivity Strategy • Learning and development • Higher education partnerships and new development i.e. University of Peterborough
Public Sector Reform	<ul style="list-style-type: none"> • Public sector reform strategy • Whole system redesign - transformation • Future devolution deals
Communities	<ul style="list-style-type: none"> • Sustainable growth – quality of life, community provision and cohesion • Spatial Planning • Supporting communities and individuals to benefit from growth and prosperity • Effective governance and transparency • Effective communications

Appendix 3

Investment Working Group

1. Purpose of the Working Group

- 1.1 The Investment Working Group has an advisory and developmental and portfolio holders to develop investment opportunities for recommendation to the Combined Authority Board.
- 1.2 The working group will consider the area's future needs for infrastructure investment and help to maintain Cambridgeshire and Peterborough's competitiveness in the UK and across the world. It will take its lead from the Fiscal Strategy and work within the Single Investment Pot in addition to developing opportunities to lever private investment into the area.
- 1.3 The working group will assist to develop schemes that enable housing, economic growth, skills, transport and digital connectivity.
- 1.4 The working group will provide guidance to the Combined Authority Board and to Central Government on the implementation of the Assurance Framework arrangements.

2. Membership

- 2.1. The membership of the Investment Working Group will comprise:
 - (a) Fiscal Portfolio Holder
 - (b) Transport and Infrastructure Portfolio Holder
 - (c) Chair of the Local Enterprise Partnership
 - (d) Communities Portfolio Holder
 - (e) The Chief Executive
 - (f) S151 officer
- 2.2. The Chair will be the Fiscal Portfolio Holder.
- 2.3. It may invite independent advisors such as financial and legal professionals and those with specialist expertise in matters relating to the programmes to be delivered, as it considers appropriate.
- 2.4. The Investment Working Group will not be a decision making body. It will form a series of recommendations for resolution by the Combined Authority Board who retain all decision making powers.

3. Responsibilities

3.1. The Investment Working Group will assist the Combined Authority to:

- 3.1.1. Develop a prioritisation framework to assess the strengths of respective infrastructure programmes, including any interdependencies for approval by the Combined Authority Board;
- 3.1.2. Referring to the portfolio strategies approved by the Combined Authority Board and the Investment Fund, identify proposals for an Investment Plan for approval by the Combined Authority Board;
- 3.1.3. Engage with private investors to assess the type and nature of private sector investment available to Cambridgeshire and Peterborough and how this might be used to further strengthen and accelerate programmes;
- 3.1.4. Assess the robustness of the outline business cases that have been developed and the deliverability of the proposed schemes. Where appropriate it will seek further analysis and evidence before making recommendations to the Combined Authority Board about the strengths and viability of any programme, project or scheme.
- 3.1.5. Keep under review the Assurance Framework and Prioritisation Framework to ensure that they continue to be relevant, appropriate and fit for purpose and present its findings and recommendations to the Combined Authority Board for decision.
- 3.1.6. To consider referral of any matters from the Delivery Working Group within the agreed terms of references.

4. Governance

- 4.1. The Investment Working Group will meet as required.
- 4.2. The Investment Working Group has a limited remit and can only operate parameters or tolerances agreed by the Combined Authority Board.
- 4.3. Any matter that falls outside of the approved parameters/ tolerances of the project (i.e. that fall outside of the approved detailed business case) must be referred to the Combined Authority Board for decision.
- 4.4. The Assurance Framework will provide the Investment Working Group with guidance and clarity on the agreed systems, processes and protocols.

5. Review

- 5.1. These terms of reference will be reviewed for relevance and to ensure they are fit for purpose, on an annual basis.

Delivery Working Group

1. Purpose of the Working Group

- 1.1 The Delivery Working Group will oversee the implementation of an approved Cambridgeshire and Peterborough devolution programme and its component projects or schemes, which may be cross-cutting or have interdependencies.

- 1.2 It is accountable to the Combined Authority Board for the successful implementation and the achievement of the desired targets and outcomes of any approved projects.
- 1.3 It will provide assurance to the Combined Authority Board that the monitoring and evaluation arrangements for each of the commissioned projects is being adhered to.
- 1.4 Projects may include schemes that enable housing, economic growth, skills, transport and digital connectivity.

2. Membership

- 2.1. The membership of the Delivery Working Group will be four Members and the Chief Executive comprising:
 - (a) Employment, Learning and Skills Portfolio Holder
 - (b) New Homes Portfolio Holder
 - (c) Transport and Infrastructure Portfolio Holder
 - (d) Communities Portfolio Holder
 - (e) The Chief Executive
- 2.2. The Chair will be the Employment, Learning and Skills Portfolio Holder.
- 2.3. It will invite independent advisors such as financial and legal professionals and those with specialist expertise in matters relating to the programmes to be delivered, as it considers appropriate.
- 2.4. The Delivery Working Group will not have decision making powers and it will ensure that all projects are delivered within agreed tolerances set out in the approved business case agreed by the Combined Authority Board. It will refer initially to the Investment Working Group on financial matters and it will make recommendations for consideration by the Combined Authority Board where tolerances are not being met.

3. Responsibilities

- 3.1. Following approval of projects by the Cambridgeshire and Peterborough Combined Authority Board, the Delivery Working Group will:
 - 3.1.1. Make proposals for the development of the overall strategic programme and delivery plan to the Board;
 - 3.1.2. Assist the Combined Authority by overseeing the delivery of agreed portfolios of investment programmes and individual projects;
 - 3.1.3. Develop proposals to the contractual relationships with delivery organisations or vehicles, to approval by the Board ensuring that they are aware of performance requirements against the agreed specification and that outcomes are delivered and report to the

- Combined Authority Board where these are not met and any corrective action needed in;
- 3.1.4. Provide strong leadership across the delivery of the programme, ensuring alignment with the Combined Authority's priorities and frameworks;
 - 3.1.5. Develop for approval by the Board, a robust Performance Management Framework that aligns with the agreed Monitoring and Evaluation Framework and which ensures that baseline data is collected across the range of projects to inform the measurement of short, medium and longer-term outcomes;
 - 3.1.6. Oversee the performance of each Portfolio of projects against this framework and the agreed targets, providing challenge and reporting on overall delivery progress to the Combined Authority Board;
 - 3.1.7. Assist with developing partnerships with public and private sector partners to deliver the agreed programme;
 - 3.1.8. Ensure consistency across projects in terms of the approach, delivery and reporting;
 - 3.1.9. Identify issues and risks, implementing solutions as needed. To refer to the Investment Working Group and the Combined Authority Board where the risk or issue requires their attention;
 - 3.1.10. Similarly, informally resolve operational conflict escalated by the Delivery Director or Portfolio Holder, referring to the Combined Authority Board as needed;
 - 3.1.11. Provide guidance, to the Portfolio Holder and the individual parties that are commissioned to deliver programmes and projects;
 - 3.1.12. Ensure that the identified benefits of the programme or project are captured effectively in order to help demonstrate value for money and improved outcomes;
 - 3.1.13. Ensure that lessons learned are captured and shared across the delivery programme to improve the implementation of future projects;
 - 3.1.14. Recommend at an appropriate point, the closure of a project to the Investment Working Group, and to the Board for final decision;
 - 3.1.15. Undertake an annual refresh of the Monitoring and Evaluation Framework and the Programme Management Framework, recommending any required changes to the Combined Authority Board for approval;
 - 3.1.16. Hold regular Delivery Working Group meetings, with any recommendations being escalated to the Combined Authority Board for decision.

4. Governance

- 4.1 The Delivery Working Group will meet at regular intervals and will report progress to the Combined Authority Board through the Chair of the Working Group, or by a report where decisions are required.
- 4.2 The Delivery Working Group can only operate within the agreed parameters or tolerances of the individual project's business case as agreed by the Combined Authority Board, and relevant Contract Standing Orders.

-
- 4.3 Any matters that fall outside of the approved parameters/ tolerances of the project (i.e. that fall outside of the approved detailed business case) require a Combined Authority Board decision.
 - 4.4 Recommendations made at the Delivery Working Group that are within the agreed parameters of the project will be minuted and members of the Working Group will deliver the implementation of those recommendations.
 - 4.5 The Assurance Framework will provide the Delivery Working Group with guidance and clarity on the agreed systems, processes and protocols.

5 Review

- 5.1 These terms of reference will be reviewed for relevance and to ensure they are fit for purpose, on an annual basis.

Chapter 5 –Combined Authority Board - Proceedings of meetings

1. Introduction

- 1.1. These rules apply to Combined Authority Board meetings, where appropriate to any committees or sub-committees of the Board, the Audit and Governance Committee and the Overview and Scrutiny Committees.

2. Types of Meetings

- 2.1. There are three types of meeting:
- (d) The Annual Meeting of the Combined Authority;
 - (e) Ordinary meetings;
 - (f) Extraordinary meetings.

3. Annual Meeting

- 3.1. The Combined Authority will normally hold an Annual Meeting (between 1 March and 30 June) following constituent councils' annual meetings.
- 3.2. The Annual Meeting will:
- (i) note the appointment of Members of Constituent Councils and the LEP (and their Substitute Members);
 - (ii) receive any declarations of interest from Members;
 - (iii) approve minutes of the last meeting;
 - (iv) appoint any non-constituent Members or Observers;
 - (v) approve the Portfolios responsibilities;
 - (vi) appoint such executive committees as the Combined Authority considers appropriate, their membership and the Chair and Vice-Chair;
 - (vii) appoint the Overview and Scrutiny Committee and Audit and Governance Committee (including their terms of reference, size, the allocation of seats to political groups in accordance with the political balance requirements) in accordance with nominations received from Constituent Councils;
 - (viii) appoint working groups;

- (ix) appoint the Chair and Vice Chair of the Audit and Governance Committee;
 - (x) appoint Members to outside bodies;
 - (xi) agree the programme of the Ordinary Meetings of the Combined Authority for the forthcoming year, and appropriate advanced notification of other planned meetings of Committees; and
 - (xii) be followed by an Ordinary Meeting to consider any other business set out in the notice convening the meeting.
- 3.3. The Authority may decide at subsequent meetings to dissolve committees, alter their terms of reference or to appoint new committees.

4. Ordinary Meetings

- 4.1. The Combined Authority will decide on the number of Ordinary Meetings to hold in each municipal year in addition to its annual meeting. Each meeting will be held at a time and place as the Combined Authority decides.
- 4.2. Ordinary Meetings will:
- (i) approve the minutes of the last meeting;
 - (ii) receive any declarations of interest from Members;
 - (iii) receive any announcements from the Chair;
 - (iv) receive questions from, and provide answers to the public in accordance with Standing Order 17 below;
 - (v) receive petitions in accordance with Standing Order 18 below;
 - (vi) receive and consider reports from its Officers, Committees and Sub-Committees and Working Groups;
 - (vii) deal with any business from the last Combined Authority meeting; and
 - (viii) consider motions on notice and any other business specified in the summons to the meeting
- 4.3. Unless otherwise determined by statute, the Chair may vary the order of the agenda at their absolute discretion and may allocate or re-allocate an appropriate time for the transaction of each item.

Urgency

- 4.4. The Chair may determine that an item of business that has not been open to prior public inspection, should be considered at the meeting as a matter of

urgency. Any urgent items shall comply with the Access to Information rules set out in Chapter 8.

5. Extraordinary Meetings

5.1. An Extraordinary Meeting of the Combined Authority may be called by:

- (i) the Combined Authority by resolution;
- (ii) the Chair of the Combined Authority;
- (iii) the Chief Executive of the Combined Authority;
- (iv) the Monitoring Officer; or
- (v) any 3 Members of the Combined Authority if they have signed a requisition presented to the Chair of the Combined Authority and the Chair has refused to call a meeting or has failed to call a meeting within seven days of the presentation of the requisition.

5.2. The business to be conducted at an Extraordinary Meeting shall be restricted to the items of business contained in the request for the Extraordinary Meeting and there shall be no consideration of previous minutes or reports from committees etc. except that the Chair may at his/her absolute discretion permit other items of business to be added to the agenda for the efficient discharge of the Combined Authority's business.

6. Notice of meetings

6.1. At least five clear days before a meeting the Monitoring Officer shall arrange for a notice of the meeting to be published on the Combined Authority's website. The notice will set out the time and place the business to be carried out.

6.2. The notice of meetings will be carried out in accordance with the Access to Information Procedure Rules.

7. Public Access

7.1. As set out in the Access to Information Procedure Rules, every meeting of the Combined Authority shall be open to the public except where the public are excluded during the whole or part of the proceedings in certain circumstances. The agenda and reports will be published at least five clear working days before the meeting. Copies of the agenda and any additional papers will be available for the public and media representatives.

8. Attendance

8.1. The Monitoring Officer shall record the attendance of each Member at the meeting.

9. Notice of Substitute Members

- 9.1. Substitute Members may attend meetings in that capacity only:
- (a) to take the place of the Member for whom they are the designated substitute where the Member will be absent for the whole of the meeting;
 - (b) after they, or the Member they are substituting for, has provided the Monitoring Officer with notice of the substitution before the commencement of the meeting in question;
 - (c) where an adjourned meeting is reconvened and it is essential for that Substitute Member to continue to attend to comply with good governance.
- 9.2. Substitute Members will have all the powers and duties of an ordinary Member of the Combined Authority for the duration of the meeting at which they act as substitute but will not be able to exercise any other special powers or duties exercisable by the person for whom they are the substitute.

10. Chair and Vice-Chair

18. Until 8 May 2017

- 10.1. The Combined Authority Board must appoint a Chair from among its constituent Council Members and the appointment is to be the first business transacted after the appointment of Members of the Combined Authority, at the first meeting of the Combined Authority.
- 10.2. The Combined Authority must appoint a Vice-Chair from among its Members and the appointment is to be the first business transacted after the appointment of Members of the Combined Authority and the Chair of the Combined Authority, at the first meeting of the Combined Authority.
- 10.3. A person ceases to be Chair or Vice Chair of the Combined Authority if they cease to be a Member of the Combined Authority.
- 10.4. If a vacancy arises in the office of Chair or Vice Chair, an appointment to fill the vacancy is to be made at the next ordinary meeting of the Combined Authority, or, if that meeting is to be held within 14 days of the vacancy arising, at the meeting following that meeting.
- 10.5. The Chair and Vice Chair of the Combined Authority cease to hold office on 8th May 2017.

11. Quorum

- 11.1. No business shall be transacted at any meeting of the Combined Authority Board unless at least five Members are present at the meeting.

12. Declaration of Interests in Meetings

- 12.1. Where a Member attends a meeting of the Combined Authority Board, Committees or sub-committees they must declare personal interests and disclosable pecuniary interests not already notified in the register of interests as defined in the Members' Code of Conduct either at the start of the meeting, or otherwise as soon as the interest becomes apparent in the course of the meeting.
- 12.2. All Members and their Substitute Members, Non-Constituent members and Observers and their Substitute Members shall also complete a Declaration of Interest form.
- 12.3. In addition, where in relation to any meeting a Member has declared a disclosable pecuniary interest in a matter, the Member must leave the room for the duration of the discussion on that matter.

13. Rules of Debate

Speeches

- 13.1. The Chair will be responsible for the management of the meeting and will introduce each item on the agenda in the order they appear on the agenda or such order as the chair considers most effective for the conduct of the meeting.
- 13.2. The Chair may invite a Member or Officer to present the item for debate.
- 13.3. A Member may move a motion without giving notice as required by paragraph 14 below based upon recommendations in a report or may move amended or alternative recommendations.
- 13.4. The Chair will decide the order in which speakers will be heard and may permit both Members and officers to speak on the item.
- 13.5. Councillors will remain seated when speaking and must address the Chair.
- 13.6. Speeches must be directed to the subject under discussion or to a personal explanation or point of order.
- 13.7. The Chair shall at his discretion determine the time permitted for speeches and the number of speeches to be made by any Member or officer.
- 13.8. The mover of the motion has a right of reply at the end of the debate immediately before it is put to the vote.

- 13.9 If an amendment is moved the mover of the original motion has the right of reply on the debate concerning the amendment.

14. Motions Submitted in the Name of a Member

- 14.1. Any Member of the Board appointed by a Constituent Council or the LEP may give notice of a motion for consideration at any ordinary meeting of the Combined Authority.
- 14.2. The motion must be a matter for which the Combined Authority has a responsibility or which affects its area. The Monitoring Officer shall only accept a notice of motion which relates to those matters for which the Combined Authority has powers, duties or responsibility, or which affect the area of the Combined Authority or part of it or its citizens. He/she shall keep a record of the date and time at which every motion is delivered to him/her.
- 14.3. The motion must not be:
- (a) illegal, improper, defamatory, frivolous or offensive including if it makes unfair claims about Members of Combined Authority or constituent authority staff;
 - (b) substantially the same as a motion which has been put at a meeting of the Combined Authority in the past year.
- 14.4. Unless the Chair of the Combined Authority Board is of the opinion that a motion should be considered as a matter of urgency, notice of every motion to be moved at any meeting of the Combined Authority Board shall in writing be delivered to the Monitoring Officer not later than 12 noon on the sixth working day before the day of the Combined Authority meeting, but not including the day of the meeting itself.
- 14.5. Motions will be listed on the agenda in the order of which notice is received by the Monitoring Officer unless the Member giving notice states that they propose to move it to a later meeting or withdraw it.
- 14.6. At the close of the debate on the motion, and immediately before it is put to the vote, the mover has a right of reply.
- 14.7. Where notice of a motion has been given and has been included on the agenda for a meeting of the Combined Authority, but the motion has not been moved and seconded (for whatever reason) that motion shall lapse.
- 14.8. Where a meeting of the Combined Authority is cancelled, postponed or adjourned to a later date any unconsidered motions will be considered at the next ordinary meeting of the Combined Authority Board or at a later meeting selected by the Member proposing the motion.

Amendment to Motion

14.9 An amendment shall be relevant to the motion and shall either:

- (a) refer the matter to the appropriate body or individual for consideration or reconsideration;
- (b) leave out words; or
- (c) insert or add other words,

as long as the amendment does not have the effect of negating the motion.

14.10 Under normal circumstances, only one amendment may be moved and discussed at a time, and no further amendment shall be moved until the amendment under discussion has been disposed of.

14.11 However, the Chair may permit two or more amendments to be discussed together (but not voted upon) if circumstances suggest that this course would facilitate the proper conduct of business, and may direct the order in which such amendments are to be put to the vote.

14.12 If an amendment is not carried, other amendments may be moved to the original motion. If an amendment is carried, the motion as amended shall take the place of the original motion and shall become the substantive motion upon which any further amendment may be moved.

Voting

General Voting

15.1 Each voting Member shall have one vote. There shall be no casting vote. A "Member" includes:

- (a) a constituent Member or a Substitute Member acting in that Member's place; and
- (b) a Member appointed from the Local Enterprise Partnership.

15.2 Except decisions to which special voting arrangements apply, all decisions of the Combined Authority shall be decided by a majority of voting Members.

15.3 If a vote is tied it is deemed not to have been carried.

Special Voting

15.4 A decision on a question relating to:

- (a) amendments to the Constitution; or
- (b) determining a request by an organisation to become an observer on the Combined Authority Board; or

- (c) admission to the Combined Authority as a non-Constituent Council member;

requires a vote in favour, by at least two-thirds of all Members (or their Substitute Members) appointed by the Constituent Councils present and voting.

15.5 A decision on a question relating to:

- (a) the Transport Plan;
- (b) any spending plans or plans for the allocation of transport-related funding;

requires a vote in favour, by at least two-thirds of all Members (or their Substitute Members) appointed by the Constituent Councils present and voting to include the Members appointed by Cambridgeshire County Council and Peterborough City Council, or their Substitute Members.

15.6 If there is a deadlock, the matter shall be brought back to the next meeting of the Combined Authority Board.

15.7 The proceedings of the Combined Authority are not invalidated by any vacancy among its Members or Substitute Members or by any defect in the appointment or qualifications of any Member or substitute Member.

Recorded Votes

15.8 A Member may ask immediately after the vote is taken, that their vote is recorded in the minutes of the relevant meeting.

15.9 Where Members vote on the budget, the vote will be recorded.

Voting on Appointments

15.10 If there are more than two people nominated for any position to be filled and there is not a clear majority of votes in favour of one person, then the name of the person with the least number of votes will be taken off the list and a new vote taken. The process will continue until there is a majority of votes for one person.

16 Minutes

16.1 The minutes of the proceedings of each meeting of the Combined Authority Board, or any committee or sub-committee of the Combined Authority Board, shall be retained by the Combined Authority and shall include the names of Members and Substitute Members present at any meeting.

16.2 The minutes must be signed at the next ordinary meeting of the Combined Authority by the Chair. No discussion shall take place upon the minutes except

about their accuracy. Any signed minutes are to be received in evidence without further proof.

- 16.3 Until the contrary is proved, a meeting of the Combined Authority Board or its committees or sub-committees, a minute of whose proceedings has been signed in accordance with this paragraph, is deemed to have been duly convened and held, and all the Members and Substitute Members present at the meeting are deemed to have been duly qualified.

Questions by the Public

- 16.4 Where there is an item on the agenda that has attracted significant public attendance, that matter shall normally be taken early in the agenda, unless the Chair agrees there is a compelling reason to do otherwise.

General

- 16.5 Councillors of Constituent Authorities and members of the public who are residents of the Combined Authority area or work in the area may ask questions of a Member of the Combined Authority, including at an Extraordinary Meeting. For Extraordinary Meetings, the question must relate to the item on the agenda.
- 16.6 The total time allocated for questions by the public shall normally be limited to a maximum of 30 minutes, but the Chair shall have the discretion to add a further 15 minutes.

Order of Questions

- 16.7 Priority will be given to questions on items on the agenda for the meeting, or issues where decisions are expected before the next meeting. The order in which first these and then other questions shall be presented to the meeting shall be determined by a draw. The draw shall be conducted by the Monitoring Officer prior to the meeting.

Notice of Questions

- 16.8 A question may only be asked if notice has been given in writing or by electronic mail to the Monitoring Officer no later than midday three working days before the day of the meeting. Each question must give the name and address of the questioner and where possible, the name of the Member of the Combined Authority Board to whom it is to be put.

Number of Questions

- 16.9 At any one meeting no person may submit more than one question.

Scope of Questions

16.10 If the Monitoring Officer considers a question:

- (a) is not about a matter for which the Combined Authority has a responsibility or which affects its area;
- (b) is illegal, improper, defamatory, frivolous or offensive including if it makes unfair claims about Members of the Combined Authority or Constituent Authority staff;
- (c) is substantially the same as a question which has been put at a meeting of the Combined Authority Board in the past year; or
- (d) requires the disclosure of confidential or exempt information

he/she will inform the Chair who will then decide whether or not to reject the question.

Record of Questions

- 16.11 The Monitoring Officer shall record the question and will immediately send a copy to the Member to whom it is to be put. Rejected questions will be recorded including the reasons for rejection.
- 16.12 Written answers will be provided after the meeting to the person who submitted the question. Copies of all questions will be circulated to all Members. Questions and answers will be added to the Combined Authority website.

Asking the Question at the Meeting

- 16.13 The Chair will invite the questioner to put the question to the Member named in the notice. Up to two minutes are allowed for putting the question. If a questioner who has submitted a written question is then unable to be present, they can ask for a written response. No debate will be allowed on the question or response.

Supplementary Questions

- 16.14 Unless due to time shortage and the need to answer other questions means there is insufficient time for supplementary questions, a questioner may also put one supplementary question without notice to the Member who has replied to his or her original question. A supplementary question must arise directly out of the original question or the reply. One minute is allowed for putting the supplementary question.

Answers

- 16.15 Up to two minutes are allowed for answering a question or supplementary question. Any question which cannot be dealt with, either because of lack of time will be dealt with by a written answer.

Petitions from the public

- 16.16 Petitions with at least 500 signatures may be presented to the Combined Authority. The person presenting the petition will be allowed to address the meeting briefly (not exceeding three minutes) to outline the aims of the petition. The Chair will refer the matter to another appropriate body or to the Chief Executive, unless a relevant item appears elsewhere on the Agenda.

Conduct at meetings

Member Not to be Heard Further

- 16.17 If a Member persistently disregards the ruling of the Chair by behaving improperly or offensively or deliberately obstructs business, the Chair or another Member may move that the Member be not heard further. If seconded, the motion will be voted on without discussion.

Member to Leave the Meeting

- 16.18 If the Member continues to behave improperly after such a motion is carried, the Chair or another Member may move that either the Member leaves the meeting or that meeting is adjourned a specified period. If seconded, the motion will be voted on without discussion.

General Disturbance

- 16.19 If there is a general disturbance making orderly business impossible, the Chair may adjourn the meeting for as long as he or she thinks necessary.

Removal of Member of the Public

- 16.20 If a member of the public interrupts proceedings, the Chair will warn the person concerned. If they continue to interrupt, the Chair will order their removal from the meeting room.

Clearance of Part of Meeting Room

- 16.21 If there is a general disturbance in any part of the meeting room open to the public, the Chair may call for that part to be cleared.

Suspension of Procedure Rules

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- 16.22 All of these procedure rules except those provided for in statute may be suspended by motion on notice or without notice. Suspension can only be for the duration of the meeting and requires a two-thirds majority of those present and voting.

Photography, Audio/Visual recording of Meetings and Blogging/Tweeting

- 16.23 Please see Access to Information rules.

Chapter 6 – Overview and Scrutiny Committee

Part 1 – Functions (From 8 May 2017)

19. Governance

19.1. The Combined Authority has appointed an Overview and Scrutiny Committee.

20. Functions

20.1. The Committee shall have the power to:

- (a) review or scrutinise decisions made, or other action taken, in connection with:
 - (i) the discharge of any functions which are the responsibility of the Combined Authority;
 - (ii) the discharge by the Mayor of any general functions;
- (b) make reports or recommendations to the Combined Authority Board:
 - (i) with respect to the discharge of any functions that are the responsibility of the authority;
 - (ii) on matters that affect the authority's area or the inhabitants of the area.
- (c) make reports or recommendations to the Mayor:
 - (i) with respect to the discharge of any general functions;
 - (ii) on matters that affect the authority's area or the inhabitants of the area.

The power of Committee under paragraph 2.1(a) includes the power to review or scrutinise a key decision made but not implemented and to:

- (i) direct that a decision is not to be implemented while it is under review by the Committee, and
- (ii) recommend that the decision be reconsidered.

20.2. In the exercise of its functions set out in the constitution the power of the Committee shall include the doing of anything which is calculated to facilitate, or is conducive or incidental to the discharge of those functions.

21. Membership

21.1. The Combined Authority must appoint at least one member from each of the Constituent Councils to the Committee. The membership of the Committee taken as a whole shall reflect so far as reasonably practicable the balance of political parties for the time being prevailing among Members of the Constituent Councils collectively.

21.2. The Combined Authority may appoint at least one substitute Member from each Constituent Council. The substitute members shall be from the same political party as the member being substituted to maintain the political balance.

- 21.3. A change in the party political composition of any of the Constituent Authorities shall require a review of the membership of the Committee in order to determine whether any amendment to its membership is required. If the review requires a change in membership, Constituent Councils will be advised of any changes they will need to make to their appointments at the earliest opportunity.
- 21.4. The Overview and Scrutiny Committee may not include any Member or Substitute Member of the Combined Authority including the Mayor nor any Officer of the Combined Authority or of any of the Constituent Councils.
- 21.5. Within the period of 28 days of the appointment being made to the Committee, the Combined Authority shall publish a notice on its website which:
- (a) states that it has made an appointment;
 - (b) identifies each Member of the Committee who has been appointed and any Substitute Members; and
 - (c) specifies the term of office of those appointed.
- 21.6. The term of office shall be one year from the date of the Annual Meeting of the Constituent Councils that appointed them to the Committee unless:
- (a) they cease to be an elected member of the Constituent Councils that appointed them;
 - (b) they no longer wish to participate in the scrutiny arrangements and communicate this in writing to the Proper Officer of their Constituent Councils; or
 - (c) the Combined Councils is advised by any of the Constituent Authorities that it wishes to change one or more of its appointees to the Committee.

22. Chair and Vice-Chair

- 22.1. The Committee shall appoint the Chair and Vice-Chair of the Committee and the Chair and Vice-Chair will be elected members of one of the Constituent Councils.
- 22.2. The Committee must ensure that the person appointed as the Chair is an “appropriate person” who is an elected member of one of the Constituent Councils but is not a member of the registered political party of which the Mayor is a member.
- 22.3. Where the Mayor is not a member of a registered political party, a person may not be appointed as Chair if that person is:
- (a) a member of the registered political party which has the most representatives among the members of the Constituent Councils on the Combined Authority, or
 - (b) where two or more parties have the same number of representatives, a member of any of those parties.

23. Working Groups

23.1. The Committee may appoint informal non-decision making working groups to contribute to and inform the scrutiny process.

24. Part 2 – Procedure Rules

Access to meetings

The public may attend meetings and have access to agenda, reports and minutes in accordance with the Access to Information rules set out in this constitution.

1. Meetings

- 1.1 The Committee shall meet at least once a year.
- 1.2 An extraordinary meeting of the Committee may be called by:
 - (a) the Chair of the Committee; or
 - (b) any five members of the Committee;
 - (c) the Chief Executive.

2. Quorum

- 2.1 No business is to be transacted at a meeting of the Committee unless at least two-thirds of the total number of Members (10 Members) on the committee are present.

3. Voting

- 3.1 Each Member of the Committee appointed from the Constituent Councils is to have one vote and no member (including the Chair) is to have a casting vote.
- 3.2 Any questions that are to be decided by the Committee are to be decided by a simple majority of the members present and voting. If a vote is tied on any matter it is deemed not to have been carried.

4. Conflicts of Interest

- 4.1 Members must comply with the Member Code of Conduct within this Constitution.
- 4.2 No Member of the Committee may scrutinise a decision (whether or not implemented) in which they were directly involved as a member of the decision making body which made that decision.
- 4.3 Such a Member may only attend the Committee to:
 - (a) make representations;

- (b) answer questions; or
- (c) give evidence about the decision.

5. Work Programme

- 5.1 The Committee will set its own work programme.

6. Requests to Overview and Scrutiny

- 6.1 The Mayor or Combined Authority Board may ask the Committee to review any of its functions or assist in developing budget and policy proposals.

25. Reference of Matters to Committees

- 25.1. Any of the following may request a matter to be included on the agenda of the Overview and Scrutiny Committee provided it is relevant to the functions of the Combined Authority and not an excluded matter:

- (a) any member of the Overview and Scrutiny Committee;
- (b) any member of the Combined Authority; and
- (c) any member of a Constituent Council of the Combined Authority.

- 25.2. An “excluded matter” means any matter which is a local crime and disorder matter

- 25.3. The request must be submitted to the Monitoring Officer who will arrange for the item to be placed on the agenda of the next available meeting. The request should state why the Member considers it appropriate for the Committee to exercise any of these powers in relation to the matter and the Committee must have regard to these reasons.

- 25.4. If the Committee decides not to exercise any of its powers to review or scrutinise decisions made, or other action taken, in connection with:

- (a) the discharge of any functions which are the responsibility of the authority;
- (b) in connection with the discharge by the Mayor of any general functions;

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it must notify the Member of its decision; and the reasons for it.

- 26.1. The Committee must provide the Member with a copy of any report or recommendations which it makes in connection with the matter.

27. Attendees

- 27.1. The Committee shall have the power to:

- (a) require Members (including the Mayor and Deputy Mayor) or Officers of the Combined Authority to attend before it to answer questions, or provide information about any matter within its terms of reference;

- (b) invite other people, including members of the public, to attend meetings of the Committee to give evidence.

27.2. Where the Committee requires a Member, Officer or others to attend, the Monitoring Officer shall inform them in writing giving at least 5 clear working days' notice of the meeting. The notice will state:

- (a) the date of the meeting they are required to attend;
- (b) the nature of the item; and
- (c) whether they must produce any papers for the Committee.

27.3. A Member or Officer must comply with any notice they are given.

27.4. Where, in exceptional circumstances, the Member or officer is unable to attend on the required date, the Committee shall consult with the Member or Officer to arrange an alternative date.

27.5. A person is not obliged to answer any question which he or she would be entitled to refuse to answer in relation to court proceedings.

28. Publishing Reports or Recommendations

28.1. The Committee may publish any report or recommendations but

- (a) must exclude any confidential information; and
- (b) may exclude any relevant exempt information.

28.2. Where information is excluded, the Committee:

- (a) may replace so much of the document as discloses the information with a summary which does not disclose that information; and
- (b) must do so if, in consequence of excluding the information, the document published would be misleading or not reasonably comprehensible.

29. Notice

29.1. The Committee may by notice require the Combined Authority or the Mayor within two months of receiving any report or recommendations, to:

- (a) consider the report or recommendations;
- (b) respond to the Committee indicating what (if any) action the Combined Authority or the Mayor proposes to take;

- (c) publish the response, if the Overview and Scrutiny Committee has published the report or recommendations.

29.2. The Combined Authority or the Mayor shall comply with any notice given.

30. Publishing a Response

30.1. In publishing the response, the Combined Authority or the Mayor:

- (a) must exclude any confidential information; and
- (b) may exclude any relevant exempt information.

30.2. Where information is excluded, the Combined Authority or the Mayor:

- (a) may replace so much of the document as is necessary to exclude the exempt or confidential information with a summary which does not disclose that information; and
- (b) if, in consequence of excluding the information, the document published would be misleading or not reasonably comprehensible.

31. Call-in of Combined Authority and Mayoral Decisions

31.1. The power of the Overview and Scrutiny Committee to review or scrutinise a key decision made but not implemented includes:

- (a) the power to direct that the decision is not to be implemented while it is under review by the Committee for a period not exceeding 14 days from the date the direction is issued, and
- (b) the power to recommend that the decision be reconsidered.

31.2. Subject to the consent of the Combined Authority to the proposals and arrangements, the Committee must publish details of how it proposes to exercise its powers in relation to the review and scrutiny of key decisions made but not yet implemented and its arrangements in connection with those powers.

32. Publication of Decisions

32.1. The Monitoring Officer shall publish details of key decisions of the Mayor, the Combined Authority and Officers on the Combined Authority website and to all Members of the Committee. Where the decision is made at a meeting, this shall be no later than the close of business on the third clear working day following the day of the meeting at which the decision was made.

32.2. A decision on a matter dealt with under the urgency provisions set out in the Access to Information rules may be implemented immediately.

32.3. Any other decision of the Mayor, Combined Authority or an Officer may be implemented after 5.00pm of the fifth clear working day after the publication of the decision, unless it is called-in.

33. Process

33.1. Five members of the Overview and Scrutiny Committee may call-in a key decision of the Mayor, the Combined Authority Board or an Officer for Scrutiny by notifying the Monitoring Officer.

33.2. On receipt of a call-in request, the Monitoring Officer shall:

- (a) notify the Mayor, Members of the Combined Authority or Officer of the call-in; and
- (b) call a meeting of the Overview and Scrutiny Committee to scrutinise the decision.

34. Scrutinising the Decision

34.1. The Committee must scrutinise the decision within 10 clear working days of the Monitoring Officer receiving the request for call-in. If it does not meet within this time or does not conclude its scrutiny of the decision, the decision will automatically take effect at the end of the period.

34.2. Where the Committee has scrutinised a decision, it may:

- (a) endorse the decision; or
- (b) refer the decision back to the Mayor, Combined Authority or the Officer for reconsideration, setting out, in writing the nature of its concerns.

34.3. A decision which has been endorsed by the Committee may be implemented immediately.

34.4. Where a decision has been referred back, the Mayor, the Combined Authority or Officer shall hold a meeting to reconsider the decision no later than 10 days after the date on which the recommendations of the Committee were received by the Combined Authority unless it is dealt with under the urgency provisions within the Constitution, where the matter becomes urgent.

34.5. A decision will be urgent if any delay likely to be caused by the call in process would seriously prejudice the Combined Authority's, Constituent Councils or the public's interests.

34.6. A decision which has been recommended for re-consideration may not be implemented.

35. Re-considering the Decision

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- 35.1. The Chair of the Overview and Scrutiny Committee or their nominee may attend any meeting which is re-considering the decision, to present the report or recommendations.
 - 35.2. The Mayor, Combined Authority or the Officer may confirm, amend or rescind the decision.
 - 35.3. A decision which has been confirmed or amended may be implemented immediately.

36. Linking Sub-regional Scrutiny with Local Scrutiny

- 36.1. The Scrutiny Officer of each Constituent Council will ensure that the work programme and minutes relating to the work carried out by the Combined Authority's Overview and Scrutiny Committee are circulated appropriately within their own Constituent Authorities' scrutiny arrangements.

37. Additional Rights of Access to Documents for Members of Overview and Scrutiny

- 37.1. Additional rights of access to documents for Members of the Overview and Scrutiny Committee are set out in the Access to Information rules.

38. Scrutiny Officer

- 38.1. The Combined Authority shall appoint a "Scrutiny Officer" to
 - (a) promoting the role of the Committee, and
 - (b) providing support and guidance:
 - (i) to the Committee, its working groups and its members, and
 - (ii) to members of the Combined Authority and to the Mayor in relation to the functions of the Overview and Scrutiny Committee).
- 38.2. The Combined Authority may not designate as the scrutiny officer any officer of a constituent council of the Combined Authority.

Chapter 7 – Audit and Governance Committee

39. Part 1 – Functions (from 8 May 2017)

40. Governance

The Combined Authority has appointed an Audit and Governance Committee.

41. Functions

41.1. The Audit and Governance Committee shall have the following statutory powers to:

- (d) review and scrutinise the authority's financial affairs,
- (e) review and assess the authority's risk management, internal control and corporate governance arrangements,
- (f) review and assess the economy, efficiency and effectiveness with which resources have been used in discharging the authority's functions, and
- (g) make reports and recommendations to the combined authority in relation to reviews conducted under paragraphs (a) (b) and (c).
- (h) Implement the obligation to ensure high standards of conduct amongst members

42. Terms of Reference

43. Accounts

43.1. The Audit and Governance Committee shall approve the annual statement of accounts;

44. Governance

44.1. Review corporate governance arrangements against the Code of Corporate Governance and the good governance framework;

44.2. Review the Annual Governance Statement prior to approval to ensure it properly reflects the risk environment and supporting assurances;

44.3. Annually review the assurance framework to ensure it adequately addresses risks and priorities including governance arrangements of significant partnerships;

44.4. Monitor the Authority's risk and performance management arrangements including reviewing the risk register, progress with mitigating actions and assurances;

44.5. Monitor the anti-fraud and whistle blowing policies and the complaint process;

45. Internal Audit

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- 45.1. Provide assurances over the effectiveness of internal audit functions and assuring the internal control environments of key partners;
 - 45.2. Review internal audit requirements undertaken by the Combined Authority;
 - 45.3. Approve the internal audit plan;
 - 45.4. Consider reports and assurances from the Chief Finance Officer in relation to:
 - (a) Internal Audit performance;
 - (b) Annual Assurance Opinion on the adequacy and effectiveness of the framework of governance, risk management and control;
 - (c) Risk management and assurance mapping arrangement;
 - (d) Progress to implement recommendations including concerns or where managers have accepted risks that the Authority may find unacceptable.

46. External Audit

- 46.1. Review the annual accounts;
- 46.2. Consider the annual external audit of the Combined Authority's accounts, including the Annual Audit Letter and assessing the implications and monitoring managers' response to concerns;

47. Financial Reporting

- 47.1. Consider whether accounting policies were appropriately followed and any need to report concerns to the Authority;
- 47.2. Consider any issues arising from external audit's audit of the account;
- 47.3. Ensure there is effective scrutiny of the treasury management strategy and policies in accordance with CIPFA's Code of Practice;
- 47.4. Make recommendations to the Chief Finance Officer and Monitoring Officer in respect the Authority's Constitution (Financial Regulations);
- 47.5. Maintain an overview of the Council's constitution in respect of contract procedure rules, financial regulations and standards of conduct;

48. Code of Conduct

- 48.1. Ensure the Combined Authority has effective policies and processes in place to ensure high standards of conduct by its Members and co-opted Members;
- 48.2. Assisting the Members and co-opted Members to observe the Code of Conduct;
- 48.3. Advising the Combined Authority on the adoption or revision of the Code of Conduct and monitor its operation;

- 48.4. Advising on training and overseeing the effectiveness of any training for Members and co-opted members on matters relating to the Code of Conduct;

49. General

- 49.1. Report and make recommendations to the Combined Authority in relation to the above.

50. Membership

- 50.1. The Audit and Governance Committee will consist of 8 Members, to include one Member from each Constituent Council, and one Independent Member.
- 50.2. In appointing Members to the Committee, the Combined Authority must ensure that the members of the committee taken as a whole reflect so far as reasonably practicable the balance of political parties for the time being prevailing among members of the Constituent Councils when taken together.
- 50.3. The Audit and Governance Committee may not include any officer of the Combined Authority or of a Constituent Council.

50.4. The Combined Authority shall appoint at least one Substitute Member from each Constituent Council.

51. Chair and Vice-Chair

- 51.1. The Committee will appoint the Chair and Vice-Chair.

52. Sub-Committees

- 52.1. The Committee may appoint one or more sub-committees and arrange for the discharge of any of its functions by any such sub-committee.
- 52.2. The Committee shall appoint hearings panel to hear any complaints where the Member is alleged to have breached to Code of Conduct.

53. Hearing Panel (Sub-committee to the Audit and Governance Committee)

- 53.1. The Hearings Panel is a sub-committee of the Audit and Governance Committee.
- 53.2. The Panel has the following functions:

- 53.2.1. When matters are referred by the Monitoring Officer granting dispensations to Councillors and co-opted Members allowing them to:
- (i) participate in the debate; and/or
 - (ii) vote on any matter in which they have a disclosable pecuniary interest;

- 53.2.2. On matters being referred by the Monitoring Officer deciding whether complaints concerning members should be investigated;
- 53.2.3. Hearing complaints that have been referred to them by the Monitoring Officer pursuant to the Complaints procedure;
- 53.2.4. The agreement of relevant procedures for the undertaking of its functions, when appropriate to be included within the Constitution

54. Part 2 – Procedure Rules

7. Access to Meetings

- 1.1 The public may attend meetings and have access to agenda, reports and minutes in accordance with the access to information rules set out in this constitution.

8. Meetings

- 8.1 The Committee will meet at least once a year.
- 8.2 An extraordinary meeting of an Audit and Governance Committee may be called by:
 - (d) the Chair of the Committee; or
 - (e) the Head of Paid Service.

9. Quorum

- 9.1 No business is to be transacted at a meeting of the Committee unless at least two-thirds of the total number of members on the committee are present.

10. Voting

- 10.1 Each Member of the Committee appointed from the Constituent Councils is to have one vote and no Member (including the Chair) is to have a casting vote.
- 10.2 Members of the Committee who are appointed other than from the Constituent Councils shall be non-voting members of the Committee but may be given voting rights by resolution of the Combined Authority.
- 10.3 Any questions that are to be decided by the Committee are to be decided by a simple majority of the members present and voting. If a vote is tied on any matter it is deemed not to have been carried.

11. Conflicts of Interest

- 11.1 Members must comply with the Member Code of Conduct.

11.2 No Member of the Committee may scrutinise a decision (whether or not implemented) in which they were directly involved as a member of the decision making body which made that decision.

11.3 Such a Member may only attend the Committee to:

- (d) make representations;
- (e) answer questions; or
- (f) give evidence about the decision.

12. Appointment of Independent Person

12.1 The Committee must have at least one independent person. The appointment must be made by the Combined Authority Board.

12.2 A person is independent if the person:

- (a) is not a Member, co-opted Member or officer of the authority;
- (b) is not a Member, co-opted Member or officer of a parish council for which the authority is the principal authority;
- (c) is not a relative, or close friend, of a person within sub-paragraph (a) or (b); and
- (d) was not at any time during the past 5 years been
 - (i) a Member, co-opted Member or officer of the authority; or
 - (ii) a Member, co-opted Member or officer of a parish council for which the Authority is the principal Authority.

Term of Office

Each independent member will serve a term of four years, which may be renewed up to a maximum of one further term (i.e. total maximum 8 years).

Appointments Process:

The vacancy for the Independent Person must be advertised in such manner as the Combined Authority considers is likely to bring it to the attention of the public. The person must submit to the Combined Authority an application to fill the vacancy, and the person's appointment has been approved by a majority of the Members of the Combined Authority Board.

The position of Independent Person shall be advertised on the Combined Authority's website, along with the website of each constituent authority.

Procedures at meetings

The Combined Authority Access to Information rules in this constitution will apply.

Chapter 8 – Access to Information Procedure Rules

55. Scope

- 55.1. These rules are a summary of rights to attend meetings of the Combined Authority Board, and to access to documents.
- 55.2. These rules apply to all meetings of the Combined Authority, committees and sub-committees (including the Overview and Scrutiny and the Audit and Governance Committees where appropriate).

56. Additional Rights to Information

- 56.1. These rules do not affect any more specific rights to information set out elsewhere in this Constitution or provided by the law, including the Data Protection Act, Freedom of Information Act or the Environmental Information Regulations.

57. Rights to Attend Meetings

- 57.1. Members of the public may attend all meetings subject only to the exceptions in these rules.

58. Notice of Meetings

- 58.1. The Monitoring Officer shall give notice of any meeting by publishing details of the meeting on the Combined Authority website:
- (a) at least five clear days before the meeting; or
 - (b) where the meeting is convened at shorter notice, at the time that the meeting is convened.
- 58.2. For the purposes of calculating the five clear day notice period, the day on which notice is given and the day of the meeting shall be disregarded.

59. Access to Agenda and Reports before the Meeting

- 59.1. All agendas and reports will be published at least five clear working days before the meeting. If an item is added to the agenda later, the revised agenda will be open to inspection from the time the item was added to the agenda.
- 59.2. Where reports are prepared after the summons has been sent out, the Monitoring Officer shall make the report available to the public as soon as the report is completed and sent to Members.

60. Access to Minutes after the Meeting

- 60.1. The draft minutes of each meeting shall be produced and published with the agenda of the next meeting of the Combined Authority.
- 60.2. The minutes of a meeting must be signed at the next meeting of the Combined Authority by the person presiding at that meeting. No discussion shall take place upon the minutes except about their accuracy.

61. Supply of Copies

- 61.1. On payment of a charge for postage and any other costs, the Monitoring Officer will supply copies of the following for all meetings to which these Rules apply:
- (a) any agenda and reports which are open to public inspection;
 - (b) any further statements or particulars necessary to indicate the nature of the items; and
 - (c) if the Chief Executive thinks fit, copies of any other documents supplied to Members in connection with an item.
 - (d) the minutes of the meeting or records of decisions taken, excluding any part of the minutes of proceedings when the meeting was not open to the public or which disclose exempt or confidential information;
 - (e) a summary of any proceedings not open to the public where the minutes open to inspection would not provide a reasonably fair and coherent record;
- 61.2. Copies of any agenda, reports or minutes which are open to public inspection will be available for six years after a meeting:

62. Background Papers

- 62.1. The Monitoring Officer will set out in every report a list of those documents (called background papers) relating to the subject matter of the report which in his or her opinion:
- (a) disclose any facts or matters on which the report or an important part of the report is based; and
 - (b) were relied on to a material extent in preparing the report.
- 62.2. The documents referred to in (a) and (b) above do not include published works or those which disclose exempt or confidential information and in respect of Executive reports, the advice of a political advisor (if any).
- 62.3. A copy of any background papers listed will be available for public inspection for four years after the date of the meeting.

63. Exclusion of the Press and Public from Meetings

Confidential information - Requirement to Exclude the Public

63.1. The public must be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that confidential information would be disclosed.

Exempt Information – Discretion to Exclude the Public

63.2. The public may be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that exempt information would be disclosed.

63.3. Where the meeting will determine any person's civil rights or obligations, or adversely affect their possessions, Article 6 of the Human Rights Act 1998 establishes a presumption that the meeting will be held in public unless a private hearing is necessary for one of the reasons specified in that Article 6.

Meaning of Confidential Information

63.4. Confidential information means information given to the Combined Authority by a Government Department on terms which forbid its public disclosure or information which cannot be publicly disclosed by Court Order or by law.

Meaning of Exempt Information

63.5. Exempt information means information falling within the following 7 categories below and within schedule 12A of the Local Government Act 1972, subject to the qualifications listed below:

CATEGORY	
1.	Information relating to any individual
2.	Information which is likely to reveal the identity of an individual
3.	Information relating to the financial or business affairs of any particular person (including the authority holding that information)
4.	Information relating to any consultations; or negotiations, or contemplated consultations; or negotiations, in connection with any labour relations matter arising between the authority; or a Minister of the Crown and employees of; or office holders under the authority
5.	Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings

- | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>6. Information which reveals that the authority proposes:</p> <p>(a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or</p> <p>(b) to make an order or direction under any enactment.</p> |
| <p>7. Information relating to any action taken or to be taken in connection with the prevention or investigation or prosecution of crime.</p> |

Qualifications

Information relating to the financial or business affairs of any particular person is not exempt if it is required to be registered under:

- (a) the Companies Act 1985;
- (b) the Friendly Societies Act 1974 and 1992;
- (c) the Industrial and Provident Societies Acts 1965 to 1978;
- (d) the Building Societies Act 1986; or
- (e) the Charities Act 1993.

Information is exempt if and so long as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Exclusion of Access by the Public to Reports

63.6. If the Monitoring Officer feels that a report or document contains confidential or exempt information he or she must mark the report or document 'Not for Publication - paragraph ... of Schedule 12A to the Local Government Act 1972'.

63.7. If a report or document is marked 'not for publication' the contents will not be quoted or revealed before or after the meeting, unless before the report is discussed, the meeting decides at the beginning that the matter should be dealt with in public.

63.8. The public must be excluded from a meeting during an item of business whenever:

- (a) It is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during that item, confidential information would be disclosed to them in breach of the obligations of confidence.
- (b) The decision-making body concerned passes a resolution to exclude the public during that item where it is likely, in view of the nature of the item of

business, that members of the public were present during that item, exempt information would be disclosed to them.

64. Notice of Private Meetings of the Combined Authority

64.1. All Combined Authority meetings or any committee or sub-committee meetings where executive decisions are to be made will be held in public except when the decision making body has resolved to:

- (a) exclude the press and public from all or part of a meeting in accordance with the Access to Information Rules or
- (b) exclude a member or members of the public in order to maintain orderly conduct or prevent misbehaviour at the meeting in accordance with Combined Authority's standing orders.
- (c) a further notice is made available on the Combined Authority's website at least 5 clear days before the meeting giving the reasons for holding the meeting in private, any representations received and a statement of its response. This will form part of the decision-making body's agenda.

64.2. Where the date of a private meeting of the Combined Authority or its committee or sub-committees makes compliance with (a) and (b) impractical, the meeting may only be held and any decision taken if agreement is obtained that the meeting is urgent and cannot reasonably be deferred from:

- (a) the Chair of the Overview and Scrutiny Committee; or
- (b) If there is no Chair or he/she is unable to act, then the Mayor as Chair of the Combined Authority or
- (c) in his/her absence, the Deputy Mayor as Vice-Chair of the Combined Authority

64.3. A notice setting out the reasons why the private meeting is urgent and cannot reasonably be deferred must be published on the Combined Authority's website as soon as reasonably practicable after agreement has been obtained.¹

65. Key Decisions and Forward Plan

65.1. A "key decision" means a decision, which in the view of the Overview and Scrutiny Committee is likely to:

- (a) result in the Combined Authority spending or saving a significant amount, compared with the budget for the service or function the decision relates to; or

¹ *(The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.)*

- (b) have a significant effect on communities living or working in an area made up of two or more wards or electoral divisions in the area.

65.2. When assessing whether or not a decision is a key decision, Members must consider all the circumstances of the case. However, a decision which results in a significant amount spent or saved will not generally be considered to be a key decision if that amount is less than £500,000.

65.3. A key decision which is considered to have a 'significant' effect on communities should usually be of a strategic rather than operational nature and have an outcome which will have an effect upon a significant number of people living or working in the area and impact upon:

- (a) the amenity of the community or;
- (b) quality of service provided by the Authority

65.4. Subject as below, a key decision may not be taken by the decision maker unless:

- (a) it in the Forward Plan on the Combined Authority's website and made available at the Combined Authority's Offices:
- (b) At least 28 clear days' notice has been given, or if this is impracticable, the decision has complied with the provisions set out in paragraph 13 or 14 below as they may apply, and
- (c) Notice of the meeting has been given in accordance with these rules

Forward Plan

65.5. The Forward Plan will be prepared by the Mayor in consultation with the Chief Executive and published by the Monitoring Officer at least 28 clear days before the date of the meeting to which it refers.

65.6. The Forward Plan will include matters which it is reason to believe will be the subject of a key decision to be taken by the Combined Authority, its committee or sub-committees, the Mayor, an Officer, or a Joint Committee when discharging executive functions. It will include in so far as the information is available or might reasonably be obtained:

- (a) that a key decision is to be made on behalf of the Combined Authority;
- (b) the matter about which a decision is to be made;
 - where the decision taker is an individual, his/her name and title, if any; and,
 - where the decision taker is a body, its name and details of its membership;
- (c) the date on which, or period within which, the decision will be taken;
- (d) a list of the documents submitted to the decision maker for consideration about that matter;
- (e) the address from which copies of any document listed is available, subject to any prohibition or restriction on their disclosure;
- (f) that other documents relevant to those matters may be submitted to the decision maker; and

- (g) the procedure for requesting details of those documents (if any) as they become available;
- (h) whether the decision proposed to be taken will include confidential or exempt information and require the meeting to be private to consider the item, either in full or in part, and the relevant exemption category.

65.7. Where any matter involves the consideration of exempt information or confidential information (as defined above) or the advice of a political adviser or assistant, a summary of the matter shall be included in the Forward Plan but the exempt or confidential information or the advice, as the case may be, need not be included.

66. General Exception

66.1. Where publication of the intention to make a key decision is impractical, the decision may still be taken if:

- (a) the Monitoring Officer has informed the Chair of the Overview and Scrutiny Committee (or if there is no such person, each Member of the Overview and Scrutiny Committee) by written notice of the matter to which the decision is to be made, including why compliance with the requirement to provide at least 28 clear days' notice was not practical in that case;
- (b) the Monitoring Officer has made copies of that notice available to the public at the Combined Authority's office and its website, and
- (c) at least five clear days have elapsed since the Monitoring Officer complied with (a) and (b) above.

67. Special Urgency Decision

67.1. Where the date by which a key decision must be taken means the General Exception rule cannot be followed, then the decision can only be taken where the decision maker has obtained agreement from:

- (a) the Chair of the Overview and Scrutiny Committee; or
- (b) If there is no such person or the Chair of the Overview and Scrutiny Committee is unable to act, then the agreement of the Chair of the Combined Authority Board;
- (c) Where there is no chair of either, the Vice Chair of the Board;

that the making of the decision is urgent and cannot reasonably be deferred.

67.2. As soon as reasonably practicable after agreement has been given, a notice must be available to the public at the Combined Authority's Offices and on its website, setting out the reasons for urgency and why the decision could not reasonably be deferred.

68. Additional Rights of Access to Documents for Members of Overview and Scrutiny Committees

68.1. Subject to paragraph 14.3 below, a member of the Overview and Scrutiny Committee is entitled to a copy of any document which:

- (a) is in the possession or under the control of the Combined Authority or the Mayor ; and
- (b) contains material relating to:
 - (i) any business that has been transacted at a meeting of a decision-making body of the authority; or
 - (ii) any decision that has been made by an individual Member of the Combined Authority.

68.2. Subject to 14.3, where a member of the Overview and Scrutiny Committee requests a document under 14.1, the Combined Authority or the Mayor must provide that document as soon as reasonably practicable and in any case no later than 10 clear days after it receives the request.

68.3. No member of the Overview and Scrutiny committee is entitled to a copy of any document or part of a document that contains:

- (a) exempt or confidential information unless that information is relevant to:
 - (i) an action or decision that that Member is reviewing or scrutinising; or
 - (ii) any review in any programme of work of the Committee; or
- (b) advice provided by a political adviser.

68.4. Where the Combined Authority or the Mayor determines that a Member of the Overview and Scrutiny Committee is not entitled to a copy of a document or part of any such document for a reason set out in 14.3, it must provide the Committee with a written statement setting out its reasons for that decision.

69. Photography and Audio/Visual Recording of Meetings

69.1. Any member of the public may film, audio record, take photographs and use social media to report the proceedings of any meeting that is open to the public provided that it is not disruptive and does not detract from the proper conduct of the meeting and subject to the rights of members of public attending to not to be filmed.

Chapter 10 – Financial Management Procedure Rules

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Financial Regulations

Introduction

70. Financial Regulations Background and Purpose

- 70.1. The Cambridgeshire and Peterborough CA is a local authority for the purposes of the Local Government Act 1972. The CA will appoint officers to undertake the statutory Head of Paid Service (Chief Executive), Chief Finance Officer and Monitoring Officer roles.
- 70.2. These Regulations shall be read in conjunction with the Assurance Framework, Rules of Procedure, Contract Procedure Rules, the Budget and Policy Framework and the Responsibility for Functions delegated to Officers.
- 70.3. These Regulations lay down for the guidance of Members and officers, principles to be followed in securing the proper administration of the Combined Authority's financial affairs and shall be reviewed at intervals of not more than three years. It is not expected that all aspects of these financial regulations will be required from day one, but to be in place to support the Combined Authority over time.
- 70.4. The Chief Finance Officer, as the officer responsible for the proper administration of the Combined Authority's financial affairs, shall report to the Combined Authority Board any significant failure to comply with these Regulations which comes to his/her attention.
- 70.5. The Head of Paid Service and the Chief Finance Officer shall be responsible for the accountability and control of all resources managed by them on behalf of the Combined Authority.
- 70.6. For the purposes of complying with these Regulations, the Chief Finance Officer shall be provided with any information he/she may require and shall have access to any documents and records as necessary.
- 70.7. Whenever any matter arises which may involve financial irregularity the Chief Finance Officer and the Monitoring Officer shall be notified immediately, and if an irregularity is disclosed the matter shall, at the discretion of the Chief Finance Officer and after consultation with the Head of Paid Service, be referred by them to the Combined Authority Board. Further, in a case where the Head of Paid Service advises that there is prima facie evidence of a criminal offence having been committed, the matter shall be reported to the Police forthwith.
- 70.8. The Combined Authority's financial transactions are governed by the Local Government Act 2003 and the Accounts and Audit Regulations 2015 as amended.

70.9. Officers and members of the Board will maintain the confidentiality of the Combined Authority's business and will not reveal confidential information about the Combined Authority or its finances.

71. Chief Finance Officer's Duties:

71.1. The Chief Finance Officer's statutory duties are to:

- (a) provide financial advice to the Combined Authority on all aspects of its activity, including budgets, strategic planning and policymaking to ensure the effective and efficient use of resources;
- (b) advise on the security of assets;
- (c) secure the Combined Authority's banking arrangements;
- (d) provide a treasury management function, including loans and investments, in accordance with the Combined Authority's policy;
- (e) ensure the Combined Authority follows guidelines contained within relevant manuals, instructions and policies;
- (f) produce the Annual Statement of Accounts in accordance with the latest statutory requirements and best practice.

71.2. The responsibilities of the Chief Finance Officer include:

- (a) proper administration of financial affairs;
- (b) ensuring, in consultation with the Monitoring Officer, lawfulness and financial prudence;
- (c) ensuring a balanced budget;
- (d) ensuring effective systems of internal control;
- (e) advising on Anti-fraud and Anti-corruption strategies;
- (f) acting as the Combined Authority's Money Laundering Reporting Officer in accordance with good practice;
- (g) Ensuring that statutory and other Accounts fairly present the financial position;
- (h) Maintaining a continuous review of the Financial Framework.

- (i) To establish suitable accounting policies and ensure that they are applied consistently in accordance with proper practices as set out in the Code of Practice on Local Authority Accounting in the United Kingdom.
- (j) To ensure that budget provision is identified and exists for all existing and new employees.

71.3. All Officers must consult and seek approval of the Chief Finance Officer before introducing or amending any records, forms or procedures relating to income and expenditure. The Chief Finance Officer will see that uniform systems are adopted throughout the Combined Authority to ensure that opportunities for fraud and corruption are minimised.

71.4. Failure to comply with Financial Regulations may constitute misconduct.

Financial Management

72. General

72.1. Where the Combined Authority has delegated delivery to a particular organisations and given budget for its delivery, then budget holders should follow their local organisations rules for the processing of transactions. The Chief Finance Officer must agree someone to be the budget holder in advance of them becoming responsible for the budget.

72.2. Budget holders must still comply with the CA specific requirements (e.g. under sections 4.1, 7, 13 as set out within these regulations. Each Officer of Constituent Authorities and the LEP is responsible for ensuring compliance with their local procedures and should seek appropriate advice and guidance from the Chief Finance Officer where necessary.

72.3. Each Officer of Constituent Authorities and the LEP must provide the Chief Finance Officer with necessary information for the purposes of accounting and budgetary control in accordance with issued timescales.

72.4. The Chief Finance Officer will be responsible for producing regular Financial Monitoring Reports to the Combined Authority and will submit as soon as possible after the year end, an annual Statement of Accounts which complies with the relevant statutory provisions.

72.5. The Chief Finance Officer is responsible for ensuring the production of the Combined Authority's Statement of Accounts, before 30 June and will submit the Accounts to the Combined Authority for approval in line with the current statutory regulations.

72.6. Each Officer plays a key role in enabling the Statement of Accounts to be produced and is responsible for ensuring that guidance notes and the timetable provided by the Chief Finance Officer is adhered to.

72.7. The Accountable Officer in consultation with the lead of each Workstream must approve any expenditure incurred by Constituent Authorities or the LEP in accordance with their scheme of delegation and procedure rules.

73. Control of Projects and Programmes

73.1. Project and Programme Management arrangements are set out within the following documents:

- (a) Combined Authority's Gateway process covering both revenue and capital programmes. The process sets out the documentation to be produced and the approvals to be sought at each Gateway stage;
- (b) Assurance Framework for the Single Pot of investment. An Assurance Framework is a set of systems, processes and protocols. It is designed to provide an evidence-based and independent assessment of the governance, risk management, and control processes of an organisation. All projects funded through the Single Investment Fund will be subject to a prioritisation, appraisal, and monitoring and evaluation procedure.
- (c) Monitoring and Evaluation Plan. This sets out the approach to the commissioning of schemes and the criteria to enable monitoring of projects.

74. Control of Service and Works Contracts

74.1. The work to be performed on behalf of the Combined Authority shall be the subject of a specific agreement setting out the respective roles and duties of the Combined Authority and the agent authority.

74.2. Payments on account of construction contracts shall be in accordance with the terms of the works agreements with the appropriate body, and shall not exceed the expenditure properly calculated to be due.

Financial Planning

75. Budgets

75.1. The annual Capital and Revenue budgets for the Combined Authority are prepared within the context of the process and timescales of planning, programming and review as agreed by the Combined Authority.

75.2. From 2018/19 onwards, the budget will be set and approved in accordance with the Combined Authorities Budget and Policy Framework

75.3. The Chief Finance Officer will prepare a long term financial plan each year for submission to the Combined Authority as part of its Budget approval.

- 75.4. The detailed form of Capital and Revenue budgets and the business planning process will be determined by the Chief Finance Officer to the Combined Authority subject to any instructions given by the Combined Authority.
- 75.5. Estimates of annual income and expenditure will be prepared by Officers and the Chief Finance Officer in line with the approved business planning process.
- 75.6. The Chief Finance Officer will submit for Combined Authority approval a draft budget of all income and expenditure on Capital and Revenue accounts for the financial year beginning in April of each year in line with agreed approval processes and timescales.
- 75.7. Approval of the annual Budgets, by the Combined Authority does not give authority to incur revenue and capital expenditure. This authority shall be obtained in accordance with the Scheme of Delegation and subject to compliance with the Combined Authority's Procurement Regulations and Gateway procedure.

76. Virements

- 76.1. The Chief Finance Officer is responsible for considering reports submitted by Officers in respect of virement proposals for revenue and capital expenditure.
- 76.2. In relation to revenue expenditure under control of officers, the Chief Finance Officer is authorised to consider reports of officers on any likely overspending, and to approve transfers between expenditure heads up to a maximum of £100,000.
- 76.3. In conjunction with Officers, the Chief Finance Officer is to report to and seek the prior approval of the CPCA for any revenue expenditure where it will have an adverse impact on a priority within the approved budget.

77. Reserves

- 77.1. The Chief Finance Officer will ensure that there are clear protocols for the establishment and use of reserves/provisions and, in consultation with Officers, will establish reserves and/or provisions and provide guidance on how to incur expenditure from Reserves/provisions.
- 77.2. The Chief Finance Officer shall seek CPCA approval for the use of reserves in addition to that if already planned.

78. Control of Expenditure – Revenue and Capital

- 78.1. A system of budgetary control will be maintained and as part of this control the Chief Finance Officer will submit statements to meetings of the Combined Authority showing:
- (a) the progress of income and expenditure to date against the approved revenue budgets for the year;

- (b) a forecast arising from the statements in (a) above of any material variation in income or expenditure anticipated for the financial year.
- 78.2. An officer must not order goods or services, which exceed the amount in their overall approved budget or which have not been approved through the Gateway process or Assurance Framework process for the Single Pot of investment
- 78.3. If it becomes apparent that the Combined Authority's expenditure cannot be contained within the overall approved budget figure, an appropriate report shall be submitted to the Combined Authority.
- 78.4. Unspent budgets at the year end will be carried forward or reallocated in accordance with arrangements in the business planning process approved by the Chief Finance Officer.
- 78.5. The Chief Finance Officer will ensure that the Combined Authority adheres to CIPFA's Prudential Code for Capital Finance in Local Authorities. The objective of the code is to provide a framework for capital finance that will ensure that:
- (a) capital expenditure plans are affordable in the short term;
 - (b) external borrowing and other long-term liabilities are within prudent and sustainable levels for the long-term;
 - (c) Treasury Management decisions are taken in accordance with professional good practice.
 - (d) In taking its decisions the Combined Authority is accountable through a clear and transparent framework;
 - (e) the framework should support local strategic planning, local asset management planning and option appraisal.
- 78.6. For the purposes of these Regulations, capital expenditure is that expenditure which is to be financed from the approved Combined Authority's capital budget. All Capital expenditure proposals should be the subject of the Combined Authority's Gateway project control process or Assurance Framework process for the Single Pot of investment.
- 78.7. Incurring of all contractual liability must be in accordance with the approved interim Scheme of Delegation and individual accountabilities.
- 78.8. The interim Scheme of Delegation will be as follows:
- 78.8.1. The Chief Finance Officer shall authorise and approve all expenditure incurred by the Combined Authority up to the value of £100,000.
 - 78.8.2. The Head of Paid Service and the Chief Finance Officer shall both authorise and approve all expenditure incurred by the Combined Authority over £100,000.
 - 78.8.3. In both the above cases, approval is provided the expenditure is included within the agreed revenue or capital budget and the Combined Authority has approved commencement of the scheme.

Risk Management and Control of Resources

79. Risk

79.1. Within the context of Corporate Risk arrangements, each Officer should undertake risk assessments for their areas of responsibility and any proposals for major change. Adequate controls, procedures and resources should be in place to manage and mitigate identified key risks.

80. Insurance

80.1. The Chief Finance Officer is authorised to effect all insurance cover required in connection with the business of the Combined Authority and to settle all claims under such insurances arranged for the Combined Authority's benefit.

80.2. Each Officer is however responsible for minimising the risk for insurance claims and putting in place risk management processes for their areas of responsibility.

80.3. Any Officer having responsibility for establishments or activities must:

- (a) Promptly and where possible in advance notify the Chief Finance Officer in writing of the extent and nature of any new risks or increased risks to be insured;
- (b) Immediately notify the Chief Finance Officer in writing of any loss, liability or damage which is or may be covered by insurance;
- (c) Obtain the approval of the Chief Finance Officer regarding the terms of any indemnity, which the Combined Authority is requested to give;
- (d) Immediately inform the Chief Finance Officer of any occurrence which may lead to a claim against the Combined Authority.

80.4. All claims against the Combined Authority and all claims by the Combined Authority against other persons shall be approved within the delegated levels of expenditure.

81. Internal Control Framework

81.1. The Chief Finance Officer is responsible for maintaining adequate and effective internal control arrangements. This includes a continuous appraisal of all accounting, financial and other controls throughout the Combined Authority, and by the Combined Authority's Agents in accordance with the relevant agency agreement. The objectives of the framework are:

- (a) To review, appraise and report upon the soundness, adequacy and application of financial and related management controls.
- (b) To examine and report upon the extent to which the Combined Authority's assets and financial interests are accounted for and safeguarded from losses of all kinds arising from:
 - a. Fraud, corruption and other offences.

- b. Waste, extravagance, poor value for money or any other cause.
- (c) To contribute to the monitoring of the use of resources in the pursuit of the defined objectives of the Combined Authority.
- (d) To receive and act upon information concerning allegations or suspicions of fraud and corruption as detailed in the Combined Authority's approved Fraud and Corruption Response Plan.

82. Internal Audit

82.1. The Chief Finance Officer shall arrange internal audit and reviews financial records and operations in accordance with the Accounts and Audit Regulations 2015 and relevant professional guidance. Those responsible for Internal Audit, on producing appropriate identification shall have authority to:

- (a) enter at all reasonable times on any land, premises or other assets of the Combined Authority;
- (b) obtain access to all records, documents, cash, stores, equipment and correspondence relating to any financial or other transaction of the Combined Authority;
- (c) require and receive such explanations as are necessary concerning any matters under examination;
- (d) require Officers or Members of the Combined Authority to produce cash, stores, or any other Combined Authority property, which is under their control;
- (e) report direct to the Head of Paid Service if considered appropriate so to do.

82.2. The Audit and Governance Committee will review the internal audit requirements of the Combined Authority, approve the internal audit plan and consider reports and assurances from the Chief Finance Officer in relation to internal audit.

83. External Audit

83.1. The key responsibilities of the Chief Finance Officer with regard to External Audit are to:

- (a) ensure the appointment of external auditors in accordance with statutory requirements and Board decisions
- (b) maintain accounting records and prepare Statements of Account;
- (c) liaise and work with External Audit on a regular basis;
- (d) receive and deal with all queries relating to the work of External Audit;

- (e) inform External Audit of all fraudulent cases that have been referred to the police.

84. Assurance Responsibilities

84.1. Each Officer has responsibility to ensure:

- (a) reviews that have taken place to evaluate, correct and report on controls and systems in place.
- (b) compliance with the Combined Authority's Standing Orders, Financial Regulations Procurement Regulations and Risk Management requirements.

85. Fraud and Corruption

- 85.1. The responsibility for the prevention and detection of fraud rests with all employees. An Officer shall immediately inform the appropriate officers of any circumstances which may suggest that there has been irregularity affecting cash, or other Combined Authority property and also of any payment or reward which has been accepted (other than hospitality as in detailed in the Code of Conduct) from any outside person or firm in respect of the work which such other person performs, as well as any impropriety or significant error in accounting or financial records or in relation to any contract for goods or services entered into by the Combined Authority.
- 85.2. Information received will be treated confidentially, and Officers should be assured that anonymity will be respected and it will not affect their employment situation or future prospects with the Combined Authority.
- 85.3. Any allegations received from outside the organisation, including anonymous letters or telephone calls will be taken seriously and investigated.
- 85.4. All cases of theft or suspected theft of Combined Authority property (no matter where the property was kept) must be promptly reported to the Audit Manager.
- 85.5. The Chief Finance Officer or Internal auditor shall be responsible for ensuring that the Combined Authority and the External Auditors are advised of any material loss or financial irregularity.
- 85.6. Internal Audit shall report to the Head of Paid Service, Monitoring Officer and the Chief Finance Officer.

86. Treasury Management

- 86.1. The Combined Authority has adopted the CIPFA Code of Practice on Treasury Management in Local Authorities. All investments of money will be made in the name of the Cambridgeshire and Peterborough Combined Authority.

- 86.2. The Treasury Management Strategy, prepared in accordance with the above code, will be adopted by the Combined Authority and thereafter its implementation and monitoring shall be delegated to the Chief Finance Officer.
- 86.3. The Chief Finance Officer will undertake any necessary borrowings in accordance with the Treasury Management Strategy.
- 86.4. All transfers from the Combined Authority's bank account shall be undertaken by authorised officers nominated by the Chief Finance Officer according to Treasury Management Procedures and authorisations.
- 86.5. The Chief Finance Officer will as a minimum report to the Combined Authority:
- (a) before the start of the financial year - a report on the strategy for the forthcoming year;
 - (b) by the end of June - an outturn report on Treasury management activity;
 - (c) by the end December of each year a half year monitoring report on Treasury Management activities;
 - (d) by the end of December a monitoring report on external investments performance.
- 86.6. The Chief Finance Officer shall be responsible for ensuring that surplus funds are invested promptly, safely and effectively and in accordance with Treasury Management Procedures.

87. Security of Assets

- 87.1. Officers shall be responsible for the proper security of all of the Combined Authority's assets within their control. The Officer shall consult the Chief Finance Officer regarding changes in matters regarding security.

Financial Systems and Procedures

88. Effective Management

- 88.1. The systems and processes operated by the Combined Authority must be managed effectively to:
- (a) provide customers and stakeholders with the best quality of service;
 - (b) ensure that net expenditure in their area of expenditure does not exceed the annual budget;
 - (c) comply with all relevant professional, managerial, legal and ethical standards;

(d) comply with the Combined Authority's procedures, regulations, standing orders, scheme of delegation and other relevant guidance and instructions issued.

88.2. Each Officer must ensure that there are adequate appropriate and clear reporting lines in operation within their area of responsibility.

89. Control of Expenditure - General

89.1. Incurring of all contractual liability must be in accordance with the approved Scheme of Delegation and individual accountabilities and in accordance with Procurement Regulations. The Chief Finance Officer will maintain a record of all delegated authorities.

89.2. Detailed procedures for the authorisation and control of expenditure will be issued, from time to time, by the Chief Finance Officer in accordance with delegated authority levels.

90. Income Collection and Banking Arrangements

90.1. The Chief Finance Officer is responsible for the banking arrangements and is authorised to set up and operate such bank accounts as are considered appropriate. The banking arrangements must be reviewed on a regular basis and negotiations regarding banking terms and overdraft facilities undertaken.

90.2. Arrangements for the authorisation of payments to be made by electronic transfer of funds from bank accounts must be in accordance with laid down processes and procedures.

90.3. Each relevant Officer must ensure that all systems and procedures relating to income and banking, comply with Accounts and Audit Regulations 2015 and the Combined Authority's authorised procedures.

90.4. Particulars of charges to be made for work done, services rendered or goods supplied and of all other amounts must be promptly notified to the Chief Finance Officer. Any proposed introduction of, or variation to, charges must be in accordance with the agreed Scheme of Delegation.

90.5. All accounts for income due to the Combined Authority must be sent out by the Chief Finance Officer, except where other arrangements have been authorised.

90.6. All Officers must supply information as the Chief Finance Officer may require to ensure that all sums receivable by the Combined Authority are promptly recorded, and recovery sought.

90.7. The Authority's banking arrangements shall be those approved by the Authority from time to time, and shall be supervised by the Chief Finance Officer.

90.8. Electronic payments either BACs or telegraphic transfer are to be authorised by the Chief Finance Officer or authorised officers.

91. Debt Management

- 91.1. The Chief Finance Officer will have authority to recover debts, except in the case of legal action which should be undertaken in consultation with the Monitoring Officer.
- 91.2. Any individual who discovers any apparent loss or irregularity involving money due to or held on behalf of or property owned by the Authority shall immediately notify their line manager and Internal Audit. Internal Audit will then comply with the provisions of the Authority's approved Theft Procedure.

92. Purchase Orders

- 92.1. Each Officer must ensure that all expenditure is lawful and is subject to all local Procurement Regulations and approval processes.
- 92.2. Expenditure on goods, services and supplies made directly by the Combined Authority may be exempt from the requirement to place an Order. The Chief Finance Officer shall maintain a list of order exemptions and review its continued appropriateness on an annual basis.
- 92.3. Requisitions and official orders shall not be issued for goods and services unless the expenditure is within approved budgetary levels and any other necessary approvals as set out in the Scheme of Delegation have been obtained.

93. Payment of Accounts

- 93.1. No payment shall be made unless supported by an invoice or pro-forma invoice, with VAT details, where appropriate.
- 93.2. Officers must ensure that all invoices, vouchers, etc. for payment by the Combined Authority are forwarded to the Finance Team immediately upon receipt and that the appropriate contract or order number is quoted on every invoice.
- 93.3. Once proper authorisations have been obtained, together with such additional explanations and information as may be required, the Chief Finance Officer will pay all accounts on behalf of the Combined Authority.
- 93.4. In order for an invoice to be paid, the responsible Budget Holder must confirm that the work, goods or services have been properly delivered in accordance with the order.
- 93.5. The receipt of all goods and services should only be made where:
- (a) the works, goods or services have been received, carried out satisfactorily, examined as to quality and quantity;
 - (b) the goods and services have been previously receipted.

93.6. The certification of Goods Received acts as the authorisation to pay the invoices as long as the invoice matches the Goods Received entry.

93.7. Where an invoice is exempt from the ordering process, the invoice will be subject to electronic approval by following appropriate rules of delegation.

94. Allocation of funding to projects

94.1. The allocation of funding to projects shall be done in accordance with the processes as outlined in the Assurance framework, based on guidance produced by DCLG.

95. Payments to Employees

95.1. The payment of all salaries, wages, pensions, compensation and all other emoluments to Officers or former Officers of the Combined Authority will be made by the Chief Finance Officer or under arrangements approved by the Chief Finance Officer

95.2. Time sheets and other documents to authorise the payment of wages and salaries must be certified by the appropriate Budget Holder (or nominee) and forwarded to the Payroll Manager within such period before the respective pay days, as may be required. The Chief Finance Officer shall make such checks on pay documents as are considered necessary.

95.3. All standing information relating to payroll data, such as rates of pay, statutory and non-statutory deductions, allowances, starters and leavers from any of the Combined Authority's payrolls, shall be notified through approved processes by the nominee to the Payroll Manager.

95.4. The detailed procedures to be followed at Combined Authority establishments for the control of overtime working and payment of wages and salaries are set out in formal procedures.

95.5. All payroll documentation must be filed for the period in accordance with required deadlines and no documentation relating to Officers records or to wages and salaries' payrolls should be destroyed without prior consultation with the Chief Finance Officer.

96. Taxation

96.1. The Chief Finance Officer is responsible:

96.1.1. for ensuring that taxation advice is available to Officers to ensure compliance with relevant legislation.

96.1.2. for maintaining the Council's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate

96.1.3. for completing all HM Revenue and Customs returns regarding Pay As You Earn

96.1.4. for completing and submitting VAT returns to HMRC as necessary

96.2. Officers are responsible:

96.2.1. for ensuring the correct VAT liability is attached to all income due and that all claims for VAT recoverable on purchases complies with HM Revenue and Customs regulations and all tax is properly identified and recorded.

96.2.2. for ensuring that the Authority is not put at risk in any funding arrangements by identifying the correct VAT treatment in accordance with the VAT Act 1994.

96.2.3. for following any guidance on taxation that may be issued by the Chief Finance Officer.

97. Expenses

97.1. All claims for payments of Officers' car allowances, subsistence allowances, travelling and incidental expenses must be certified by the appropriate Budget Holder and be within delegation levels. Certification means that the certifying Officer is satisfied that the journeys were authorised, the mileage correct, the expenses properly and necessarily incurred and that the mileage and other allowances are properly payable in accordance with the specific conditions of employment of the Combined Authority.

98. Travel and Subsistence

98.1. Claims, by Members of the Combined Authority or Officers, for reimbursement of expenses regarding hotel accommodation, refreshments, hospitality, gifts, car mileage are required to be countersigned by another Officer.

98.2. All claims should be submitted monthly.

External Arrangements

99. Partnerships

99.1. The Combined Authority is responsible for approving partnership agreements where funding is to be provided by a third party.

99.2. The budget controller or holder must present to the Combined Authority sufficient information before a decision is reached about entering a partnership agreement. This should include:

- (a) The aims and objectives of the partnership
- (b) A scheme appraisal for financial viability of the project
- (c) Risk appraisal
- (d) Resources required, both financial and staffing
- (e) Audit and control requirements

100. External Funding

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- 100.1. Before any external funding bid is made the responsible budget holder shall consult with the Chief Finance Officer to ensure all aspects of funding have been properly considered before submission for approval.
 - 100.2. The budget holder shall supply copies of all relevant paperwork to the Chief Finance Officer, including the bid submission, the offer letter and acceptance and any instructions for the completion of the grant.
 - 100.3. The Chief Finance Officer is responsible for ensuring that all external funding notified by external bodies is received and properly recorded and monitored in the Combined Authority's Accounts.
 - 100.4. It is the responsibility of the budget holder to ensure that the project progresses in accordance with the agreed project and that all expenditure is properly incurred and recorded. They must also ensure that all claims are prepared by the due date, making allowances for audit requirements where applicable.

101. Table of items specifically excluded from the CA Financial Regulations

101.1. The items listed in the table below are included in the Peterborough City Council Financial Regulations but are considered to be not necessary for inclusion in the Cambridgeshire and Peterborough Combined Authority (CPCA) version:

<u>Item</u>	<u>Reason for exclusion</u>
Financial Management: <ul style="list-style-type: none"> - Treatment of year end balances - Accounting Policies - Accounting Records and Returns - The Annual Statement of Accounts 	<ul style="list-style-type: none"> - Year end balances not relevant – more to do with use of specific reserves and schools balances - Accounting policies etc. covered in CFO responsibilities section
Financial Planning: <ul style="list-style-type: none"> - Performance Plans 	<ul style="list-style-type: none"> - Equivalent requirements for setting out and monitoring performance and best value is set out in the Assurance Framework and the Monitoring and Evaluation Plan.
Risk Management & Control of Resources: <ul style="list-style-type: none"> - Assets - Workforce 	<ul style="list-style-type: none"> - Assets – not considered relevant for CA - Workforce - covered in CFO responsibilities section
Financial Systems & Procedures: <ul style="list-style-type: none"> - Grants to external organisations - Trading Accounts and Business Units - Property Matters 	<ul style="list-style-type: none"> - PCC grants are to voluntary organisations, not considered relevant for CA. - Trading accounts, business units and property matters not relevant to CA
External Arrangements: <ul style="list-style-type: none"> - Work for Other Organisations 	<ul style="list-style-type: none"> - Not considered relevant for CA

Future approvals and changes will be required under the Mayoral Combined Authority from May 2017.

Chapter 14 - Part 1 – Member Code of Conduct

1. Principles of Public Life

1.1. The Members' Code of Conduct is intended to promote high standards of behaviour amongst the Members and co-opted Members of the Combined Authority.

1.2. The Code is underpinned by the following principles of public life, which should be borne in mind, when interpreting the meaning of the Code:

i. Selflessness

Holders of public office should act solely in terms of the public interest.

ii. Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

iii. Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

iv. Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

v. Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

vi. Honesty

Holders of public office should be truthful.

vii. Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

Part 1 – General Provisions

- 1.1 You are a Member or co-opted Member of the Combined Authority and hence you shall have regard to the following principles – selflessness, integrity, objectivity, accountability, openness, honesty and leadership.
- 1.2 Accordingly, when acting in your capacity as a Member or co-opted Member -
 - 1.2.1 You must act solely in the public interest and should never improperly confer an advantage or disadvantage on any person or act to gain financial or other material benefits for yourself, your family, a friend or close associate.
 - 1.2.2 You must not place yourself under a financial or other obligation to outside individuals or organisations that might seek to influence you in the performance of your official duties.
 - 1.2.3 When carrying out your public duties you must make all choices, such as making public appointments, awarding contracts or recommending individuals for rewards or benefits, on merit.
 - 1.2.4 You are accountable for your decisions to the public and you must co-operate fully with whatever scrutiny is appropriate to your office.
 - 1.2.5 You must be as open as possible about your decisions and actions and the decisions and actions of your authority and should be prepared to give reasons for those decisions and actions.
 - 1.2.6 You must declare any private interests, both pecuniary and non-pecuniary, that relate to your public duties and must take steps to resolve any conflicts arising in a way that protects the public interest, including registering and declaring interests in a manner conforming with the procedures set out in the box overleaf.
 - 1.2.7 You must, when using or authorising the use by others of the resources of your authority, ensure that such resources are not used improperly for political purposes (including party political purposes) and you must have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986.
 - 1.2.8 You must promote and support high standards of conduct when serving in your public post, in particular as characterised by the above requirements, by leadership and example.

Registering and declaring pecuniary and non-pecuniary interests

You must, within 28 days of taking office as a member or co-opted member, notify your authority's Monitoring Officer of any disclosable pecuniary interest as defined by regulations made by the Secretary of State, where the pecuniary interest is yours, your spouse's or civil partner's, or is the pecuniary interest of somebody with whom you are living with as a husband or wife, or as if you were civil partners.

In addition, you must, within 28 days of taking office as a member or co-opted member, notify your authority's Monitoring Officer of any disclosable pecuniary or non-pecuniary interest which your authority has decided should be included in the register.

If an interest has not been entered onto the authority's register, then the member must disclose the interest to any meeting of the authority at which they are present, where they have a disclosable interest in any matter being considered and where the matter is not a 'sensitive interest'.²

Following any disclosure of an interest not on the authority's register or the subject of pending notification, you must notify the monitoring officer of the interest within 28 days beginning with the date of disclosure.

Unless dispensation has been granted, you may not participate in any discussion of, vote on, or discharge any function related to any matter in which you have a pecuniary interest as defined by regulations made by the Secretary of State. Additionally, you must observe the restrictions your authority places on your involvement in matters where you have a pecuniary or non-pecuniary interest as defined by your authority.

² A 'sensitive interest' is described in the Localism Act 2011 as a member or co-opted member of an authority having an interest, and the nature of the interest being such that the member or co-opted member, and the authority's monitoring officer, consider that disclosure of the details of the interest could lead to the member or co-opted member, or a person connected with the member or co-opted member, being subject to violence or intimidation.

Part 2 – Interests

1. Disclosable Pecuniary Interests

Disclosable pecuniary interests are specified in the table below:

<i>Subject</i>	<i>Prescribed description</i>
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	<p>Any payment or provision of any other financial benefit (other than from Combined Authority) for any expenses incurred by you in carrying out your duties as a member, or towards your election expenses.</p> <p>This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.</p>
Contracts	<p>Any contract with the Combined Authority:</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p> <p>This includes a contract between the Combined Authority and any body in which you, or a person specified in paragraph 1.2 below, has a beneficial interest</p>
Land	Any beneficial interest in land which is within the Combined Authority's area
Licences	Any licence (alone or jointly with others) to occupy land in the Combined Authority's area for a month or longer.
Corporate Tenancies	<p>Any tenancy where (to your knowledge):</p> <p>(a) the landlord is the Combined Authority; and</p> <p>(b) the tenant is a body in which you, or a person listed in paragraph 1.2 below, has a beneficial interest</p>
Securities	Any beneficial interest in securities of a body where:

	<p>(a) that body (to your knowledge) has a place of business or land in the Combined Authority's area; and</p> <p>(b) either:</p> <p>(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the person in paragraph 1.2 (below) has a beneficial interest exceeds one hundredth of the total issued share capital of that class.</p>
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You must declare an interest if:

It is your interest, or

It is an interest of:

your spouse or civil partner;
a person with whom you are living as husband and wife, or
a person with whom you are living as if you were civil partners

and you are aware that that other person has the interest.

2. Other Disclosable Interests

You must declare the interests of any person from whom you have received a gift or hospitality with an estimated value of at least £100.

You should not act or take decisions in order to gain financial or other material benefits for yourself, your family, or your friends. You must declare and resolve any interests and relationships

3. Registration of Disclosable Pecuniary Interests and Other Interests

Subject to paragraph 0 below (sensitive interests), you must, within 28 days of:

- (a) this Code being adopted or applied by the Combined Authority; or
- (b) your election or appointment (where that is later)

notify the Monitoring Officer in writing of any disclosable pecuniary interests and other interests you have at that time.

Subject to paragraph 0 below (sensitive interests) you must, within 28 days of becoming aware of any new disclosable pecuniary or other interest or any change to any

such interest, notify the Monitoring Officer in writing of that new pecuniary interest or change.

4. Disclosable Pecuniary Interests in matters considered at meetings or by a Single Member

If you attend a meeting and are aware that you have a disclosable pecuniary interest in any matter to be considered at that meeting:

- (a) if the interest is not entered in the register of members' interests you must disclose to the meeting the fact that you have a disclosable pecuniary or other interest in that matter;
- (b) if you have not already done so, you must notify the Monitoring Officer of the interest before the end of 28 days beginning with the date of the disclosure; and
- (c) whether the interest is registered or not you must not unless you have obtained a dispensation from the Monitoring Officer to participate, or participate further, in any discussion of the matter at the meeting
- (d) whether the interest is registered or not you must not, unless you have obtained a dispensation from the Audit and Governance Committee participate in any vote, or further vote, taken on the matter at the meeting.

Sensitive Interests

- 4.2 Where you consider (and the Monitoring Officer agrees) that the nature of a disclosable pecuniary or other interest is such that disclosure of the details of the interest could lead to you, or a person connected with you, being subject to intimidation or violence, it is a "sensitive interest" for the purposes of the Code and the details of the sensitive interest do not need to be disclosed to a meeting, although the fact that you have a sensitive interest must be disclosed.

Part 3 – Related Documents

- 1.1 The following documents also provide guidance on the Standards of Conduct expected of members and can assist in the interpretation of this Code of Conduct. These documents can be found in the Combined Authority's Constitution.
- 1.1.1 The Audit and Governance Committee Rules of Procedure set out the arrangements for dealing with an alleged breach of this Code.
 - 1.1.2 Combined Authority's Social Media Code for Members and Officers sets out appropriate behaviour when undertaking Combined Authority business through social media
 - 1.1.3 Combined Authority's Member/Officer Protocol sets out how members and officers should work together

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- 1.1.4 The procedures under which registration and declaration of interests, gifts and hospitality are to be made are set out in the Gifts and Hospitality Policy.

Appendix 2– The Statutory Framework

1. Introduction

- 1.1. This chapter provides a summary of the statutory framework for the Cambridge and Peterborough Combined Authority.

2. Local Democracy, Economic Development and Construction Act 2009 (“the 2009 Act”)

- 2.1. The Local Democracy, Economic Development and Construction Act 2009 empowers the Secretary of State, by order, to establish as a body corporate a combined authority for an area.

3. The Cities and Local Government Devolution Act 2016 (“the 2016 Act”)

- 3.1. The 2016 Act introduced powers to provide for the election of mayors for combined authority areas. The Mayor may arrange for a deputy Mayor or any other Member or officer of the Combined Authority to exercise a function of the Mayors. It allows a Mayoral Combined Authority to set a precept for funding mayoral functions. It also enables combined authorities to exercise functions other than economic development, regeneration and transport and to set a levy.

4. The Cambridgeshire and Peterborough Combined Authority Order 2017 (“the 2017 Order”)

- 4.1. The 2017 Order established the Mayoral Combined Authority on 3 March 2017. (See Appendix 1)
- 4.2. The 2016 Act introduced powers for the Secretary of State, by Order, to make provision for a function of a public authority that is exercisable in relation to a combined authority’s area to be a function of the combined authority; and for any function of a Mayoral Combined Authority to be a function exercisable only by the Mayor subject to specified conditions or limitations.

4.3. Highways Functions

- 4.4. The 2017 Order delegated the following functions to the Combined Authority and are exercisable concurrently with Cambridgeshire County Council and Peterborough City Council (known as upper tier authorities):
- 4.4.1. Powers to enter into agreements with the Minister or strategic highways companies relating to the exercise of functions with respect to trunk roads etc) under section 6 of the Highways Act 1980 Act;
- 4.4.2. Certain other functions of the upper tier authorities as local highway authorities under the Highways Act 1980 as set out in the 2017 Order.

4.5. Local Transport Functions transferred to the Combined Authority

4.5.1. The following functions are exercisable by the Combined Authority instead of by Cambridgeshire County Council and Peterborough City Council;

- (a) Local Passenger Transport Services under Part 4 and 5 (financial Provisions) of the Transport Act 1985
- (b) Local transport under Part 2 of the Transport Act 2000.

4.6. Power of General Competence

4.6.1. The 2017 Order conferred on the Combined Authority and the Mayor, the General Power of Competence under Section 1 of the Localism Act 2011.

4.7. Economic Development and Regeneration Functions

4.7.1. Concurrently with the Constituent Councils, the Combined Authority has:

- (c) the power under section 144 of the Local Government Act 1972 (the power to encourage visitors and provide conference and other facilities);
- (d) the duties and powers under the Education Act 1996 related to the provision of education and training for persons over compulsory school age.

4.8. Incidental powers

4.8.1. The following incidental provisions are to have the effect as if the Combined Authority were a local authority for the purposes of these provisions:

- (a) section 113 of the Local Government Act 1972(b) (power to place staff at the disposal of other local authorities);
- (b) Section 142(2) of the Local Government Act 1972 (the power to arrange for publication of information etc. relating to the functions of the authority);
- (c) Section 222 of the Local Government Act 1972 (the power to instigate and defend legal proceedings);
- (d) the power to exercise related to research and collection of information under section 88 of the Local Government Act 1985.

4.9. Elected Mayor

- 4.9.1. The Order created the position of Mayor for the Combined Authority area. It provides for the first election for the return of a Mayor for the area to take place on 4th May 2017, and for subsequent elections to take place on the ordinary day of election in 2020 and in every fourth year after that, on the same day as the ordinary day of election.
- 4.9.2. The 2016 Act also introduced powers for the Secretary of State, by Order, for any function of a mayoral combined authority to be a function exercisable only by the Mayor subject to specified conditions or limitations.
- 4.9.3. The 2017 Order makes provision for the Mayor to exercise the power to pay grants to Cambridgeshire County Council and Peterborough City Council towards expenditure incurred in relation to the exercise of its highways functions under S31 Local Government Act 2003.
- 4.9.4. The Mayor also has the General Power of Competence.
- 4.9.5. The mayoral functions can be funded by precept under s 40 of the Local Government Finance Act 1992 (by way of budgetary approval) if they are not funded from other sources.
- 4.9.6. It makes provision to pay an allowance to the Mayor and for an independent remuneration panel to be established by one or more of the constituent councils under regulation 20 of the Local Authorities (Members' Allowances) (England) Regulations 2003. The allowance paid must not exceed the amount specified in the recommendation made by the independent remuneration panel.
- 4.9.7. The order also states that the Mayor (or Deputy Mayor in his absence) must vote with the majority of Combined authority members if the vote is to be valid.
- 4.9.8. It also provides for rules for voting on specified matters, for example to reject the Mayor's budget or strategies or voting requirements for the transport plan.

5. Local Government Legislation

- 5.1. The Combined Authority has such other powers and duties as are conferred on a combined authority by any legislation.

Such powers include:

Power	Legislation
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The duty to appoint a head of paid service, a monitoring officer and an officer with responsibility for the administration of Combined Authority's financial affairs. These Officers will be appointed in accordance with the Combined Authority's Employment Rules set out in the Constitution.	Section 4 of the Local Government and Housing Act 1989 Section 5 of the Local Government & Housing Act 1989, as amended by schedule 5, paragraph 24 of the Local Government Act 2000. S.151 of the Local Government Act 1972
The power to borrow money for a purpose relevant to its transport functions only;	S111 & S146A Local Government Act 1972
The power to appoint staff and to enter into agreements with other local authorities for the secondment of staff. Staff will be appointed in accordance with the Employment Rules set out in the Constitution	S112 & S113 Local Government Act 1972
The power to acquire land by agreement or compulsorily for the purpose of any of its functions and to dispose of such land;	S120 (except 1b) , S 123, S128-S131 Local Government Act 1972
The power to accept of gifts of property for the purpose of discharging functions,	S139 (except 1b and 2) Local Government Act 1972
The power to pay subscriptions to the funds of local authority associations;	S143 Local Government Act 1972
The power to transfer securities on alternation of area	S146 Local Government Act 1972
The duty (without prejudice to any other obligation) to exercise its functions with due regard to the need to prevent crime and disorder, the misuse of drugs and alcohol or re-offending in its area;	S17(1) Crime and Disorder Act 1998

5.2. Under the Localism Act 2011 the Combined Authority must promote and maintain high standards of conduct and adopt a code of conduct for its Members.

5.3. The Combined Authority is:

5.3.1. a local authority for the purpose of Section 101 of the Local Government Act 1972 (arrangements for the discharge of functions by local authorities), with the exception of general functions of the Mayor (Joint Committees);

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- 5.3.2. a best value authority for the purpose of Section 1 of the Local Government Act 1999;
 - 5.3.3. a public body for the purpose of the Freedom of Information Act 2000. (Schedule 1 Part 2 S19B) and shall be registered as both “data controller” and “data processor” as defined by the Data Protection Act 1998;
 - 5.3.4. a local authority for the purposes of the Local Authorities (Goods and Services) Act 1970 (power to supply goods and materials and to provide administrative and technical services to other public bodies).
- 5.4. Under the Openness of Local Government Bodies Regulations 2014, the public may report and commentate on public meetings of the Combined Authority.
 - 5.5. The Local Government Ombudsman has power to investigate complaints of maladministration against combined authorities under the Local Government Act 1974.
 - 5.6. The Local Government Act 1986 provisions regarding the prohibition of political publicity (any material which, in whole or part, appears designed to affect public support for a political party) apply to combined authorities.
- 6. The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees Order 2017)**
- 6.1. Schedule 5A of the 2009 Act (introduced by the 2016 Act) requires the Combined Authority to establish one or more Overview and Scrutiny Committees.
 - 6.2. The Committee must have power to:
 - (a) Review or scrutinise decisions made or other action taken in connection with the discharge of any functions which are the responsibility of the Combined Authority, or with the discharge of any general functions by the Mayor;
 - (b) Make reports or recommendations to the Combined Authority or the Mayor with respect to the discharge of their functions; and to
 - (c) Make reports or recommendations to the Combined Authority or the Mayor on matters affecting the authority’s area or inhabitants.
 - 6.3. The power to review or scrutinise a decision made but not implemented includes:
 - (a) Power to direct that a decision is not implemented while it is under review or scrutiny by the Committee; and
 - (b) Power to recommend that the decision is reconsidered.

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- 6.4. The 2009 Act provisions enable the Secretary of State, by Order, to make further provision about overview and scrutiny committees of combined authorities.
- 6.5. The Cambridgeshire and Peterborough Combined Authority Order 2017 provides for the establishment of an Overview and Scrutiny Committee, and includes provisions relating to its membership and Chair.
- 6.6. The Chair must be an appropriate person. In relation to a Mayoral Combined Authority, this means a person who is a member of a Constituent Authority, but who is not a member of a registered political party of which the Mayor is a member.
- 6.7. The Secretary of State has also made the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017.
- 6.8. This Order contains provisions regarding the membership of an Overview and Scrutiny Committee; the quorum for meetings; appointment of members; appointment of Chair; reference of matters to the Committee; duty of the Combined Authority and Mayor to respond to the Committee; confidential and exempt information; the scrutiny officer; rights of access to documents for members of the Committee; key decisions; general exception; and cases of special urgency.
- 6.9. Where the Chair of an Overview and Scrutiny Committee is to be an appropriate person, and the Mayor is not a member of a registered political party, a person may not be appointed as Chair of the Committee if that person is:
- (a) A member of the registered political party which has most representatives among the members of the Constituent Authorities on the Combined Authority, or
 - (b) Where two or more parties have the same number of representatives, a member of any of those parties.
- 6.10. The 2009 Act provisions also require Combined Authorities to establish an audit committee to review and scrutinise the Authority's financial affairs and to review and assess its risk management, internal control and corporate governance arrangements.
- 6.11. An audit committee must include at least one member who is an independent person.
- 6.12. The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 defines an "independent person", and provides that such a person may not be appointed unless the vacancy was advertised in such manner as the Combined Authority considers it likely to bring it to the attention of the public.
- 6.13. The quorum for meetings of audit committees must be no fewer than two-thirds of the total number of members of the Committee.

7. The Combined Authorities (Mayors) (Filling of Vacancies) Order 2017

- 7.1. The Order provides for the filling of vacancies in the office of Mayor arising due to the death or resignation of the Mayor; the Mayor's election being declared void or the office being declared vacant.
- 7.2. There are provisions regarding the date on which a vacancy is taken to have occurred; the giving of notice of a vacancy; the timescale for by-elections and the term of office of the person filling a vacancy.

8. The Combined Authorities (Mayoral Elections) Order 2017

- 8.1. The Order makes provision for the conduct of elections for Combined Authority Mayors.
- 8.2. In particular, there are provisions requiring each candidate's nomination paper to be prescribed by at least 100 electors (with at least 10 electors from each constituent council area) and for a deposit of £5,000 to be paid. If there are three or more candidates, the elected Mayor will be returned by the supplementary vote system.
- 8.3. The maximum amount a candidate may spend in election expenses is £2,362 multiplied by the total number of constituent councils, together with an additional 5.9p for every entry in the register of electors for the combined authority area.
- 8.4. Candidates who wish to have an election address included in an election booklet prepared and distributed by the Combined Authority Returning Officer will be required to pay a contribution of such reasonable amount as the Returning Officer may determine towards the expenses incurred by the Returning Officer in printing the booklet. Copies of the booklet will be delivered free of charge by the Returning Officer to each elector in the Combined Authority area.

9. The Draft Combined Authorities (Finance) Order (not yet enacted)

- 9.1. The Order includes provisions relating to Mayoral Combined Authority precepts; a mayor's proposed budget and the procedure for the combined authority to consider and approve the budget; the Mayor's general fund and transitional provisions for the financial year 2017/2018.

2017 No. 251

LOCAL GOVERNMENT, ENGLAND
TRANSPORT, ENGLAND

**The Cambridgeshire and Peterborough Combined Authority
Order 2017**

Made - - - -

2nd March 2017

Coming into force in accordance with article 1

This Order is made in exercise of the powers conferred by sections 103(1), 104(1)(a), 105(1) and (3), 105A(1)(a), (2) and (3)(b), 107A(1) and (2), 107D(1), (7)(a), (b), (c), (d) and (e), and (8)(b), 107G(1), 113D(1), 114(1) and (3) and 117(5) of, and paragraph 3 of Schedule 5A to and paragraph 3 of Schedule 5B to, the Local Democracy, Economic Development and Construction Act 2009(a) (“the 2009 Act”).

The Secretary of State, having had regard to the scheme prepared and published under section 109 of the 2009 Act, considers that—

- (a) the making of this Order is likely to improve the exercise of statutory functions in the area to which this Order relates, and
- (b) the consultation required by section 110(2) of the 2009 Act has been carried out.

The Secretary of State is satisfied that the area to which this Order relates meets the conditions set out in section 103(2) and (5) of the 2009 Act(b).

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- (a) 2009 c. 20. Section 103 was amended by sections 12 and 14 of the Cities and Local Government Devolution Act 2016 (c. 1) (“the 2016 Act”). Section 104 was amended by sections 8 and 14 of, and Schedule 5 to, the 2016 Act. Section 105 was amended by sections 6, 9 and 14 of the 2016 Act. Section 105A was inserted by section 7 of the 2016 Act. Section 107A was inserted by section 2 of the 2016 Act. Section 107D was inserted by section 4 of the 2016 Act. Section 107G was inserted by section 5 of the 2016 Act. Section 113D was inserted by section 10 of the 2016 Act. Section 114 was amended by Schedule 5 to the 2016 Act. Subsections (2), (2A) and (3) of section 117 were substituted by section 13 of the Localism Act 2011 (c. 20) and section 117(5) was inserted by paragraph 29 of Schedule 5 to the 2016 Act. Schedules 5A and 5B were inserted by Schedules 3 and 1 respectively to the 2016 Act.
- (b) Section 103 provides that the Secretary of State may by order establish as a body corporate a combined authority for an area on condition that the area consists of the whole of two or more local government areas in England and that no part of the area forms part of (a) the area of another combined authority, (b) the area of an Economic Prosperity Board, or (c) an integrated transport area.

In making this Order, the Secretary of State has had regard to the need to reflect the identities and interests of local communities, and to secure effective and convenient local government^(a).

In accordance with sections 104(10), 105(3A), 105B(2) and 113D(2) of the 2009 Act^(b), the councils for the local government areas of Cambridge, Cambridgeshire, East Cambridgeshire, Fenland, Huntingdonshire, Peterborough and South Cambridgeshire have consented to the making of this Order.

In accordance with section 105B(9) of the 2009 Act, the Secretary of State has laid before Parliament a report explaining the effect of this Order and why the Secretary of State considers it appropriate to make this Order.

A draft of this instrument has been laid before, and approved by a resolution of, each House of Parliament pursuant to section 117(2) of the 2009 Act.

Accordingly, the Secretary of State makes the following Order:

PART 1

General

Citation and commencement

1.—(1) This Order may be cited as the Cambridgeshire and Peterborough Combined Authority Order 2017.

(2) Save as provided in paragraph (3), this Order comes into force on—

(a) 1st February 2017; or

(b) if the Order is made on or after 1st February 2017, on the day after the day on which it is made.

(3) Articles 7 and 12 come into force on 8th May 2017.

Interpretation

2. In this Order—

“the 1980 Act” means the Highways Act 1980^(c);

“the 2000 Act” means the Transport Act 2000^(d);

“the 2003 Act” means the Local Government Act 2003^(e);

“the 2011 Act” means the Localism Act 2011^(f);

“Area” means the area consisting of the areas of the constituent councils;

“Combined Authority” means the Cambridgeshire and Peterborough Combined Authority as constituted by article 3;

(a) Section 110(4) of the 2009 Act requires the Secretary of State when making an order to establish a combined authority to have regard to the need to reflect the identities and interests of local communities, and to secure effective and convenient local government.

(b) Section 105B was inserted by section 7 of the 2016 Act.

(c) 1980 c. 66.

(d) 2000 c. 38.

(e) 2003 c. 26.

(f) 2011 c. 20.

“constituent councils” means the councils for the local government areas of Cambridge, Cambridgeshire, East Cambridgeshire, Fenland, Huntingdonshire, Peterborough and South Cambridgeshire;

“Local Enterprise Partnership” means the board of the Greater Cambridge Greater Peterborough Enterprise Partnership Limited^(a);

“Mayor” means the mayor for the Combined Authority as provided for by article 5; and

“upper-tier authority” means Cambridgeshire County Council or Peterborough City Council.

PART 2

Establishment of a combined authority for Cambridgeshire and Peterborough

Establishment

3.—(1) There is established as a body corporate a combined authority for the areas of the constituent councils.

(2) The combined authority is to be known as the Cambridgeshire and Peterborough Combined Authority.

(3) The functions of the combined authority are those functions conferred or imposed upon it by this Order or by any other enactment (whenever passed or made), or as may be delegated to it by or under this Order or any other enactment (whenever passed or made).

Constitution

4. The Schedule (which makes provision about the constitution of the Combined Authority) has effect.

Mayor

5.—(1) There is to be a mayor for the Area.

(2) The first election for the return of a mayor is to take place on 4th May 2017.

(3) Subsequent elections for the return of a mayor for the Area are to take place—

(a) on the ordinary day of election in 2021, and

(b) in every fourth year thereafter on the same day as the ordinary day of election.

(4) The term of office of the mayor returned at an election for the return of a mayor for the Area—

(a) begins with the fourth day after the day of the poll at the election for the return of a mayor for the Area, and

(b) ends with the third day after the day of the poll at the next election for the return of a mayor for the Area.

(5) In this article, “the ordinary day of election”, in relation to any year, means the day which is the ordinary day of election in that year of councillors for counties and districts in England as determined in accordance with sections 37 and 37A of the Representation of the People Act 1983^(b).

(a) The Greater Cambridge Greater Peterborough Enterprise Partnership is registered as a company limited by guarantee, Company No: 07553554.

(b) 1983 c. 2. Section 37 was amended by section 17 of, and Schedule 3 to, the Greater London Authority Act 1999 (c. 29) and by section 60(1) of the Local Government and Public Involvement in Health Act 2007 (c. 28). Section 37A was inserted by section 60(2) of the Local Government and Public Involvement in Health Act 2007.

Funding

6.—(1) The constituent councils must meet any reasonably incurred costs of the Combined Authority, other than the costs mentioned in paragraph (2), to the extent that the Combined Authority has not decided to meet these costs from other resources available to the Combined Authority.

(2) Subject to paragraph (4), the constituent councils must meet the costs of the expenditure reasonably attributable to the exercise of the function specified in article 12(1), to the extent that the Mayor has not decided to meet these costs from other resources available to the Combined Authority.

(3) Any amount payable by each of the constituent councils to ensure that the costs of the Combined Authority referred to in paragraphs (1) and (2) are met is to be determined by apportioning such costs between the constituent councils in such proportions as they may agree or, in default of such agreement, in equal proportions.

(4) In relation to the expenditure mentioned in paragraph (2)—

- (a) to the extent to which such expenditure is met by amounts payable under arrangements made under paragraph (3)—
 - (i) the Mayor must agree with the Combined Authority the total expenditure mentioned in paragraph (2) in advance of incurring this expenditure; and
 - (ii) in the absence of the agreement specified in paragraph (i), no such expenditure may be incurred; and
- (b) any precept issued in relation to such expenditure under section 40 of the Local Government Finance Act 1992 (issue of precepts by major precepting authorities)(a) is to be disregarded in any calculation of the costs of that expenditure.

PART 3

Transport

Power to pay grant

7.—(1) The functions of a Minister of the Crown specified in section 31 of the 2003 Act (power to pay grant) are functions of the Combined Authority that are exercisable in relation to the Area.

(2) These functions are exercisable—

- (a) concurrently with a Minister of the Crown; and
- (b) only for the purpose of paying grant to an upper-tier authority.

(3) Paragraph (4) applies where, in exercising the functions referred to in paragraph (1), the Combined Authority determines an amount of grant to be paid towards expenditure incurred or to be incurred by an upper-tier authority in relation to the exercise of its highway functions.

(4) In determining that amount, the Combined Authority must have regard to the desirability of ensuring that the upper-tier authority has sufficient funds to facilitate the effective discharge of those functions.

(5) To comply with paragraph (4), the Combined Authority must take into account—

- (a) any other sources of funding available to the upper-tier authority for expenditure incurred or to be incurred in relation to the exercise of its highway functions; and
- (b) the most recent determination by the Secretary of State of an amount of grant paid to the upper-tier authority for those purposes.

(a) 1992 c. 14. Section 40 was amended by section 83 of the Greater London Authority Act 1999, section 79 of and paragraph 7 of Schedule 17 to the 2011 Act and section 5 of the 2016 Act.

(6) For the purposes of the exercise of the functions of the Combined Authority referred to in paragraph (1), section 31 of the 2003 Act has effect as if—

- (a) in subsection (1)—
 - (i) the reference to a Minister of the Crown were a reference to the Combined Authority;
 - (ii) the reference to a local authority in England were a reference to an upper-tier authority;
- (b) subsection (2) were omitted;
- (c) in subsections (3) and (4), the references to the person paying it (the grant) were references to the Combined Authority;
- (d) subsection (6) were omitted.

(7) In this article “highway functions” means the functions exercisable by an upper tier authority (in whatever capacity) in relation to the highways for which they are the highway authority(a).

Local transport

8. The following functions are exercisable by the Combined Authority, instead of the upper-tier authorities, in relation to the Area—

- (a) functions of the upper-tier authorities specified in Parts 4 (local passenger transport services) and 5 (financial provisions) of the Transport Act 1985(b); and
- (b) the functions of the upper-tier authorities as local transport authorities specified in Part 2 (local transport) of the 2000 Act(c).

Agreements between authorities

9.—(1) The functions of the upper-tier authorities specified in section 6 of the 1980 Act (powers to enter into agreements with the Minister or strategic highways companies relating to the exercise of functions with respect to trunk roads etc.)(d) are exercisable by the Combined Authority in relation to the Area.

(2) The functions of the upper-tier authorities as local highway authorities specified in the following provisions of the 1980 Act are exercisable by the Combined Authority in relation to the Area—

- (a) section 8 (power to enter into agreements with local highway authorities and strategic highways companies for the doing of certain works)(e);
- (b) section 62 (general power of improvement)(f);
- (c) section 64 (dual carriageways and roundabouts)(g);
- (d) section 65 (cycle tracks);

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- (a) Section 1(2) of the 1980 Act provides that outside Greater London the council of a county or metropolitan district is the highway authority for all highways in the county or, as the case may be, the district, whether or not maintainable at the public expense, which are not highways for which the Minister or a strategic highways company is the highway authority.
 - (b) 1985 c. 67.
 - (c) Section 108(4) of the 2000 Act provides that in Part 2 of that Act “local transport authority” means (a) a county council in England, (b) a council of a non-metropolitan district in England comprised in an area for which there is no county council, (c) an Integrated Transport Authority for an integrated transport area in England, (ca) a combined authority, or (d) a county council or county borough council in Wales.
 - (d) Section 6 was amended by section 8 of, and paragraph 4 of Schedule 4 to, the Local Government Act 1985 (c. 51), section 22 of, and paragraph 2 of Schedule 7 to, the Local Government (Wales) Act 1994 (c. 19), section 1 of, and paragraph 7 of Schedule 1 to, the Infrastructure Act 2015 (c. 7), and S.I. 1995/1986.
 - (e) Section 8 was amended by section 22 of, and paragraph 3 of Schedule 7 to, the Local Government (Wales) Act 1994, section 8 of, and paragraph 5 of Schedule 4 to, the Local Government Act 1985, and section 1 of, and paragraph 8 of Schedule 1 to, the Infrastructure Act 2015 (c. 7).
 - (f) Section 62 was amended by Schedule 10 to the Transport Act 1981 (c. 56), Schedule 17 to the Local Government Act 1985 (c. 51), and section 1(1) of the Traffic Calming Act 1992 (c. 30).
 - (g) Section 64 was amended by Schedule 17 to the Local Government Act 1985 and Schedule 9 to the New Roads and Street Works Act 1991 (c. 22).

- (e) section 66 (footways and guard-rails etc for publicly maintainable highways)(a);
- (f) section 68 (refuges);
- (g) section 69 (subways)(b);
- (h) section 70 (footbridges over highways);
- (i) section 73 (power to prescribe improvement line for widening street) (c);
- (j) section 74 (power to prescribe a building line)(d);
- (k) section 75 (variation of widths of carriageways and footways);
- (l) section 76 (levelling of highways);
- (m) section 77 (alteration of levels);
- (n) section 78 (cutting off of corners);
- (o) section 79 (prevention of obstruction to view at corners)(e);
- (p) section 80 (power to fence highways)(f);
- (q) section 81 (provision of highway boundary posts);
- (r) section 91 (construction of bridge to carry existing highway maintainable at public expense);
- (s) section 92 (reconstruction of bridge maintainable at public expense);
- (t) section 93 (power to make orders as to reconstruction, improvement, etc of privately maintainable bridges)(g);
- (u) section 94 (powers of highway authorities and bridge owners to enter into agreements);
- (v) section 96 (powers of highway and local authorities to plant trees, lay out grass verges etc);
- (w) section 97 (lighting of highways)(h);
- (x) section 98 (delegation of lighting functions of highway authority);
- (y) section 99 (metalling of highways);
- (z) section 100 (drainage of highways)(i); and
- (aa) section 101 (power to fill in roadside ditches etc).

(3) The functions specified in paragraphs (1) and (2) are exercisable by the Combined Authority concurrently with the constituent councils.

(4) In this article, “local highway authority” has the meaning given by section 329(1) of the 1980 Act (further provision as to interpretation)(j).

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- (a) Section 66 was amended by paragraph 17 of Schedule 4 to the Local Government Act 1985, section 70(1) of the Countryside and Rights of Way Act 2000 (c. 37), and paragraph 23 of Schedule 1 to the Infrastructure Act 2015 (c. 7).
 - (b) Section 69 was amended by Schedule 17 to the Local Government Act 1985, paragraph 7 of Schedule 7 to the Local Government (Wales) Act 1994 (c. 19), and paragraph 24 of Schedule 1 to the Infrastructure Act 2015 (c. 7).
 - (c) Section 73 was amended by sections 37 and 46 of the Criminal Justice Act 1982 (c. 48) and paragraph 62 of Schedule 25 to the Water Act 1989 (c. 15).
 - (d) Section 74 was amended by sections 37 and 46 of the Criminal Justice Act 1982 and paragraph 62 of Schedule 25 to the Water Act 1989.
 - (e) Section 79 was amended by paragraph 18 of Schedule 17 to the Local Government Act 1985, paragraph 8 of Schedule 7 to the Local Government (Wales) Act 1994, sections 37 and 46 of the Criminal Justice Act 1982, and paragraph 52 of Schedule 9 to the Crime and Courts Act 2013 (c. 22).
 - (f) Section 80 was amended by paragraph 19 of Schedule 4 to the Local Government Act 1985, paragraph 45(4) of Schedule 2 to the Planning (Consequential Provisions) Act 1990 (c. 11) and paragraph 25 of Schedule 1 to the Infrastructure Act 2015 (c. 7).
 - (g) Section 93 was amended by paragraph 27 of Schedule 1 to the Infrastructure Act 2015 (c. 7).
 - (h) Section 97 was amended by paragraph 29 of Schedule 1 to the Infrastructure Act 2015 (c. 7).
 - (i) Section 100 was amended by paragraph 21 of Schedule 4 to the Local Government Act 1985, paragraph 62 of Schedule 25 to the Water Act 1989, paragraph 36(1) of Schedule 1 to the Water Consolidation (Consequential Provisions) Act 1991, and paragraph 9 of Schedule 7 to the Local Government (Wales) Act 1994.
 - (j) This definition in section 329(1) of the 1980 Act was amended by paragraph 60(1) of Schedule 1 to the Infrastructure Act 2015 (c. 7).

PART 4

Additional functions

Economic development and regeneration functions

10. The functions of the constituent councils specified in the following provisions are exercisable by the Combined Authority in relation to the Area—

- (a) section 144 of the Local Government Act 1972 (the power to encourage visitors and provide conference and other facilities)(a); and
- (b) sections 15ZA, 15ZB, 15ZC, 17, 18A(1)(b), 514A and 560A of the Education Act 1996 (duties and powers related to the provision of education and training for persons over compulsory school age)(b).

General power of competence

11. Chapter 1 of Part 1 of the 2011 Act (general powers of authorities) is to have effect in relation to the Combined Authority as it has effect in relation to a local authority(c).

General functions of the Combined Authority exercisable only by the Mayor

12.—(1) The function of the Combined Authority corresponding to the function in section 31 of the 2003 Act (power to pay grant) is a general function exercisable only by the Mayor(d).

(2) For the purposes of the exercise of the general function mentioned in paragraph (1)—

- (a) the Mayor must consult the Combined Authority before exercising the function; and
- (b) members and officers may assist the Mayor in the exercise of the function.

(3) Subject to paragraphs (4) and (5), the Mayor may do anything that the Combined Authority may do under Chapter 1 of Part 1 of the 2011 Act (general powers of authorities).

(4) Any exercise by the Mayor of the general power conferred by paragraph (3) which involves the transfer of property, rights and liabilities of the Combined Authority to or from any of the constituent authorities requires the consent of—

- (a) all members of the Combined Authority appointed by the constituent councils, or
- (b) substitute members acting in place of those members.

(5) Any exercise by the Mayor of the general power conferred by paragraph (3) which involves the preparation and publication of a document including a statement formulating the Mayor's strategy for spatial development in the Area requires the consent of—

- (a) all members of the Combined Authority appointed by the constituent councils, or
- (b) substitute members acting in place of those members.

(a) Section 144 was amended by section 81 of and Schedule 2 to the Local Government (Miscellaneous Provisions) Act 1976 (c. 57); by section 194 of and Schedule 34 to the Local Government, Planning and Land Act 1980 (c. 65); and by sections 1 and 102 of and Schedule 17 to the Local Government Act 1985. There are other amendments which are not relevant to this instrument.

(b) 1996 c. 56. Sections 15ZA, 15ZB, 15ZC, 18A, 514A and 560A were inserted by sections 41, 42, 45 to 48 of the Apprenticeships, Skills, Children and Learning Act 2009 (c. 22), and by S.I. 2010/1158. Section 15ZA was amended by paragraph 5 of Schedule 3(1) to the Children and Families Act 2014 (c. 6), by paragraph 44 of Schedule 14(2) to the Deregulation Act 2015 and by S.I. 2015/1852. Section 15ZC was amended by S.I. 2015/1852. Section 18A was also amended by the Education Act 2011 (c. 21), sections 30 and 82 and by paragraph 8 of Schedule 3(1) to the Children and Families Act 2014. Section 514A was amended by paragraph 50 of Schedule 3(1) to the Children and Families Act 2014. Section 560A was amended by paragraph 54 of Schedule 3(1) to the Children and Families Act 2014.

(c) Section 113D of the 2009 Act as inserted by section 10 of the 2016 Act enables the Secretary of State by order to confer the General Power of Competence, found in Chapter 1 of Part 1 of the 2011 Act, on a combined authority.

(d) Section 107D(2) of the 2009 Act provides that in Part 6 of that Act references to "general functions", in relation to a Mayor for the area of a combined authority, are to any functions exercisable by the Mayor other than police and crime commissioner functions.

(6) For the purpose of paragraphs (4) and (5), the consent must be given at a meeting of the Combined Authority.

Incidental provisions

13. The following provisions have effect in relation to the Combined Authority as if it were a local authority—

- (a) section 113 of the Local Government Act 1972 (power to place staff at the disposal of other local authorities)(a);
- (b) section 142(2) of the Local Government Act 1972 (power to arrange for publication of information etc relating to the functions of the authority)(b); and
- (c) section 222 of the Local Government Act 1972 (power to prosecute and defend legal proceedings)(c).

14.—(1) The Combined Authority shall have the power to exercise any of the functions described in section 88(1)(a) and (b) of the Local Government Act 1985 (research and collection of information)(d) whether or not a scheme is made under that section.

(2) For the purposes of paragraph (1), paragraphs (a) and (b) of section 88(1) of the Local Government Act 1985 have effect as if a reference to “that area” were a reference to the Area.

15. Section 13 of the Local Government and Housing Act 1989 (voting rights of members of certain committees)(e) has effect in relation to the Combined Authority as if—

- (a) in subsection (4) after paragraph (h) there were inserted—
 - “(i) subject to subsection (4A), a committee appointed by the Cambridgeshire and Peterborough Combined Authority.”; and
- (b) after subsection (4) there were inserted—
 - “(4A) A person who is a member of a committee falling within paragraph (i) of subsection (4) or a sub-committee appointed by such a committee shall for all purposes be treated as a non-voting member of that committee or sub-committee unless that person is a member of one of the constituent councils as defined by article 2 of the Cambridgeshire and Peterborough Combined Authority Order 2017.”

16. In Part 2 of Schedule 3 (pension funds) to the Local Government Pension Scheme Regulations 2013(f), at the end of the table insert—

“An employee of the Cambridgeshire and Peterborough Combined Authority established by the Cambridgeshire and Peterborough Combined Authority Order 2017	Cambridgeshire County Council.”
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- (a) 1972 c. 70. Section 113 was amended by paragraph 151 of Schedule 4 to the National Health Service Reorganisation Act 1973 (c. 32); by section 66(1) of and paragraph 13 of Schedule 9 to the National Health Service and Community Care Act 1990 (c. 19); by paragraph 18 of Schedule 4 to the Health and Social Care (Community Health and Standards) Act 2003 (c. 43); by paragraph 51(a) of Schedule 1 to the National Health Service (Consequential Provisions) Act 2006 (c. 43); by paragraph 17 of Schedule 5, paragraph 3 of Schedule 7, and paragraph 3 of Schedule 17 to the Health and Social Care Act 2012 (c. 7); by S.I. 2000/90; by S.I. 2002/2469; and by S.I. 2007/961.
- (b) Section 142 was amended by section 3(1)(a) of the Local Government Act 1986 (c. 10); there are other amendments which are not relevant to this instrument.
- (c) To which there are amendments not relevant to this instrument.
- (d) 1985 c. 51.
- (e) 1989 c. 42. Section 13 was amended by paragraph 1 of Schedule 21(II) and paragraph 96 of Schedule 37(I) to the Education Act 1993 (c. 35); by paragraph 36 of Schedule 4(I) and by paragraph 1 of Schedule 9(I) to the Police and Magistrates’ Courts Act 1994 (c. 29); by paragraph 1 of Schedule 24 to the Environment Act 1995 (c. 25); by paragraph 96 of Schedule 37(I) and by paragraph 1 of Schedule 38(I) to the Education Act 1996 (c. 56); by paragraph 22 of Schedule 30 to the School Standards and Framework Act 1998 (c. 31); by paragraph 1 of Schedule 5(4) to the Children Act 2004 (c. 31); by paragraph 81 of Schedule 6 to the 2009 Act; by paragraph 14 of Schedule 14 and by paragraph 1 of Schedule 22(4) to the Marine and Coastal Access Act 2009 (c. 23); by paragraph 15 of Schedule 8 to the Public Service Pensions Act 2013 (c. 25); by S.I. 2001/1517; and by S.I. 2010/1158.
- (f) S.I. 2013/2356. Schedule 3 was amended by regulations 31 and 32 of S.I. 2015/755.

Signed by authority of the Secretary of State for Communities and Local Government

2nd March 2017

Bourne of Aberystwyth
Parliamentary Under Secretary of State
Department for Communities and Local Government

SCHEDULE Constitution

Article 4

Membership

1.—(1) Each constituent council must appoint one of its elected members to be a member of the Combined Authority.

(2) Each constituent council must appoint another of its elected members to act as a member of the Combined Authority in the absence of the member appointed under sub-paragraph (1) (“the substitute member”).

(3) The Local Enterprise Partnership must nominate one of its members to be a member of the Combined Authority.

(4) The Local Enterprise Partnership must nominate another of its members to act as a member of the Combined Authority in the absence of the member appointed under sub-paragraph (3) (“the substitute member”).

(5) The Combined Authority must appoint the member nominated by the Local Enterprise Partnership under sub-paragraph (3) as a member of the Combined Authority (“Local Enterprise Partnership Member”).

(6) The Combined Authority must appoint the member nominated by the Local Enterprise Partnership under sub-paragraph (4) to act as a member of the Combined Authority in the absence of the member appointed under sub-paragraph (5) (“the substitute member”).

(7) A person ceases to be a member or substitute member of the Combined Authority if they cease to be a member of—

- (a) the constituent council that appointed them; or
- (b) the Local Enterprise Partnership that nominated them.

(8) A person may resign as a member or substitute member of the Combined Authority by written notice served on the proper officer of the constituent council that appointed them or, as the case may be, the chair or vice-chair of the Local Enterprise Partnership that nominated them, and the resignation takes effect on receipt of the notice by the proper officer of the council or chair or vice-chair of the Local Enterprise Partnership (as the case may be).

(9) Where a member or substitute member of the Combined Authority’s appointment ceases by virtue of sub-paragraph (7) or (8)—

- (a) the constituent council that made the appointment must, as soon as practicable, give written notice of that fact to the Combined Authority and appoint another of its elected members in that person’s place;
- (b) the Local Enterprise Partnership must, as soon as practicable, give written notice of that fact to the Combined Authority and nominate another of its members in that person’s place, such nomination to take effect from the date on which the written notice of nomination is received by the Combined Authority.

(10) A constituent council may at any time terminate the appointment of a member or substitute member appointed by it to the Combined Authority and appoint another one of its elected members in that person’s place.

(11) Where a constituent council exercises its power under sub-paragraph (10), it must give written notice of the new appointment and the termination of the previous appointment to the Combined Authority and the new appointment shall take effect and the previous appointment terminate at the end of 14 days beginning with the day after the date on which the notice is given or such longer period not exceeding one month as is specified in the notice.

(12) The Local Enterprise Partnership may at any time terminate the appointment of a Local Enterprise Partnership Member or substitute member nominated by it to the Combined Authority and nominate another of its members in that person's place.

(13) Where the Local Enterprise Partnership exercises its power under sub-paragraph (12), it must give written notice of the new nomination and the termination of the previous appointment to the Combined Authority.

(14) The Combined Authority must appoint a Local Enterprise Partnership Member nominated under sub-paragraph (13) and the new appointment shall take effect and the previous appointment terminate at the end of one week beginning with that day after the date on which the notice is given or such longer period not exceeding one month as is specified in the notice.

(15) The Combined Authority must appoint a Local Enterprise Partnership Member nominated under sub-paragraph (9)(b) or sub-paragraph (13) at the next meeting of the Combined Authority.

Chair and vice-chair

2.—(1) The Combined Authority must appoint a chair from among its constituent council members and the appointment is to be the first business transacted after the appointment of members of the Combined Authority, at the first meeting of the Combined Authority.

(2) A person ceases to be chair of the Combined Authority if they cease to be a member of the Combined Authority.

(3) If a vacancy arises in the office of chair, an appointment to fill the vacancy is to be made at the next ordinary meeting of the Combined Authority, or, if that meeting is to be held within 14 days of the vacancy arising, at the meeting following that meeting.

(4) The chair of the Combined Authority ceases to hold office on 8th May 2017^(a).

3.—(1) The Combined Authority must appoint a vice-chair from among its members and the appointment is to be the first business transacted after the appointment of members of the Combined Authority and the chair of the Combined Authority, at the first meeting of the Combined Authority.

(2) A person ceases to be vice-chair of the Combined Authority if they cease to be a member of the Combined Authority.

(3) If a vacancy arises in the office of vice-chair, an appointment to fill the vacancy is to be made at the next ordinary meeting of the Combined Authority, or, if that meeting is to be held within 14 days of the vacancy arising, at the meeting following that meeting.

(4) The vice-chair of the Combined Authority ceases to hold office on 8th May 2017.

(5) The office of vice-chair of the Combined Authority is abolished with effect from 8th May 2017.

Proceedings

4.—(1) Subject to the following sub-paragraphs, any question to be decided by the Combined Authority is to be decided by a majority of the members, and such majority is to include the Mayor, or the deputy Mayor acting in place of the Mayor, and substitute members, acting in place of members.

(a) Section 107A(6) of the 2009 Act provides that the mayor for the area of a combined authority is by virtue of that office a member of, and the chair of, the combined authority.

(2) If the office of chair exists, no business is to be transacted at a meeting of the Combined Authority unless at least five members, including the chair or substitute members, appointed by the constituent councils are present at the meeting.

(3) If the Mayor is in office, no business is to be transacted at a meeting of the Combined Authority unless at least five members are present at the meeting, and such members include—

- (a) the Mayor, or the deputy Mayor acting in place of the Mayor, and
- (b) at least four members appointed by the constituent councils, or substitute members.

(4) Each member, or substitute member acting in that member's place, is to have one vote and no member is to have a casting vote.

(5) If a vote is tied on any matter it is deemed not to have been carried.

(6) Members appointed from the Local Enterprise Partnership shall be non-voting members of the Combined Authority.

(7) A decision on a question relating to the following matters requires a vote in favour at a meeting of the Combined Authority, at which all members of the Combined Authority are present, by a majority of at least two-thirds of all members appointed by the constituent councils to include the members appointed by the councils for the local government areas of Cambridgeshire and Peterborough, or substitute members acting in place of those members, present and voting on that question to be carried—

- (a) the transport plan; and
- (b) any spending plans or plans for the allocation of transport-related funding.

(8) A decision to reject the mayoral budget, mayoral strategy or mayoral spending plan requires a vote in favour at a meeting of the Combined Authority, at which all members of the Combined Authority are present, by a majority of at least two-thirds of all members appointed by the constituent councils, or substitute members acting in place of those members, present and voting on that question to be carried.

(9) The proceedings of the Combined Authority are not invalidated by any vacancy among its members or substitute members or by any defect in the appointment or qualifications of any member or substitute member.

(10) In sub-paragraph (4), the reference to a member includes—

- (a) the Mayor or the deputy Mayor acting in place of the Mayor;
- (b) a constituent member or a substitute member acting in that member's place; and
- (c) a member appointed from the Local Enterprise Partnership who has been given voting rights by resolution of the Combined Authority.

(11) The provisions in the Schedule relating to the Mayor or deputy Mayor only have effect where the Mayor, or deputy Mayor, as the case may be, is in office.

Overview and scrutiny committees

5.—(1) The Combined Authority must appoint at least one member of each of the constituent councils to the overview and scrutiny committee appointed by the Combined Authority, so that the members of the committee taken as a whole reflect so far as reasonably practicable the balance of political parties for the time being prevailing among members of the constituent councils.

(2) An overview and scrutiny committee appointed by the Combined Authority may not include any substitute member of the Combined Authority.

(3) The Combined Authority must appoint an appropriate person^(a) who is a member of one of the constituent councils to be the chair of the overview and scrutiny committee appointed by the Combined Authority.

(a) See paragraph 3(5) of Schedule 5A to the 2009 Act.

Records

6.—(1) The Combined Authority must make arrangements for the names of members and substitute members present at any meeting to be recorded.

(2) Minutes of the proceedings of a meeting of the Combined Authority, or any committee or sub-committee of the Combined Authority, are to be kept in such form as the Combined Authority may determine.

(3) Any such minutes are to be signed at the same or next suitable meeting of the Combined Authority, committee or sub-committee as the case may be, by the person presiding at that meeting.

(4) Any minute purporting to be signed as mentioned in sub-paragraph (3) is to be received in evidence without further proof.

(5) Until the contrary is proved, a meeting of the Combined Authority, committee or sub-committee, a minute of whose proceedings has been signed in accordance with this paragraph, is deemed to have been duly convened and held, and all the members and substitute members present at the meeting are deemed to have been duly qualified.

(6) For the purposes of sub-paragraph (3), the next suitable meeting is the next meeting or, where standing orders made by the Combined Authority provide for another meeting of the authority, committee or sub-committee, to be regarded as suitable, either the next meeting or that other meeting.

Standing orders

7. The Combined Authority may make standing orders for the regulation of its proceedings and business and may vary or revoke any such orders.

Remuneration

8.—(1) Save as provided for in sub-paragraph (2), no remuneration is to be payable by the Combined Authority to its members.

(2) The Combined Authority may only pay an allowance to the Mayor if—

- (a) the Combined Authority has considered a report published by an independent remuneration panel established by one or more of the constituent councils under regulation 20 of the Local Authorities (Members' Allowances) (England) Regulations 2003^(a) which contains recommendations for such an allowance; and
- (b) the allowance paid by the Combined Authority does not exceed the amount specified in the recommendation made by the independent remuneration panel.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order establishes the Cambridgeshire and Peterborough Combined Authority.

Part 6 of the Local Democracy, Economic Development and Construction Act 2009 (“the 2009 Act”) provides for the establishment of combined authorities for the areas of two or more local authorities in England. Combined authorities are bodies corporate which may be given power to exercise specified functions in their area.

The Secretary of State may only establish a combined authority for an area where a scheme for such an authority has been published under section 109 of the 2009 Act. This Order has been made following the publication of such a scheme on 6th May 2015 by the constituent councils

(a) S.I. 2003/1021.

whose areas together make up the combined area of the new authority. The scheme is available at: <https://www.peterborough.gov.uk/upload/www.peterborough.gov.uk/council/strategies-polices-and-plans/Devolution-CambridgeshireAndPeterboroughAuthoritiesGovernanceReview-AppendixB-17June2016.pdf?inline=true>

Part 2 of the Order establishes the new authority, to be known as the Cambridgeshire and Peterborough Combined Authority (“the Combined Authority”), and makes provision for its constitution and funding.

Article 4 of and the Schedule to the Order make provision for the constitution of the Combined Authority. This is supplemental to the provision that is made by Part 1A of Schedule 12 to the Local Government Act 1972 (see paragraph (6A) of that Schedule, as amended by the 2009 Act).

Article 5 of the Order creates the office of Mayor for the area of the Combined Authority. This article further specifies the term of office for the Mayor for the area of the Combined Authority, and the dates on which elections for the return of a Mayor shall take place and the intervals between elections.

Article 6 makes provision for the funding, by the constituent councils, of the costs of the Combined Authority and the elected Mayor.

Part 3 concerns the transport functions of the Combined Authority. Article 7 provides for the Combined Authority to pay grant to Cambridgeshire County Council and Peterborough City Council. Articles 8 to 10 provide for the exercise of specified transport functions by the Combined Authority.

Part 4 confers additional functions on the Combined Authority. Article 11 provides for the powers in sections 1 to 8 of the Localism Act 2011 (general powers of authorities) to have effect in relation to the Combined Authority as they have effect in relation to a local authority. Article 12 sets out the functions of the Combined Authority which are to be only exercisable by the Mayor. Articles 13 to 16 make some general, incidental provisions relating to the Combined Authority to enable it to carry out its functions effectively.

A full regulatory impact assessment has not been prepared as this instrument will have no impact on the costs of business or the voluntary sector.

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£6.00

UK2017030224 03/2017 19585

<http://www.legislation.gov.uk/id/uksi/2017/251>

ISBN 978-0-11-115533-2



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CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY

BOARD MEETING

Date: 20 March 2016

Portfolio Holder: Councillor Lewis Herbert

VOTING RIGHTS FOR GREATER CAMBRIDGE GREATER PETERBOROUGH LOCAL ENTERPRISE PARTNERSHIP

1. PURPOSE AND REASON FOR REPORT

- 1.1 The purpose of the report to ask the Cambridgeshire and Peterborough Combined Authority Board to confirm the Shadow Combined Authority's decision to grant the Greater Cambridge Greater Peterborough Local Enterprise Partnership (GCGP LEP) voting rights on the Board.

2. DECISIONS REQUIRED

The Combined Authority is recommended to agree that the Greater Cambridge/Greater Peterborough Enterprise Partnership (GCGP LEP) shall have one vote on the Combined Authority Board, subject to certain voting qualifications in the Cambridgeshire and Peterborough Combined Authority Order 2016	<i>Voting Arrangements</i> Simple Majority
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3. BACKGROUND

- 3.1 Following the agreement of all Councils to the Secretary of State making an Order to establish the Cambridgeshire and Peterborough Combined Authority, the Cambridgeshire and Peterborough Shadow Combined Authority was established in December 2016. The Shadow Board on 14 December 2016 agreed to grant the GCGP LEP voting rights on the Shadow Combined Authority Board.
- 3.2 Following the signing of the Order, the Combined Authority was established on 3 March. The Order states that the Members appointed from the Local Enterprise Partnership shall be non-voting members of the Combined Authority, and therefore it is for the Combined Authority to decide by resolution to give the GCGP LEP voting rights.
- 3.3 On 14 December, the Shadow Board appointed the Greater Cambridge/Greater Peterborough Enterprise Partnership (GCGP LEP) to the Shadow Combined Authority and granted them one vote on the Combined Authority Board, subject to certain voting qualifications in the Cambridgeshire and Peterborough Combined Authority Order 2016.

4. FINANCIAL IMPLICATIONS

4.1 There are no financial implications

5. CONSTITUTION AND LEGAL IMPLICATIONS

5.1 These are dealt with in the report.

6. EQUALITIES IMPLICATION

6.1 N/A

7. BACKGROUND DOCUMENTS

7.1 Agenda and minutes for meetings of the Cambridgeshire and Peterborough Shadow Authority are available on the Cambridgeshire County Council website.

8. APPENDICES

None.



CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY

BOARD MEETING

Date: 20 March 2016

Portfolio Holder Councillor Lewis Herbert

APPOINTMENT OF PORTFOLIO HOLDERS

1. PURPOSE AND REASON FOR REPORT

- 1.1 The purpose of the report is to appoint Portfolio Holders to the Combined Authority who will be in operation until the election of the Mayor. The outline terms of reference for each portfolio are detailed in Appendix 1 and are included in the constitution.

2 DECISIONS REQUIRED

	<i>Voting Arrangements</i>
<p>The Combined Authority Board is recommended to appoint the following members to specific portfolios until the election of the Mayor:</p> <p>Councillor Steve Count Public Service Reform (including responsibility for future devolution deals)</p> <p>Councillor John Clark Economic Growth (including Business Support)</p> <p>Councillor Lewis Herbert Communities</p> <p>Councillor John Holdich Skills and Training</p> <p>Councillor Robin Howe Fiscal</p> <p>Councillor James Palmer Transport and Infrastructure</p> <p>Councillor Peter Topping Housing</p>	<p>Simple Majority</p>

3. BACKGROUND

- 3.1 On 31 January, 2017, the Shadow Board appointed shadow Members Combined Authority to key portfolio positions as set out in Appendix 1.
- 3.2 The Portfolio Holders have no executive power but have a key role in progressing key workstreams and reporting back to the Combined Authority.
- 3.3 The detailed terms of reference have been incorporated in the constitution of the Combined Authority. Appendix 1 outlines the key responsibilities of the portfolios listed in the recommendations.
- 3.4 For information, Councillor Lewis Herbert will be the accountable lead Member for the £70m affordable housing programme in Cambridge, reporting into the Housing portfolio holder. Mark Reeve, Greater Cambridge and Peterborough Local Enterprise Partnership (LEP) will assist the Economic Growth (including Business Support) and Skills and Training portfolio holders.
- 3.5 As set out in the constitution, it is for the Combined Authority Board to approve and allocate the portfolios to each Constituent Council Member. However, following the election of the Mayor it is proposed that the Board has the power to agree the portfolios and that the Mayor allocates them to each of the seven Constituent Council Members. Therefore, the Combined Authority Board are asked to confirm these appointments until the election of the Mayor.

4. FINANCIAL IMPLICATIONS

- 4.1 In accordance with the Cambridgeshire and Peterborough Combined Authority Order 2017 no remuneration is to be payable by the Combined Authority to its members.

5. CONSTITUTION AND LEGAL IMPLICATIONS

- 5.1 These are dealt within the report

6. EQUALITIES IMPLICATION

N/A

7. BACKGROUND DOCUMENTS

- 7.1 The Cambridgeshire and Peterborough Combined Authority Order 2017.

8. APPENDICES

Appendix 1 – Key Responsibilities – Portfolios

1. Portfolios of the Cambridgeshire and Peterborough Combined Authority

Portfolio	Key Responsibilities
Economic Growth, including Business Support	<ul style="list-style-type: none"> • Enabling economic growth – economy, transport, homes, skills and infrastructure through development of a strategy • Business support, redesign • Evidencing economic growth
Fiscal	<ul style="list-style-type: none"> • Strategic financial planning – Income and expenditure • Budget setting and monitoring • Attracting inward investment
Homes	<ul style="list-style-type: none"> • Delivery of new affordable homes • Effective relationships with housing providers, developers and builders
Transport and Infrastructure	<ul style="list-style-type: none"> • Programme and delivery of infrastructure schemes • Local transport plan • Effective commissioning
Skills and Training	<ul style="list-style-type: none"> • Skills, jobs and productivity Strategy • Learning and development • Higher education partnerships and new development i.e. University of Peterborough
Public Sector Reform	<ul style="list-style-type: none"> • Public sector reform strategy • Whole system redesign - transformation • Future devolution deals
Communities	<ul style="list-style-type: none"> • Sustainable growth – quality of life, community provision and cohesion • Spatial Planning • Supporting communities and individuals to benefit from growth and prosperity • Effective governance and transparency • Effective communications



CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY

BOARD MEETING

Date: 20 March 2016

Portfolio Holder Councillor Lewis Herbert

WORKING GROUPS

1. PURPOSE AND REASON FOR REPORT

1.1 The report confirms the working groups set up by the Combined Authority.

2. DECISIONS REQUIRED

	<i>Voting Arrangements</i>
The Combined Authority Board is asked to approve; 1. the terms of reference of the working groups, and 2. the appointment to those groups	Simple Majority

3. BACKGROUND

3.1 The Constitution provides that the Combined Authority may establish informal working groups. These working groups are non-decision making groups of officers and Members.

3.2 The Board are asked to approve the terms of reference of the working groups and the appointment to those groups as shown in Appendix 1.

4. FINANCIAL IMPLICATIONS

4.1 N/A

5. CONSTITUTION AND LEGAL IMPLICATIONS

5.1 These are informal, non-decision working groups designed to assist the Combined Authority to achieve its objectives.

6. EQUALITIES IMPLICATION

N/A

7. BACKGROUND DOCUMENTS

7.1 The Constitution of the Cambridgeshire and Peterborough Combined Authority.

8. APPENDICES

The terms of reference of the working groups.

Appendix 1 to the Working Groups Report

Terms of reference

Investment Working Group

1. Purpose of the Working Group

- 1.1 The Investment Working Group has an advisory and developmental and portfolio holders to develop investment opportunities for recommendation to the Combined Authority Board.
- 1.2 The working group will consider the area's future needs for infrastructure investment and help to maintain Cambridgeshire and Peterborough's competitiveness in the UK and across the world. It will take its lead from the Fiscal Strategy and work within the Single Investment Pot in addition to developing opportunities to lever private investment into the area.
- 1.3 The working group will assist to develop schemes that enable housing, economic growth, skills, transport and digital connectivity.
- 1.4 The working group will provide guidance to the Combined Authority Board and to Central Government on the implementation of the Assurance Framework arrangements.

2. Membership

- 2.1. The membership of the Investment Working Group will comprise:
 - (a) Fiscal Portfolio Holder
 - (b) Transport and Infrastructure Portfolio Holder
 - (c) Chair of the Local Enterprise Partnership
 - (d) Communities Portfolio Holder
 - (e) The Chief Executive
 - (f) S151 officer
- 2.2. The Chair will be the Fiscal Portfolio Holder.
- 2.3. It may invite independent advisors such as financial and legal professionals and those with specialist expertise in matters relating to the programmes to be delivered, as it considers appropriate.
- 2.4. The Investment Working Group will not be a decision making body. It will form a series of recommendations for resolution by the Combined Authority Board who retain all decision making powers.

3. Responsibilities

- 3.1. The Investment Working Group will assist the Combined Authority to:

- 3.1.1. Develop a prioritisation framework to assess the strengths of respective infrastructure programmes, including any interdependencies for approval by the Combined Authority Board;
- 3.1.2. Referring to the portfolio strategies approved by the Combined Authority Board and the Investment Fund, identify proposals for an Investment Plan for approval by the Combined Authority Board;
- 3.1.3. Engage with private investors to assess the type and nature of private sector investment available to Cambridgeshire and Peterborough and how this might be used to further strengthen and accelerate programmes;
- 3.1.4. Assess the robustness of the outline business cases that have been developed and the deliverability of the proposed schemes. Where appropriate it will seek further analysis and evidence before making recommendations to the Combined Authority Board about the strengths and viability of any programme, project or scheme.
- 3.1.5. Keep under review the Assurance Framework and Prioritisation Framework to ensure that they continue to be relevant, appropriate and fit for purpose and present its findings and recommendations to the Combined Authority Board for decision.
- 3.1.6. To consider referral of any matters from the Delivery Working Group within the agreed terms of references.

4. Governance

- 4.1. The Investment Working Group will meet as required.
- 4.2. The Investment Working Group has a limited remit and can only operate parameters or tolerances agreed by the Combined Authority Board.
- 4.3. Any matter that falls outside of the approved parameters/ tolerances of the project (i.e. that fall outside of the approved detailed business case) must be referred to the Combined Authority Board for decision.
- 4.4. The Assurance Framework will provide the Investment Working Group with guidance and clarity on the agreed systems, processes and protocols.

5. Review

- 5.1. These terms of reference will be reviewed for relevance and to ensure they are fit for purpose, on an annual basis.

Delivery Working Group

1. Purpose of the Working Group

- 1.1 The Delivery Working Group will oversee the implementation of an approved Cambridgeshire and Peterborough devolution programme and its component projects or schemes, which may be cross-cutting or have interdependencies.
- 1.2 It is accountable to the Combined Authority Board for the successful implementation and the achievement of the desired targets and outcomes of any approved projects.
- 1.3 It will provide assurance to the Combined Authority Board that the monitoring and evaluation arrangements for each of the commissioned projects is being adhered to.
- 1.4 Projects may include schemes that enable housing, economic growth, skills, transport and digital connectivity.

2. Membership

- 2.1. The membership of the Delivery Working Group will be four Members and the Chief Executive comprising:
 - (a) Employment, Learning and Skills Portfolio Holder
 - (b) New Homes Portfolio Holder
 - (c) Transport and Infrastructure Portfolio Holder
 - (d) Communities Portfolio Holder
 - (e) The Chief Executive
- 2.2. The Chair will be the Employment, Learning and Skills Portfolio Holder.
- 2.3. It will invite independent advisors such as financial and legal professionals and those with specialist expertise in matters relating to the programmes to be delivered, as it considers appropriate.
- 2.4. The Delivery Working Group will not have decision making powers and it will ensure that all projects are delivered within agreed tolerances set out in the approved business case agreed by the Combined Authority Board. It will refer initially to the Investment Working Group on financial matters and it will make recommendations for consideration by the Combined Authority Board where tolerances are not being met.

3. Responsibilities

- 3.1. Following approval of projects by the Cambridgeshire and Peterborough Combined Authority Board, the Delivery Working Group will:
 - 3.1.1. Make proposals for the development of the overall strategic programme and delivery plan to the Board;

- 3.1.2. Assist the Combined Authority by overseeing the delivery of agreed portfolios of investment programmes and individual projects;
- 3.1.3. Develop proposals to the contractual relationships with delivery organisations or vehicles, to approval by the Board ensuring that they are aware of performance requirements against the agreed specification and that outcomes are delivered and report to the Combined Authority Board where these are not met and any corrective action needed in;
- 3.1.4. Provide strong leadership across the delivery of the programme, ensuring alignment with the Combined Authority's priorities and frameworks;
- 3.1.5. Develop for approval by the Board, a robust Performance Management Framework that aligns with the agreed Monitoring and Evaluation Framework and which ensures that baseline data is collected across the range of projects to inform the measurement of short, medium and longer-term outcomes;
- 3.1.6. Oversee the performance of each Portfolio of projects against this framework and the agreed targets, providing challenge and reporting on overall delivery progress to the Combined Authority Board;
- 3.1.7. Assist with developing partnerships with public and private sector partners to deliver the agreed programme;
- 3.1.8. Ensure consistency across projects in terms of the approach, delivery and reporting;
- 3.1.9. Identify issues and risks, implementing solutions as needed. To refer to the Investment Working Group and the Combined Authority Board where the risk or issue requires their attention;
- 3.1.10. Similarly, informally resolve operational conflict escalated by the Delivery Director or Portfolio Holder, referring to the Combined Authority Board as needed;
- 3.1.11. Provide guidance, to the Portfolio Holder and the individual parties that are commissioned to deliver programmes and projects;
- 3.1.12. Ensure that the identified benefits of the programme or project are captured effectively in order to help demonstrate value for money and improved outcomes;
- 3.1.13. Ensure that lessons learned are captured and shared across the delivery programme to improve the implementation of future projects;
- 3.1.14. Recommend at an appropriate point, the closure of a project to the Investment Working Group, and to the Board for final decision;
- 3.1.15. Undertake an annual refresh of the Monitoring and Evaluation Framework and the Programme Management Framework, recommending any required changes to the Combined Authority Board for approval;
- 3.1.16. Hold regular Delivery Working Group meetings, with any recommendations being escalated to the Combined Authority Board for decision.

4. Governance

- 4.1 The Delivery Working Group will meet at regular intervals and will report progress to the Combined Authority Board through the Chair of the Working Group, or by a report where decisions are required.

- 4.2 The Delivery Working Group can only operate within the agreed parameters or tolerances of the individual project's business case as agreed by the Combined Authority Board, and relevant Contract Standing Orders.
- 4.3 Any matters that fall outside of the approved parameters/ tolerances of the project (i.e. that fall outside of the approved detailed business case) require a Combined Authority Board decision.
- 4.4 Recommendations made at the Delivery Working Group that are within the agreed parameters of the project will be minuted and members of the Working Group will deliver the implementation of those recommendations.
- 4.5 The Assurance Framework will provide the Delivery Working Group with guidance and clarity on the agreed systems, processes and protocols.

5. Review

- 5.1 These terms of reference will be reviewed for relevance and to ensure they are fit for purpose, on an annual basis.

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY

BOARD MEETING

Date: 20 March 2017

Portfolio Holder: Councillor Lewis Herbert

APPOINTMENT OF OBSERVERS

1. PURPOSE AND REASON FOR REPORT

- 1.1 The purpose of the report to ask the Cambridgeshire and Peterborough Combined Authority Board to appoint Observers to the Board.

2 DECISIONS REQUIRED

	<i>Voting Arrangements</i>
<p>1. The Combined Authority are asked to agree that the following bodies be given Observer status for 2016/17:</p> <ul style="list-style-type: none"> (a) The Police and Crime Commissioner for Cambridgeshire; (b) Cambridgeshire and Peterborough Fire Authority representative; (c) Clinical Commissioning Group representative. 	<p>Two thirds majority</p>

3. BACKGROUND

- 3.1 Following the agreement of all Councils to the Secretary of State making an Order to establish the Cambridgeshire and Peterborough Combined Authority, the Cambridgeshire and Peterborough Shadow Combined Authority was established in December 2016.
- 3.2 Following the signing of the Cambridgeshire and Peterborough Combined Authority Order 2017, the Combined Authority was formally established on 3 March. In accordance with the Order, the Combined Authority may appoint Observers to the Board.



**CAMBRIDGESHIRE
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COMBINED AUTHORITY

3.3 The Shadow Board on 14 December noted bodies having observer status. Those bodies were:

- (a) The Police and Crime Commissioner for Cambridgeshire;
- (b) Cambridgeshire and Peterborough Fire Authority representative;
- (c) Clinical Commissioning Group representative.

3.4 This requires a decision by the Board and subject to agreement of the Constitution elsewhere on the agenda, this will require a majority vote by two thirds of those present and voting. The status of Observers is set out in the constitution.

3.5 These appointments are made for the municipal year 2016/17.

4. FINANCIAL IMPLICATIONS

4.1 In accordance with the Cambridgeshire and Peterborough Combined Authority Order 2017 no remuneration is to be payable by the Combined Authority to its members.

5. CONSTITUTION AND LEGAL IMPLICATIONS

5.1 These are dealt with in the report.

6. EQUALITIES IMPLICATION

6.1 N/A

7. BACKGROUND DOCUMENTS

7.1 Agenda and minutes for meetings of the Cambridgeshire and Peterborough Shadow Authority are available on the Cambridgeshire County Council website.

8. APPENDICES

None.

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY

BOARD MEETING

Date: 20 March 2017

Portfolio Holder: Councillor Lewis Herbert

APPOINTMENT OF THE SHADOW SCRUTINY COMMITTEE

1. PURPOSE AND REASON FOR REPORT

- 1.1 To make appointments to the Shadow Overview and Scrutiny Committee. The Overview and Scrutiny Committee comes into effect on 8 May 2017 and remains in Shadow form until that date.

2. DECISIONS REQUIRED

	<i>Voting Arrangements</i>
<p>The Combined Authority is recommended to:-</p> <ol style="list-style-type: none"> 1. Appoint the members nominated by the Constituent Authorities to the Overview and Scrutiny Committee as detailed in Appendix A. 2. Agree the Monitoring Officer request Constituent Councils to appoint at least one substitute member onto the Overview and Scrutiny Committee. The substitute member must be from the same political party as the appointed member. 	<p>Simple Majority</p>

3. BACKGROUND

The Cambridgeshire and Peterborough Combined Authority Order 2017 and Constitution require the establishment of an Overview and Scrutiny Committee.

4. OVERVIEW AND SCRUTINY COMMITTEE

- 4.1 Nominations have been received from Constituent Councils at Appendix A. The basis of nomination is two per Constituent Council.
- 4.2 The Combined Authority is recommended to approve the Member nominations from the Constituent Councils.

- 4.3 It is also recommended that Constituent Councils appoint substitute Members for the efficient delivery of the scrutiny function.
- 4.4 Any substitute Members should come from the same party as the Member they are substituting for to maintain political balance.

5. FINANCIAL IMPLICATIONS

- 5.1 Travel and subsistence allowances will be payable to members.

6. CONSTITUTION AND LEGAL IMPLICATIONS

- 6.1 There are no further legal issues flowing from the contents of this report.

7. EQUALITIES IMPLICATION

- 7.1 N/A

8. BACKGROUND DOCUMENTS

Cambridgeshire and Peterborough Combined Authority Order 2017.

Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017.

Appendix A

APPOINTMENT OF THE SHADOW SCRUTINY COMMITTEE

Council	Combined Authority Overview and Scrutiny Representatives
Huntingdonshire District Council	Councillor Robin Carter Councillor Terry Hayward
East Cambridgeshire District Council	Councillor Alan Sharp Councillor Lisa Stubbs
South Cambridgeshire District Council	Councillor Alex Riley Councillor John Batchelor
Fenland District Council	Councillor Fred Yeulett Councillor Mark Buckton
Cambridge City Council	Councillor Dave Baigent Councillor Tim Bick
Cambridgeshire County Council	Councillor Simon Bywater Councillor Peter Reeve
Peterborough City Council	Councillor Mohammed Jamil Councillor David Over

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY

BOARD MEETING

Date: 20th March 2017

Portfolio Holder: Cllr Robin Howe

Paper 2.7: Key Decision Required

RECRUITMENT OF PERMANENT CHIEF EXECUTIVE & APPOINTMENT OF FULL-TIME INTERIM CHIEF EXECUTIVE

1. STRATEGIC CONEXT AND PURPOSE OF REPORT

To provide an update to the Combined Authority (CA) on the process to recruit a permanent Chief Executive, and interim Chief Executive arrangements.

2. DECISIONS REQUIRED:

It is recommended that the Combined Authority:

1. Approve the revised recruitment process and associated timescales for the appointment of the Combined Authority's permanent Chief Executive.
2. Note that the current part-time interim Chief Executive will cease on the 2nd April 2017.
3. Approve the current Delivery Director, Martin Whiteley, is appointed to the full-time interim Chief Executive and Head of Paid Service role on a fixed-term contract from 3rd April 2017 to 30th September 2017, with an opportunity to review this in light of the appointment to the permanent role.

3. BACKGROUND

To support the successful delivery of the CA's priorities, constituent members agreed to appoint a permanent Chief Executive.

The recruitment process, which has been run in conjunction with a national recruitment consultant, has produced a strong longlist of candidates who possess a track record mostly from within senior public sector roles.

The number of applicants from the private sector with commercial experience has been limited.

Constituent members are keen to have a broad range of candidates from which to select. CA members propose that the recruitment consultant undertakes a further search process and advertise in other appropriate publications to target potential candidates from the private sector with commercial experience.



CA members are keen to stress that this extended recruitment approach does not suggest that the current field of candidates have been disregarded and that ultimately the appointment may still be someone from within this list. CA members are keen to ensure the relationship with those initial longlisted candidates is carefully managed so that current applications are not withdrawn.

This revised approach will extend the recruitment process timescales (see Appendix 1). However, CA members remain committed to making a final appointment in a timely manner. It is generally accepted that based on the extended process timescales the final appointment will now be made following the impending mayoral election in May.

It is acknowledged that a permanent Chief Executive is likely to take up the post in approximately October 2017.

The CA is at a crucial stage in delivering its various work programmes. CA members agreed the need for a full-time interim Chief Executive to lead this work until the permanent Chief Executive commences. The current part-time interim Chief Executive has confirmed that based upon this new requirement and that a key corporate director is leaving his Council, to extend the current arrangements would be unsustainable. The current part-time interim Chief Executive will cease in the role on 2nd April 2017.

Based on this, it is proposed that the current CA Delivery Director, Martin Whiteley, is appointed to the full-time interim Chief Executive role on a fixed-term contract from 3rd April 2017 to 30th September 2017. This can be reviewed in light of the appointment to the permanent role.

4. FINANCIAL IMPLICATIONS

The post of Chief Executive has been evaluated using the HAY methodology and salary of £150k pa has been confirmed in the recruitment adverts. The costs of the full-time interim Chief Executive are within the CA's budget together with an allowance for employer's costs. The proposal is for approximately 50% of this budget to be used for the interim arrangements.

The costs of the recruitment process are accounted for within the CA's budget. There is an extra cost estimated to be £15k as a result of the proposed variation in the recruitment process.

5. LEGAL IMPLICATIONS

The relevant employment legislation applicable to the recruitment and selection for this role.

6. EQUALITIES IMPLICATIONS

The relevant equalities legislation applicable to the recruitment and selection for this role.



Appendix 1 - Combined Authority Permanent Chief Executive Recruitment Timeline

Key Date	Activity	Comments
w/c 6 March 2017	Penna Extend Search	To include potential candidates with Private Sector and/or commercial experience
20 March 2017	Report to Shadow CA meeting	To set out arrangements for recruitment and also confirm appointment of interim Chief Exec
4 April 2017	Closing Date	
10 April 2017	Penna to complete analysis and recommendations	
w/c 13 April 2017	Longlisting	To consist of existing panel members unless amended in the meantime
24 - 28 April 2017	Technical Interviews	
4 May 2017	District Council Elections Mayoral Elections	
w/c 8 May 2017	Final Shortlisting	Elected Mayor to be involved
15 - 18 May 2017	Assessment Centre & Final Interviews	
Late May 2017 (date tbc)	Report to CA AGM	To confirm appointment of Chief Exec

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY

BOARD MEETING

Date: 20 March 2016

Portfolio Holder: Councillor Lewis Herbert

APPOINTMENT OF STATUTORY OFFICERS

1. PURPOSE AND REASON FOR REPORT

- 1.1 The purpose of the report to ask the Cambridgeshire and Peterborough Combined Authority Board to confirm the appointments of statutory officers made by the Shadow Combined Authority.

2 DECISIONS REQUIRED

	<i>Voting Arrangements</i>
<p>1. The Combined Authority are asked to appoint the following Officers act as the statutory officers to the Combined Authority until May 2017 or the earlier appointment of a permanent appointment to those roles:</p> <p>(a) Kim Sawyer, Director of Governance at Peterborough City Council as Monitoring Officer; and</p> <p>(b) John Harrison Corporate Director Resources at Peterborough City Council as section 151 Officer.</p>	Simple Majority

3. BACKGROUND

- 3.1 Following the agreement of all Councils to the Secretary of State making an Order to establish the Cambridgeshire and Peterborough Combined Authority, the Cambridgeshire and Peterborough Shadow Combined Authority was established in December 2016 made a number of statutory appointments as set out in the report.
- 3.2 Following the signing of the Order, the Combined Authority was established on 2 March. Therefore the Board needs to formally make those appointments at its first meeting.
- 3.3 The Combined Authority is required to appoint certain statutory officers upon its establishment. The Shadow Board on 14 December noted the interim statutory officers supporting the Shadow Combined Authority Board as set out below:

Position	Name	Period of Appointment
Chief Finance Officer	John Harrison, Corporate Director Resources, Peterborough City Council	Part time until May 2017
Monitoring Officer	Kim Sawyer, Director of Governance, Peterborough City Council	Part time based on 2 days per week until May 2017

- 3.4 The Board are asked to appoint the following statutory officers to the Combined Authority until May 2017 or the earlier appointment of a permanent appointment to those roles:

- (a) Kim Sawyer, Director of Governance at Peterborough City Council as Monitoring Officer; and
- (b) John Harrison Corporate Director Resources at Peterborough City Council as section 151 Officer.

4. FINANCIAL IMPLICATIONS

- 4.1 Provision for the statutory posts is made in the budget. This was based on the estimated time allocations of:

- Monitoring Officer - 2 days per week
- Section 151 Officer - 1 day per week

- 4.2 These estimates will be subject to monthly review and forecasts as part of the Combined Authority budget monitoring arrangements and preparation of the budgets for the Combined Authority for 2016/17 and 2017/18.

5. CONSTITUTION AND LEGAL IMPLICATIONS

- 5.1 Under Section 113 of the Local Government Act 1972, local authorities have the powers to place staff at the disposal of the Combined Authority. The statutory officers will be appointed at the first meeting of the Combined Authority and will initially be appointed on an interim basis until the Combined Authority makes a permanent appointment to those roles.

6. EQUALITIES IMPLICATION

- 6.1 N/A

7. BACKGROUND DOCUMENTS

- 7.1 Agenda and minutes for meetings of the Cambridgeshire and Peterborough Shadow Authority are available on the Cambridgeshire County Council website.

8. APPENDICES

- 8.1 None.

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY

BOARD MEETING

Date: 20 March 2017

Portfolio Holder: Cllr Lewis Herbert

RATIFYING DECISIONS OF THE SHADOW COMBINED AUTHORITY

1. PURPOSE AND REASON FOR REPORT

- 1.1 The purpose of the report is to ask the Cambridgeshire and Peterborough Combined Authority to ratify the decisions taken by the Cambridgeshire and Peterborough Shadow Combined Authority.

2. DECISIONS REQUIRED

	Voting Arrangements
The Cambridgeshire and Peterborough Combined Authority is recommended to ratify the decisions taken by the Cambridgeshire and Peterborough Shadow Combined Authority set out in Appendix 1.	Simple Majority

3. BACKGROUND

- 3.1 Following the agreement of all Councils to the Secretary of State making an Order to establish the Cambridgeshire and Peterborough Combined Authority, the Cambridgeshire and Peterborough Shadow Combined Authority was established in December 2016.
- 3.2 The Shadow Combined Authority has met formally on three separate occasions as follows:
- Wednesday, 14 December 2016
 - Tuesday, 31 January 2017
 - Wednesday, 22 February 2017

4. SHADOW COMBINED AUTHORITY DECISIONS

- 4.1 The relevant decisions of the Shadow Combined Authority taken at its meetings detailed in Section 2.2 that require ratification by the Combined Authority are set out in the decision log attached at **Appendix 1**. The decisions are also captured in the minutes of the Authority which can be found at



https://cmis.cambridgeshire.gov.uk/ccs_live/Committees/tabid/62/ctl/ViewCMIS_CommitteeDetails/mid/381/id/40/Default.aspx

- 4.2 The Combined Authority Board are asked to ratify the decisions of the Shadow Board as set out in Appendix 1.

5. FINANCIAL IMPLICATIONS

- 5.1 The financial implications for each decision can be found in the original report available at the link detailed in Section 2.2.

6. LEGAL IMPLICATIONS

- 6.1 The legal implications for each decision can be found in the original report available at the link detailed in Section 2.2.

7. EQUALITIES IMPLICATION

- 7.1 The equalities implications for each decision can be found in the original report available at the link detailed in Section 2.2.

8. BACKGROUND DOCUMENTS

- 8.1 Agenda and minutes for meetings of the Cambridgeshire and Peterborough Shadow Authority are available at the link detailed in Section 2.2.

9. APPENDICES

- 9.1 Appendix 1 – Decision Log



Appendix 1

All decisions made by the Shadow Cambridgeshire and Peterborough Combined Authority which require ratification by the Combined Authority Board are recorded below.

The decisions are captured in the minutes of the Authority which can be found at

https://cmis.cambridgeshire.gov.uk/ccclive/Committees/tabid/62/ctl/ViewCMIS_CommitteeDetails/mid/381/id/40/Default.aspx

Please find below, a log of significant decisions made by the Shadow Cambridgeshire and Peterborough Combined Authority.

Date	Reference	Issue	Decision
14/12/16	Minute 7	Establishment of a Shadow Overview and Scrutiny Committee for Combined Authority	Agreed the arrangements to establish a shadow overview and scrutiny committee based on the membership set out in the attached Appendix 2. Requested that constituent authorities proceed to the formal appointment of two members (as set out in attached Appendix 2) as a matter of urgency.)
			Agreed to proceed with the process for the recruitment of the Scrutiny Officer. Agreed that the scrutiny arrangement be subject to review following the mayoral elections in May 2017.
31/01/17	Minute 14	Appointment of Combined Authority Returning Officer	Appointed John Hill, Chief Executive and Local Returning Officer for East Cambridgeshire District Council as the Combined Authority Returning Officer for the Cambridgeshire and Peterborough Mayoral elections to be held on 4 th May 2017. Authorised the Combined Authority Returning Officer to appoint, if required, Deputy and/or Deputies, in his absence, to undertake those responsibilities on his behalf.



Date	Reference	Issue	Decision
			Noted that the election costs referred to in the report were estimates reflecting partial costs of the County Council elections and the statutory requirement to produce an election booklet for each elector across the County.
31/01/17	Minute 17	Process for Appointment of Independent Remuneration Panel (IRP) for Mayoral Remuneration	<p>Resolved to instruct the interim Monitoring Officer to convene an Independent Remuneration Panel (IRP) taken from the independent members across the geography of Cambridgeshire and Peterborough to make recommendations to the Combined Authority for the remuneration of the elected Mayor of Cambridgeshire and Peterborough.</p> <p>Requested the IRP to take into account additional criteria relating to the remuneration of Mayors and other national criteria.</p>
22/02/17	Minute 22	Local Assurance and Monitoring and Evaluation Frameworks	Approved the Assurance Framework and Monitoring and Evaluation Framework for Cambridgeshire and Peterborough Devolution.



CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY

BOARD MEETING

Date: 20th March 2017

Portfolio Holder: Cllr Peter Topping

Paper 3.1: Key Decision Required

HOUSING: DEVELOPING OUR STRATEGY AND AFFORDABLE HOUSING

1. STRATEGIC CONTEXT AND PURPOSE OF REPORT

Housing is one of the biggest strategic issues facing Cambridgeshire and Peterborough. Housing is key to everyone's health, well-being and employment opportunities. It is vital to a thriving, healthy, local economy. The Combined Authority is committed to working with local communities and developers to plan and build better places for everyone to live. This includes building affordable housing, improving the quality of rented housing, helping more people to buy a home, and providing housing support for vulnerable people.

Work is now underway to develop a Housing Strategy for Cambridgeshire and Peterborough for the next twenty years. The principles of the strategy will include:

- An ambitious plan to deliver over 100,000 new homes by 2037 in order to meet the housing needs to support the growth of the local economy,
- A commitment to deliver 40,000 affordable homes within the same time period, to help address the affordability of housing, particularly for key workers and first-time buyers and in doing so, support the creation of more sustainable communities,
- Ensuring that housing supports the most vulnerable, helping to manage demands on primary health and social care by addressing current issues in the system in addition to ensuring increased choice and affordability for those requiring specialist care in the medium to long-term,
- Driving innovation and solution-focused approaches by supporting new types of building construction (including modular homes) and helping to boost small and medium sized building enterprises, by exploring ways to make sites more financially viable,
- Identifying and meeting housing need; exploring further opportunities for Community Land Trusts, extending choice through a choice-based lettings system and tackling homelessness through shared initiatives and action-planning,
- Ensuring that infrastructure to support new housing is co-ordinated and delivered as a coherent programme by making strong links across strategies and projects,



- Improving standards in existing homes and encouraging best use of all homes by tackling overcrowding, reducing fuel poverty, bringing empty homes back into use and tackling homes in poor condition.

Housing also provides two of the first significant investment programmes for the Combined Authority. Affordable Housing has been identified as a key issue to enabling the local economy to grow further. As part of the Devolution Deal with Government the following was agreed:

- £100m Housing Capital Fund for Cambridgeshire and Peterborough to deliver over 2,000 affordable homes,
- £70m Housing Capital Fund for Cambridge (in recognition of the exceptional housing market conditions, an additional £70m over five years, ring-fenced for Cambridge to meet housing needs).

Full Business Case & Lead Partner Model

A Full Business Case for the £100m programme had now been developed and agreed with Government. The business case sets out the principles by which an improved housing delivery model will be developed. These underlying principles will now be worked up into a detailed set of operational criteria which will be used to inform future decision-making as schemes come forward for approval.

A Lead Partner should now be identified to be accountable for delivering the operational implementation of the £100m housing investment programme. It needs to be planned as a single coherent project, taking into account the infrastructure requirements. The appointment of a Lead Partner will provide clear accountability for the programme that will be delivered within defined parameters and clear reporting arrangements back to the Combined Authority. This will ensure:

- maximisation of resources,
- avoidance of duplication,
- create clear lines of accountability,
- that the Combined Authority is able to have a single relationship with developers and partner delivery agencies,
- coordination of critical due diligence work in relation to the rolling infrastructure fund.

South Cambridgeshire District Council have led on the development of the business case to date. They have the relevant expertise in housing strategy and have already created strong relationships with housing providers and the private sector. On this basis, it is proposed that they act as the Lead Partner. The Business Case to deliver over 2,000 affordable new homes for Cambridgeshire and Peterborough and over 500 affordable homes for Cambridge is contained in Appendix A.

2. DECISIONS REQUIRED:

It is recommended that the Combined Authority:



1. Notes the proposed strategic principles upon which the Combined Authority Housing Strategy will be based and that further work will be undertaken to develop the strategy with a further report to the Combined Authority in June 2017,
2. Approves the attached business case for £100m to deliver 2,000 affordable homes in Cambridgeshire and Peterborough (Appendix A),
3. Asks the Chief Executive, Finance and Legal Officers of the Combined Authority to develop a partnership model with South Cambridgeshire District Council nominated as the Lead Partner to deliver the £100m programme and the development of the CA Housing Strategy, with the final arrangements coming back to the Combined Authority Board for approval,
4. Asks the Chief Executive, Finance and Legal Officers of the Combined Authority to develop a partnership model with Cambridge City to be the Lead Partner on the delivery of the £70m affordable housing programme, ring-fenced for Cambridge.

3. FINANCIAL IMPLICATIONS

The proposed resource allocations of £170m are in line with the recommended budget allocations as set out elsewhere on the agenda.

4. LEGAL IMPLICATIONS

No specific legal implications for this report.



Appendix A

HOUSING: BUSINESS CASE FOR £100M HOUSING AND INFRASTRUCTURE FUND

Executive Summary

Recognising the high levels of growth and exceptional housing market conditions in Cambridgeshire and Peterborough, Government will provide a £100m Housing and Infrastructure Fund to help deliver infrastructure for housing and growth, and at least 2,000 affordable homes.

UK Government Ministers agreed this £100 million investment in the Cambridgeshire and Peterborough Devolution Deal, subject to business case approval. It is constituted of equal £50 million contributions from the HCA affordable homes programme budget and DCLG budget allocated for Devolution Deals by HM Treasury.

The Cambridge and Peterborough Combined Authority (CPCA), the Greater Cambridge Greater Peterborough (GCGP) Enterprise Partnership and the private sector will work together strategically, and with a single plan and approach, to deliver the housing schemes. This will include bringing together funding streams secured through the devolution agreement with other investments and the funds secured through Growth Deals.

It is envisaged that the approach to housing delivery will move beyond the simple aggregation of a number of locally determined housing schemes and instead take a strategic and collective view on which developments will best serve the overall objectives of growing the economy.

This Business Case has been developed in collaboration with the CPCA, Cities and Local Growth Unit and Affordable Housing Team, with advice from the Homes and Communities Agency (HCA). The Business Case is deliberately high level as the specific schemes funded will be a matter for CPCA to determine in line with the CPCA Assurance Framework and with a view to deliver overall value for money.

Strategic Case

Meeting the demand for housing and the provision of affordable housing in particular, is strategically and economically a key issue for Cambridgeshire and Peterborough. Specifically, the economy of the area will not grow to its full potential if delivery of new homes is not increased and accelerated. For example, the NIC Interim Report on the Cambridge – Milton Keynes – Oxford Corridor states the lack of affordable housing supply is a critical factor in maintaining economic growth

The Objectively Assessed Housing Need (all tenures) 2011 – 2031 for the CPCA area has produced a figure of approximately 100,000 homes and the combined need for affordable housing is over 49,000.



Favourable consideration will be given to projects which enable recycling of grant funding rather than those which are a one-off benefit. This will add VFM for the public purse and give the ability to reuse capital to fund a continuing pipeline of development after the initial five-year programme.

The £100m programme funding will be controlled and monitored by the CPCA Investment Board. Delivery will be achieved through joint partnering arrangements with locally active housing associations and delivery partnerships that have a proven record and capacity to achieve the required numbers and pace of delivery.

In addition to the boost to affordable housing numbers needed to sustain local economic growth, the investment of £100m in grant could further generate economic benefits during the five-year period something in excess of £1.35bn.

Business need

A core principle of the Devolution agenda is that the local authorities can better target funding and policy interventions to strategic local priorities than central government, and thus generate a greater impact on economic growth. For Cambridgeshire & Peterborough, this includes provision for new housing (particularly affordable housing) which, directed locally, can align better with other funding streams awarded to the CPCA, in order to maximise efficiency and impact.

The Cambridgeshire and Peterborough devolution proposal agreed with Government states that:

“Recognising the high levels of growth and exceptional housing market conditions in Greater Cambridge, the Government will provide £100m housing and infrastructure fund to help deliver infrastructure for housing and growth and at least 2,000 affordable homes. The combined authority will have flexibility over the right tenure mix to meet the needs of Cambridgeshire and Peterborough.”

The Deal also includes:

- £70m capital over five years ringfenced for Cambridge City Housing Revenue Account to meet housing needs – to ensure the delivery of 500 affordable homes,
- A ‘Gain Share’ Investment Fund of £600 million over 30 year to invest in projects that will have a positive impact on economic growth, subject to five-year reviews,
- A five-year consolidated transport grant,
- The CPCA will have flexibility over the right tenure mix to meet the needs of Cambridgeshire and Peterborough,

This suite of investments will also support other policy interventions in the region, including:

- Greater Cambridge and Greater Peterborough (GCGP) Enterprise Partnership strategic investment plan: supporting delivery of the infrastructure and homes needed in the medium and long term,
- Cambridge City Deal: where resources are focused on unblocking transport and infrastructure requirements for the strategic growth sites around Cambridge; and
- Existing local plans, especially those sites that are ready to be brought forward immediately and/or had previously been stalled,
- HCA investment priorities both with the CA area and on strategic sites in neighbouring areas where there is a clear strategic linkage,



- Growth corridors e.g. London Stansted-Cambridge-Peterborough and Norwich-Cambridge-Oxford,
- As part of these strategic linkages, there will be links with both the transport strategy and related infrastructure projects as well as strategies relating to employment and skills development,
- Delivery of the East West Rail Link from Cambridge to Oxford,
- The NIC Cambridge-to-Oxford growth corridor, which defines the local housing market as comprising Cambridge City, South Cambridgeshire, Hunts and East Cambridgeshire,
- The London-Stansted-Cambridge growth corridor, which defines the areas as including South Cambridgeshire, Cambridge, Huntingdonshire and Peterborough. With Fenland adjoining both areas, there is opportunity to utilise sites in Fenland to help meet wider housing needs and take the heat out of these markets through improved transport infrastructure. This is reinforced through the approved Long Term Transport Strategy 2011-31 (revised July 2015) for the area which details the proposed connectivity for the whole devolution area.

The need for extra housing and in particular, extra affordable housing is identified as a critical element of these other strategic projects. The £100m programme for affordable housing in the devolution programme will help the CA to deliver homes that directly meet this need as well as using this as a catalyst to develop new partnerships and productive ways of working.

Business need and Service Gaps

The Objectively Assessed Housing Need (all tenures) 2011 – 2031 for the CPCA area is approximately 100,000 homes.

The proposed delivery of at least 2,000 affordable homes should be set in the context of the overall requirement of over 49,000 affordable homes over the next 20 years. The initial identification of sites able to deliver new homes generated a long list, from which the shortlist attached as Annex 2 was derived. The homes that can be funded by the initial £100m grant will therefore make a significant contribution but will not be able to meet all of the known need.

Table 1 outlines the relative share of the estimated affordable housing need across the CA area.

The assessed housing needs figures are calculated for each local authority and used in the formal plan making process. The figures in this table use those figures as a starting point and have picked out the Strategic Housing Market Assessment (SHMA) figures reflecting the need for affordable housing over a 20-year period.

Table 1 - Comparison of affordable housing need across the CA

Local Authority	Affordable Housing Need	% share of affordable housing need



East Cambridgeshire	3,517	7
Fenland	3,527	7
Greater Cambridge	23,429	47
Huntingdonshire	7,212	15
Peterborough	11,830	24
Total	49,515	100

The affordable housing need arises from a mismatch of supply against demand which in turn is demonstrated by problems with affordability.

Whilst there is an array of data that illustrates the extent of this issue, the relationship between lower quartile house prices and lower quartile earnings serves as a useful notional measure. Taken from the Housing Market Bulletin (March 2016) these are outlined in Table 2 below:

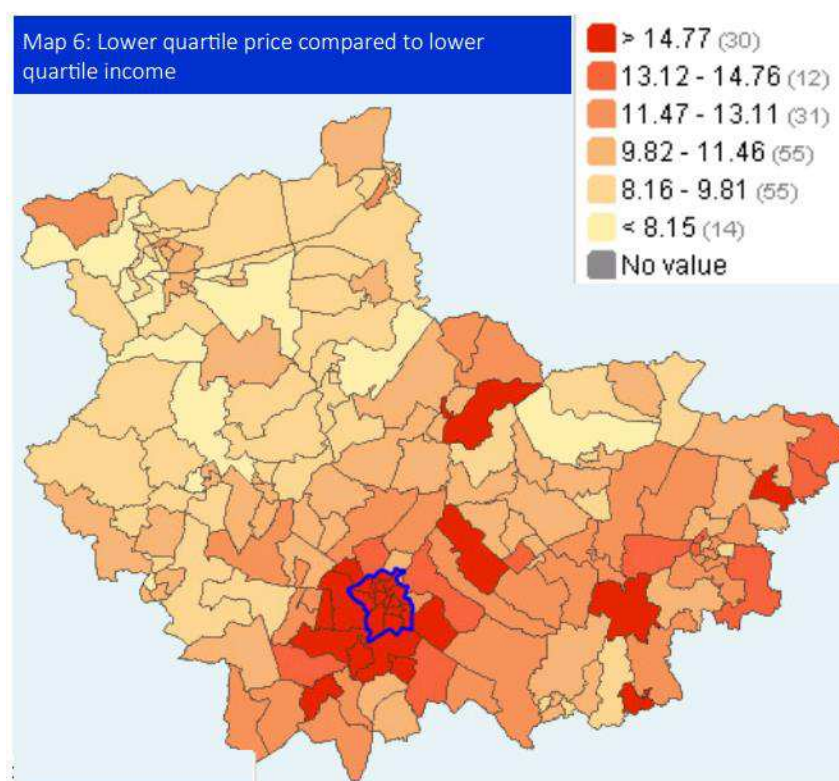
Table 2 – Affordability Ratios

	Affordability Ratio
Cambridge City	18.8
South Cambridgeshire	12.2
East Cambridgeshire	10.6
Huntingdonshire	9.1
Fenland	9.2
Peterborough	8.8

This clearly shows the whole area has an affordability ratio more than double the ratio accepted by mortgage companies assessing whether to give a mortgage to an applicant. Affordability is therefore a significant issue across the whole CPCA area whilst being particularly intense in and around Cambridge.

In addition, Figure 1 illustrates the affordability 'heat map' for Cambridgeshire and Peterborough.

Figure 1 Affordability ‘heat map’



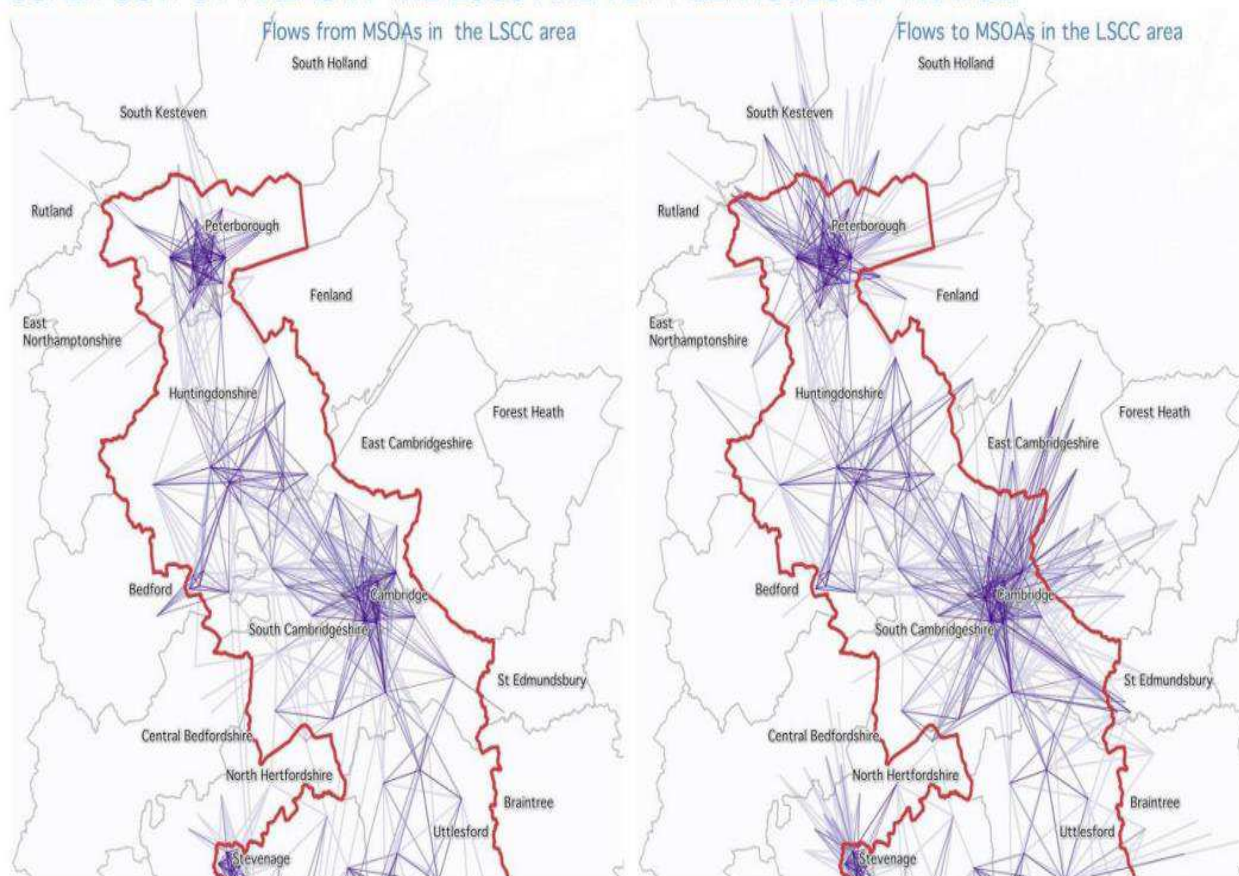
There are wider social and housing needs to be addressed in all the districts, requiring much more than £100m of investment, however the proposed development programme seeks to maximise the homes delivered primarily to meet the need to support and sustain economic growth.

Travel to work patterns

The Greater Cambridge and Greater Peterborough Enterprise Partnership Growth Deal 3 submission (July 2016) recognises two distinct travel to work areas centred on Cambridge and Peterborough (see Figure 2 below). It also recognises the specific challenges of housing affordability in South Cambridgeshire and Cambridge City (Greater Cambridge) and the commuting areas into Cambridge. This concern is echoed by local businesses who have expressed their concern over the recruitment and retention of staff.

Figure 2 Travel to Work patterns (London Cambridge Stanstead Growth Corridor)

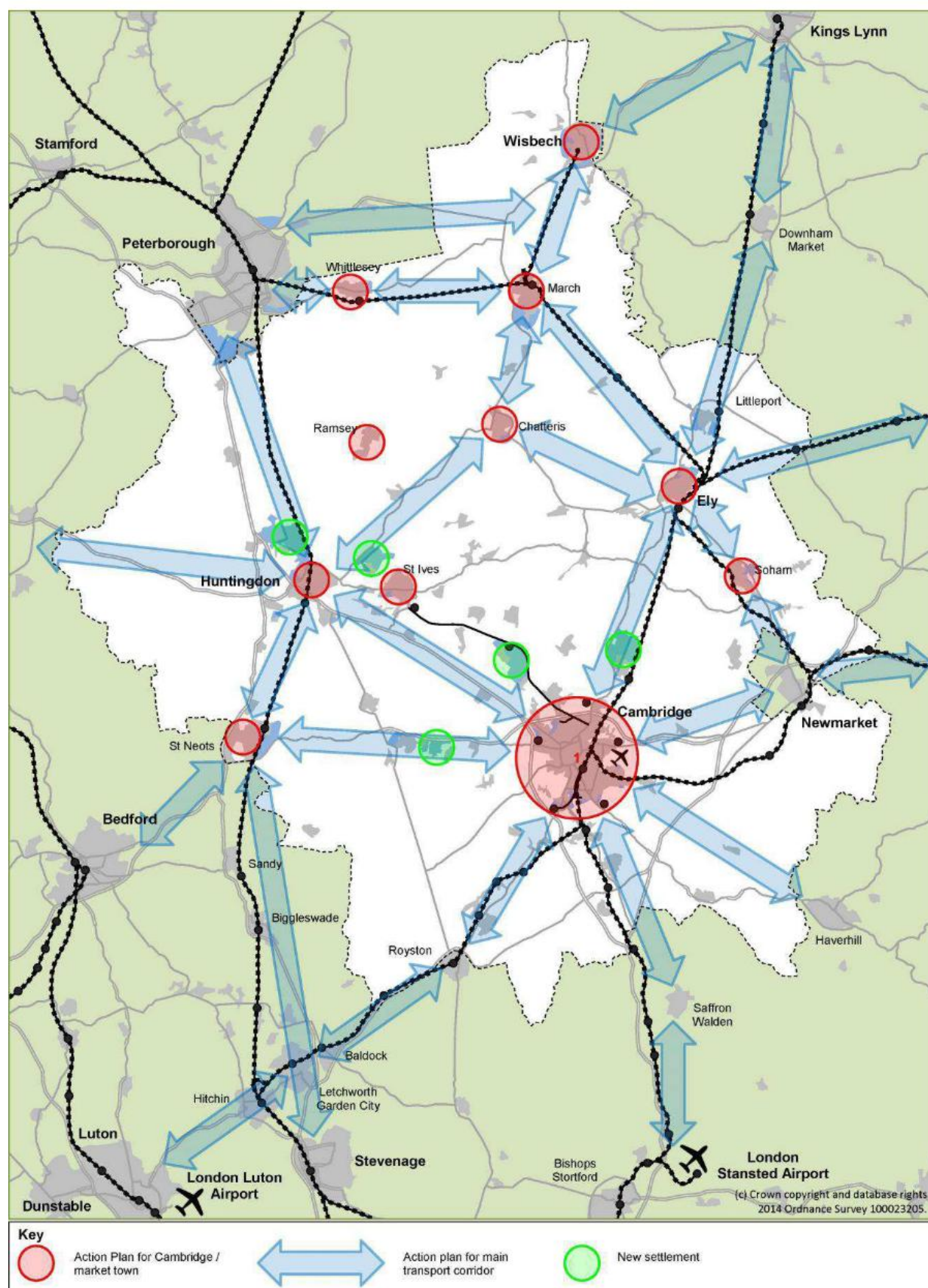
COMMUTING FLOWS: NUMBER OF PEOPLE COMMUTING TO AND FROM MIDDLE LAYER SUPER OUTPUT AREAS IN THE LSCC AREA BY ALL MODES OF TRAVEL



The travel to work patterns show that there are two broad areas concentrated around Cambridge and Peterborough with the weakest connections being into Fenland reflecting the lack of good transport infrastructure into the district. This is already recognised in the 2011 – 2031 Long Term Transport Strategy which incorporates the future potential of a March to Wisbech rail extension. Figure 3 summarises this transport strategy below.



Figure 3. Summary of 2011- 2031 Transport Strategy Connections within the CA





It is likely that as the work moves from an indicative programme to a detailed investment programme there will be changes in the exact proportions of grant allocation and projected outputs, and linkages will need to be sustained with economic growth and transport strategies in addition to the overarching spatial strategy.

Impact of not changing

There is a lack of supply of all housing within the CPCA area which has created a significant affordability problem. Where sites can be delivered, there is a difficulty in securing the full 25 to 40% affordable housing element usually because of viability difficulties. This has resulted in the market being unable to meet the housing needs of the CPCA.

The ability to use grants flexibly to support the delivery of affordable homes also helps with the delivery of market homes on that site as it can support the infrastructure costs, ease cashflow and help ensure a policy-compliant, affordable housing contribution, making the planning process simpler and faster.

An analysis of the indicative pipeline highlighted that many of the schemes face significant viability issues if they are to deliver affordable housing in policy-compliant numbers. Infrastructure requirements and significant abnormal site costs would reduce affordable housing delivery numbers through viability assessments and delays in obtaining infrastructure funding. This position is particularly acute with respect to strategic sites. Some sites are also in the ownership of parties that do not have the resources or desire to develop them which leads to further issues.

In response, grant or loan funding could be used to fill the viability gap, fund infrastructure and acquire stalled sites.

Without further funding, the availability of affordable rented homes for those on the lowest incomes, such as care workers and support staff, would continue to fall, impacting the provision of core services within the CPCA area.

In the Nathaniel Litchfield and Partners Report 'Start to Finish' (November 2016), it was found that large scale housing schemes tended to be more successful when the Affordable Homes proportion was at least 30% of the total homes to be constructed. This is further support for the intention of using Devolution money to increase the proportion of affordable homes.

There will only be intervention by the CPCA where there is clearly either reasonable cost-benefit scrutiny or socio-economic benefit to the community. In all circumstances of intervention, the concept of achieving Value for Money is paramount.

The Project/Programme

Scope

The CPCA will establish a housing fund that will have the ambition of at least 2,000 additional affordable homes. The CPCA will appraise projects for investments, in line with the core principles of governance, business case development and delivering value for money as set out in the Cambridgeshire & Peterborough Single Pot Assurance Framework.



Objectives

To equip the CPCA with the appropriate funding and governance arrangements in order to deliver at least 2,000 additional starts on new units over the five-year lifetime of the fund.

Strategic Benefits

In addition to the boost to affordable housing numbers needed to sustain local economic growth, the investment of £100m in grant could create a pipeline for new homes, generating a further economic benefit over the five-year period.

Stakeholders

- The Department for Communities and Local Government,
- The Homes and Communities Agency,
- The CPCA and associated local authorities,
- Individual local authorities.

Options for Delivery

New homes will be delivered through the direct grant funding initially, however, this funding is expected to enable a fully revolving local fund in the CPCA, which outlasts the initial five-year period.

Risks of Options

The CPCA will actively manage risks. The main risks to development include housing market fluctuations, availability of developers and planning permissions; however the Risk Register attached (see Annex 1) sets out the broader range of risks and reporting mechanism.

Inter-Dependencies

This business case is dependent on agreement by DCLG to a Single Pot Assurance Framework for the CPCA.

Economic Case

Long-listed Options

This section sets out the principles by which the proposed indicative programme, developed as part of the CPCA Devolution Deal, was appraised and provides the starting point by which the detailed future investment programme will be determined.

Cambridgeshire and Peterborough have a substantial (long) list of potential schemes and sites that have been identified through the planning process for development of new homes and communities. It is estimated that these total around 10,000 affordable homes which would require grant funding of around £500m, and are at various stages of design and offer the potential to provide a full range of housing solutions. Without grant funding, many of these



homes may not be built for many years. It is not possible at this stage to be certain about the exact schemes that would be delivered; this would be determined by the CPCA Housing Board, in line with the Assurance Framework.

The focus of this business case is on the deliverability of the shortlisted schemes and no detailed assessment of the long list has been undertaken. Previous build out rates for affordable homes are not an accurate guide, as they relied upon HCA grant funding regimes which have since changed significantly.

To create a delivery plan against the £100m investment fund and build high levels of confidence, a robust set of five core delivery criteria has been identified and applied to the 'long list':

1. Added value –

- Ensuring delivery of affordable housing that is in addition to that already in the development pipeline,
- The ability of the investment to unlock stalled or new schemes,
- The ability of the investment to achieve either affordable housing policy-compliant applications (particularly where this may be a barrier to achieving planning approval), or at a minimum, to enhance the percentage of affordable housing achievable within viability calculations.

2. Size of site – this programme initially excludes any scheme under 50 units in total to provide focus and confidence in delivering the level of new homes required. Smaller sites and windfall sites can be brought into scope if required.

3. Deliverability - ability to start on site in the timeframe – particularly planning certainty.

4. Affordability – ability of the proposed scheme to address identified affordability needs.

5. Value for money assessment - average build cost subsidy for the programme overall of not more than £25k per home.

A review of the available information about these sites has been undertaken considering a number of factors, broadly in line with HCA Affordable Housing Programme criteria. These are not exhaustive but include:

- Infrastructure requirements are a prerequisite in terms of capacity available for any proposed new development, including internet access,
- Land ownership and promotion agreements,
- Whether there is landowner engagement with a house builder and or a housing association,



- Planning position such as whether the site is strategic, allocated for housing, whether pre-application discussions have commenced, if the scheme is subject to a viability assessment, does the site already have consent, or is the scheme subject to affordable housing triggers,
- Market considerations such as is the site available and is there a willing seller and buyer, Is the site subject to any option or conditional contract, is the site likely to come to market with a consent, what would be the timescale for an acquisition, the achievable sales prices for the site and whether there are housing associations ready to purchase the affordable housing,
- Viability of the overall scheme in terms of land value, infrastructure and building costs relative to the value of the completed scheme,
- Other barriers to delivery.

These criteria have been used to assess the long list of potential sites and schemes. This has identified a potential programme of new affordable homes, across 45 sites, from which the £100m will be used to deliver at least an additional 2,000 affordable homes.

Further detailed work by the CPCA Housing Board, in line with the Assurance Framework, will be required before investment decisions are taken so this list should be regarded as illustrative at this stage.

Partnerships with a range of stakeholders have been established including housebuilders, developing housing associations and independent planning consultants together with additional research to enable a view as to the robustness of the pipeline. Commercially sensitive information was protected and therefore conversations concerning the specific funding requirements of individual schemes were not discussed with promoters or landowners.

Where appropriate, priority will be given to schemes that not only match the core criteria, but also those which promote the SME construction industry within the CPCA and engender development of skills within the local work forces. By promoting the local SMEs employment and training opportunities will be created.

In smaller towns and villages, first time buyers have difficulty in being able to afford to buy their own home, putting the viability of small communities at risk. The housing needs of this group are to be addressed to ensure the economic well-being of a large number of our smaller communities.

Favourable consideration will be given to projects which enable recycling of grant funding rather than those which are a one-off benefit. This will add value for money for the public purse and give the ability to reuse capital to fund a continuing pipeline of development after the initial five-year programme. In line with HCA guidance, recycled funding may also be used to achieve greater additionality on future sites, as the plans at this stage will be less developed providing opportunity for positive intervention.

Options appraisal (determined locally)

The CPCA will manage the devolved housing fund locally, in line with value for money requirements set out in their single pot assurance framework.



There are some additional principles that the CPCA will take when appraising housing projects and their delivery mechanisms.

In assessing the suitability for developments to be included within this proposed delivery programme, the opportunity to use the investment funding to provide infrastructure contributions has been maximised. It may also be possible to identify a proportion of this infrastructure funding as suitable for future recycling allowing the CPCA to reinvest in future affordable housing provision after the first five-year period has passed.

Individual schemes will be assessed on their added-value including:

- The ability of the investment to unlock stalled or new schemes,
- The ability of the investment to achieve either affordable housing policy compliant applications particularly where this may be a barrier to achieving planning approval or at a minimum to enhance the percentage of affordable housing achievable within viability calculations,
- The ability of the investment to stretch future development funding capacity by enabling the re profiling of housing association development finance.

The main purpose driving this Business Case is to construct new homes over and above those which would be provided in the existing market conditions so that local affordable housing needs are supplied in high value areas. There are a number of mechanisms by which this additionality can be achieved which include:

1. Viability Assessment Intervention

Scheme viability assessments are usually delivering less than the policy requirement for affordable housing. In most cases a smaller percentage of affordable housing is being delivered and/or a tenure split weighted more towards shared ownership products is being agreed. Grant funding could be used to:

- Increase the overall provision of affordable housing towards a policy-compliant position. This might be difficult to implement on existing schemes with an agreed S106, but for all new schemes and existing schemes where developers are requesting that viability is re-assessed, intervention would be a useful tool to have available.
- Fund tenure changes from shared ownership to affordable rent and also from affordable rent to a lower intermediate rent that reflects housing need in that location. As well as new S106 negotiations, this could also be applied in some instances to existing S106s by converting tenures to those more desirable.

2. Site Purchase Assistance

Some schemes will require site assembly. This fund could be used for assistance in the acquisition of land to enable housing development.

3. Infrastructure funding

The cost of delivering infrastructure requirements can often result in sites stalling or



failing to start. Grant or Loan funding could potentially be used to unlock and bring forward some of these opportunities.

4. Cash Flow Loans or JVs with Developers

Often the developer's output is restricted by the financial constraints of having funds tied up in land purchases. Devolution funds could be used as loans, or within JVs, to fund land assembly and acquisition which could significantly increase the rate of delivery of all housing tenures. The housing associations could also be encouraged to grant match. For example, Recycled Capital Grant Fund (RCGF) monies could be used (in line with HCA guidelines) alongside devolution grant or loans to bring forward viable schemes.

5. Off the Shelf Purchases

Whilst the market for new homes is still reasonably buoyant there are signs that the growth in the market is slowing. Some of the housebuilders are already putting in place contingency plans should a significant downturn occur in the coming months. This would certainly deliver opportunities to purchase new homes as affordable housing or acquire whole sites and apply a tenure change.

6. Bring Forward Affordable Housing Triggers

Many sites have affordable housing triggers built into the planning permission to stipulate at which stage affordable housing needs to be provided. These triggers could be adjusted to encourage the earlier supply of the affordable housing. Changing these triggers would have a negative financial impact on the development viability and therefore grants or loans could be used to cushion this effect.

7. Additional Delivery Mechanisms

Where future development capacity has been released using grant funding there will be a formal mechanism within the delivery partnership whereby this will be committed to building new homes within the CPCA area within agreed timeframes.

The CPCA anticipates additional new homes will be provided as part of the Private Sector residential schemes but with an affordable element of around 25 to 40%.

The Public Rented Sector will also be expected to provide affordable homes as part of their development projects.

Four of the local authorities in the CPCA have existing companies which shall bring forward construction of additional new affordable homes.

Insurance Companies and Pension Funds may be interested in providing affordable homes as could University land owners and other opportunistic investors.

Community Land Trusts could be facilitated and encouraged to build more homes particularly in smaller towns and villages.

Cost-benefit analysis

The main output anticipated from this fund is an increase in the number of new housing starts



over and above the rate in previous years through the delivery of new affordable homes and associated infrastructure. The ambition is to provide at least an additional 2,000 new affordable homes over the five-year term of this Fund. These housing projects will be assessed using DCLG's Appraisal Guidance.

Following the appraisal process, the CPCA will use assessment results to ensure candidate sites and development proposals are the best overall fit to the strategic objectives of the area. This is expected to be regularly updated and shared with key investment stakeholders

The fund will enable the delivery of high quality sustainable homes, using modern methods of construction that facilitate accelerated delivery and value for money. In addition to the delivery of at least 2,000 affordable homes, the Fund is expected to enable wider flow-on benefits, as outlined in the reports below:

- Using data contained in 'The Economic Footprint of House Building' report for the House Building Federation by Nathaniel Lichfield & Partners (March 2015), it is estimated that for every £1 spent on housing construction, £2.84 would be generated in economic output. This is in addition to other economic gains from sources such as increased local council tax revenue.
- Using data contained in a CEBR report for the National Housing Federation (2013), it is estimated that the delivery of the baseline of 2,000 affordable homes under this programme will support directly and indirectly over 5,100 jobs (circa 2.56 per house built).



Sensitivity and optimism bias

The affordability, quality and time sensitivities are built into the CPCA Single Pot Assurance Framework.

Commercial Case

Purpose

As a devolved fund, the Cambridgeshire and Peterborough CPCA will determine the most effective delivery route for delivering at least 2,000 additional housing units with the £100 million over five years.

The CPCA, the GCGP Enterprise Partnership and the private sector will work together strategically and with a single plan and approach to deliver the housing schemes. This will include bringing together funding streams secured through the devolution agreement with other investments and the funds secured through Growth Deals. It is envisaged that the approach to housing delivery will move beyond the simple aggregation of a number of locally determined housing schemes and instead take a strategic and collective view on which developments will best serve the overall objectives of growing the economy.

In addition to the development of a new shared strategic approach to housing delivery by the partner local authorities and the GCGP Enterprise Partnership, it is also proposed to establish a new approach to working with local housing delivery partners. The CPCA has been working with the National Housing Federation who has set up a partnership body for those housing associations wishing to work in the Cambridgeshire and Peterborough area and who already have a stake in the local area. A significant group of local housing associations are also forming a consortium to work closely with the CPCA. The CPCA shall continue to develop these constructive partnerships with development partners as these new and innovate ways of working will drive further value out of the £100m grant programme.

East Cambridgeshire Council has also set up a separate housing company that specialises in the development of homes as Community Land Trusts. This new partnership will include and build on the positive experience of Cambridgeshire Partnerships Ltd – a housing development and management consortium. In addition, housing delivery will be supported by Medesham Homes, the joint venture company formed by Peterborough City Council and Cross Keys Homes with the Council already committed to invest over £40m in Peterborough. See Table 3 below.

Table 3 Existing Council Led Housing Companies and Partnerships

Council	Company	Notes
Peterborough	Medesham Homes	Investment partnership with Cross Keys Homes
South Cambridgeshire, Cambridgeshire County and Cambridge City	Housing Development Agency	Includes investment partnership with Hill Residential



East Cambridgeshire	Palace Green Homes	Community Land Trusts. 553 homes forecast for 2016 - 2020
South Cambridgeshire	Ermine Street Housing	Market rented homes
Cambridgeshire County Council	[not yet determined]	Developing own land holdings

These delivery partnerships will support the strategic approach of the CPCA, capture the funding capacity of housing associations and other delivery partners, and provide landowners and developers with confidence. The delivery partnership will also help the CPCA achieve the social value objectives of housing investment. The housing association and other delivery partners are all medium-sized organisations with a local base and the CPCA shall maximise the use of local SME building contractors as well as support an apprenticeship programme. Additional capacity could be sourced from the SMEs currently undertaking building work in the CPCA area but are not building houses in the current economic climate.

The private sector will play a key role in the delivery of both new homes programmes. Through the Local Enterprise Partnership, early engagement has already commenced with land owners and developers and builders. A Developer and Builder Summit is being planned for 2017 that will bring all partners together. As well as creating a shared understanding of the strategic plan for new affordable homes, the aim of the summit will be to start work on the creation of a developer plan – aligning building supply to schemes and sites. The aim is for the CA to take a proactive role in developing an effective partner relationship with the private sector.

It is envisaged that the ownership of the new affordable homes that are built will sit with the partner housing associations or delivery partnerships. There will however be specific partnership arrangements for the recycling or claw back of grant in agreed circumstances. This Business Case is not a detailed investment appraisal generic to all of the schemes that will be considered, but the CA will have clawback and recycling as much of the funding as possible as a significant aspiration. Cambridge Horizons had previously expected to recycle 60% of a fund they managed but on the final reckoning, had managed 95%.

Sites for new homes are not all the same either in terms of physical features or the extraneous constraints which may hold-up development. An open-minded approach will be needed to find the right solution for the particular problems that are forming obstacles and holding back development. Once identified, solutions will be devised which will then enable accelerated delivery of additional housing development programmes.

Initially, existing methods of construction are likely to be deployed as they account for 81% of all new builds by the larger-volume house builders (Focal Research Ltd). The CA, however, is driving for change so will therefore explore new methods of construction which are available but not yet in the mainstream supply chain. We will work with construction industry partners and bring forward appropriate plans to scale up off site manufacture at the earliest opportunity.

Off- site manufacture of components and/or whole buildings could commence before any site is fully prepared which is clearly not the case for traditional building. As soon as a specific site is fully prepared, the off-site units could be delivered and assembled very quickly. One off-site manufacturer suggested a skilled team could erect three houses per day provided the site was properly prepared.



The CPCA will explore options that include financial assistance that could be provided in the form of loan or equity share to ease cash flow for SMEs, which may make a site financially viable, enabling them to re-enter the new home development market. We will also work with partners to ensure that suitable insurance cover is available and there is no difficulty in raising mortgages.

A project team has been established to manage the process, and undertake independent assessments of each scheme to determine which will form the final investment plan. The project team will also be responsible for instructing the drafting of various legal documents required to underpin the partnership arrangements and to set up a robust monitoring regime. This work is required to ensure that the schemes are ready to start on site from early 2017/18. Ongoing project management and monitoring arrangements will be put in place alongside our development partners to take effect from April 2017.

It is envisaged that the housing investment funds will be made directly available to the CPCA to enable the delivery of the agreed investment programme. Thereafter, the CPCA will control and monitor the investment including the provision of £70m allocation for the development of new homes within the Cambridge City Housing Revenue Account.

In relation to the allocation of the grant funding to individual schemes and the detailed monitoring of the delivery of this funding, a specific project team will need to be established by the CPCA. This will draw upon existing resources where it can but will require extra resources to set up the initial arrangements. This team is referred to in the Business Case as the Investment and Partnership Team.

The Investment and Partnership Team is currently envisaged to comprise one overall manager to be responsible for reporting investment proposals to the CA Board, manage stakeholder relationships and to oversee the team. In addition to the manager there will be two negotiators to develop intervention opportunities and two programme managers to include the quality control and monitoring functions. Responsibility for determining the team required to manage the programme will be determined in due course. The overall cost of managing the programme is expected to be less than 4% of the programme fund.

The process shall be to select sites suitable for immediate and intermediate delivery that may or may not have come forward until a later date and to prime them for earlier start. This will involve a high front end work load and investment in developing the supply stream of sites.

The following are the key elements that will be put in place to ensure a robust process to manage the delivery programme and in particular to ensure that the first tranche of £10m is committed appropriately:

Framework

- Assessment Criteria for funding
 - A development strategy for the CA funding that brings together the councils' various requirements,
 - Scheme appraisal methodology,
 - Recycling policy,
 - Identify separate 'pots', including site purchase, loans, viability grants etc
 - Identify different allocation routes; direct to developers or through local authorities and housing associations,



- Core standard legal agreements,
- Qualification process,
- VFM checking and reporting process.

Early activity will include finalising partnership arrangements with housing associations, some selected developers and local housing companies including the Palace Green CLT venture from ECDC. We have already established early partnership arrangements with several larger local housing associations that are keen to work together on large scale schemes where they could also take a part of the open market housing.

Community Land Trusts are of importance as they provide local housing development schemes and are managed and run by local community groups, particularly for the benefit of local first time buyers. This helps make smaller communities more sustainable.

This 'on the ground' information will be used to help identify those sites particularly suitable to bring forward for the first £10m tranche. This will include consideration of sites with the following characteristics. Those:

- with consent, but that are stalled with viability issues and infrastructure issues,
- potential to convert Shared ownership to affordable rented,
- that are on site with an option to negotiate conversion of open market units to affordable,
- likely to be re-assessed for viability assessment,
- currently in planning or have been subject to pre-apps,
- which could be purchased outright by HAs/LAs with loans.

Discussions have started with the HAs for the option to make loans against existing S106 commitments with a view to recycling.

Financial Case

Purpose

The £100 million programme will be funded equally (£50 million each) from the Local Growth fund and Affordable homes programme DCLG CDEL budgets across the five-year lifetime.

Table 4 below sets out the anticipated draw down of grant required to maintain the development programme. The table does not show the forecasted spend profile of the area, which can be reviewed as part of the annual conversation.

Part of the added value from front loading the grant funding drawdown is that it allows developments to be front funded particularly where infrastructure contributions are required, as this helps cash-flows and helps unlock stalled sites.



Table 4: Summary of Grant Drawdown proposal

	2016/17	2017/18	2018/19	2019/20	2020/21	Total
Devolution Deal fund contribution	£10m	£10m	£10m	£10m	£10m	£50m
AHP budget contribution		£20m	£5m	£5m	£20m	£50m
Grant draw down required	£10m	£30m	£15m	£15m	£30m	£100m

Budget Arrangements

The programme has already been budgeted for. Payments will be made by DCLG to the CPCA Authority via a section 31 grant. Commencement on site and delivery will also be monitored via s31 letters, reporting on the use of the grant on an annual basis.

It will be the responsibility of CPCA for the appropriate and accountable use of these funds. Progress will be monitored by DCLG through the annual conversation process as set out in the CA assurance framework. Letters accompanying grant determinations will set out monitoring arrangements and delivery expectations providing the opportunity to hold back on payment in future years if progress is not as expected.

Project/Programme Management Case

Project Dependencies

This programme will have linkages to ongoing investments by the HCA, which will be addressed through HCA's advisory membership to the Housing and Communities Board.

As a devolved fund, it will be for the CPCA to manage other project dependencies locally, as part of the business case development process set out in the CPCA Assurance Framework.

Project/Programme Governance, Organisation Structure and Roles

The CPCA will establish appropriate programme governance arrangements, including Lead Partner accountability for delivery and reporting arrangements back to the CPCA. An appropriate Lead Partner will be appointed by the Combined Authority and robust delivery agreements put in place. This will ensure appropriate separation of the oversight and governance role and that of accountability for delivery.



As with all elements of the Cambridgeshire and Peterborough Devolution Deal, progress on delivering the Housing Investment Fund will be reported regularly to Central Government through the local lead in the Cities and Local Growth Unit, as part of the area's wider reporting arrangements to Government on its shared local growth and devolution programmes.

This consists of monthly reporting and annual 'conversations' to discuss progress of implementation. Any issues with the implementation of this programme will be raised as appropriate within DCLG Cities and Local Growth and Housing colleagues.

The Housing Task Force which currently exists with council representatives from Housing Teams will oversee the formation of the Investment and Partnership Team. The Task Force will also draw up a stakeholder engagement strategy as well as develop further the delivery partnerships. Work is already underway to facilitate the speedy commencement of delivery activity in March 2017.

The £100m programme funding will be controlled and monitored by the CPCA Board. Delivery will be achieved through joint partnering arrangements with locally active housing associations in addition to delivery partnerships that have a proven record and capacity to achieve the required numbers and pace of delivery.

A shared housing strategy for the CPCA will ensure that there are appropriate linkages made with the shared spatial strategy as well as the transport and infrastructure strategies. This in turn will ensure that there are appropriate linkages made between the CPCA housing fund and other funds available within the CPCA.

Within the officer team, a formal monitoring arrangement will be established which will report back through the governance structure and feed into the Quality Assurance framework established for the CPCA.

The combined councils already have a proven track record of delivering multi-million pound projects. For example, Cambridge City and South Cambridgeshire District Council HRA teams already manage housing budgets of around £340m over a five-year period and the in-house Housing Development Agency has already delivered over 200 affordable homes in its first year of operation.

Key Issues for Implementation

The CPCA will be required to produce plans which demonstrate the delivery ambitions. This will be reviewed as part of the "annual conversation". Flexibility will be given to the spending profile which will be assessed against delivery plans.

Risk Management Strategy

A detailed risk matrix will be developed as part of the work to establish the formal investment programme and each delivery project will have its own risk management arrangements.

The following risks have been identified but are not limited to:

- Capacity of the construction industry to build the homes to this timeframe,
- Availability of building materials,



- Planning delays,
- Unexpected site issues,
- Higher than expected increases in labour and build costs.

Mitigations will include:

- strong partnership arrangements,
- robust project management,
- effective procurement measures,
- effective governance arrangements and,
- flexibility in the pipeline schemes.

Each development opportunity will be examined to determine the reason why the scheme is not being brought forward and a solution will be devised wherever possible.

Risk areas include:

- Site pre-purchase – funding due diligence,
- Site physical issues – ground conditions, ecology, adequate utilities,
- Site ownership issues – rights of way, easements, overages,
- Site administrative issues – planning, legal,
- Site purchase – funding, heads of terms, development agreements,
- Construction procurement and contracts,
- Construction implementation and management,
- Construction supply chain both work force and materials,
- Construction quality assurance,
- Construction timing,
- End user funding e.g. availability of mortgages for shared ownership and market sale properties.

A single site may be developed to the optimum by using both traditional and new methods of construction. An example would be to use off-site manufacture for very quick provision of homes as the first phase on a site with traditional build used for the second phase delivering homes in one to two years. The cash flow benefits to the overall scheme may be the difference between being viable or not.

Due diligence will be undertaken on every scheme. Full commitments will not be made until the scheme is ready to start and this way the danger of over committing the programme will be avoided. Priority will therefore be given to those schemes that can start first and have a high likelihood of delivery within the initial programme timeframe

Programme Review and Evaluation

The Fund will be reviewed and evaluated through the CPCA Single Pot Assurance Framework and s31 letters monitoring starts onsite. Furthermore, as part of the CPCA Evaluation Programme of the Devolution Deal the local area could agree to undertake a deep-dive review of the Housing and Infrastructure Fund.



Recommendations

It is recommended that the Finance Sub-Committee approve the Business Case.

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY

BOARD MEETING

Date: 20th March 2017

Portfolio Holder: Cllr Robin Howe

Paper 4.1: Key Decision Required

BUDGET REPORT 2016/17 TO 2020/21

1. STRATEGIC CONTEXT AND PURPOSE OF REPORT

Cambridgeshire and Peterborough has a high performing economy. It is a significant contributor to UK PLC, generating some £7bn per annum in taxes more than the cost of public services in the whole area.

The strategic ambition of the Combined Authority will see this position improve even further. Specifically, the investments that the Combined Authority will make over time in Housing, Transport, Infrastructure and Skills/Employment will see the economy grow in the next twenty-five years from £22bn to over £42bn. Over the next ten years, the difference between income (taxes) and expenditure (public service costs) will widen even further with an additional £2bn per annum being added to the UK economy.

Furthermore, the Combined Authority is committed to delivering public sector reform. Working with all relevant central and local partners - statutory and non-statutory, it will explore innovative and integrated approaches to redesigning public services across Cambridgeshire and Peterborough. It will bring forward a programme of public service reform that will focus on delivering the best outcomes for residents, creating new models of delivery that cuts out bureaucracy, and achieves the most efficient and effective public services.

The Combined Authority is small in size and strategic in nature. It provides the leadership and co-ordination necessary to deliver the economic growth and public service reform plans outlined above. The budget proposals set out in this paper should be considered in this context.

Constituent members when agreeing to the establishment of the Cambridgeshire and Peterborough Combined Authority (CPCA) considered the resource allocations from central government and the initial expenditure plans.

Since this time further more detailed work has been undertaken on the likely costs of delivering the CPCA and the significant outcomes associated.

This is therefore the first update of the costs and forms the basis of the 2016/17 and 2017/18 budget together with the Medium Term Financial Forecast to 2020/21.



The budget also ensures that the devolved capital funding for highways functions is passported to the two authorities (Cambridgeshire County Council (CCC) and Peterborough City Council (PCC)) for delivery in their areas, along with the arrangements for the transport levy.

2. DECISIONS REQUIRED

The Combined Authority is asked to approve the resolutions made by the Shadow Board on 22nd February 2017:

1. Approve the budget and indicative resources for 2016/17, 2017/18 and Medium Term Financial Forecast for 2018/19 to 2020/21.
2. Approve that the minimum working balance be set at £800,000.
3. Approve the Passporting of Highways capital funding to the original transport authorities in line with their original resource allocation for 2016/17 and 2017/18.
4. Approve the revenue transport levies from the transport authorities, along with the return of the funds to them to deliver the transport services, and delegate authority to the Chief Finance Officer (CFO) to update the levies if further guidance is received from the Department for Communities and Local Government (DCLG).
5. Approve the Treasury Management and Investment Strategy.
6. Appoint Peterborough City Council's Service Director Financial Services as the interim Deputy S151 Officer.
7. Approve that the Combined Authority's external Auditors be sourced via PSAA Ltd.
8. Note that a bank account has been established via Peterborough City Council's bankers, Barclays.
9. Note that the further report on 2017/18 and future years includes:
 - a) Spending plans, including a review of the minimum working balance, and
 - b) Income and efficiency streams with particular emphasis on public service reform will be presented at the March 2017 Combined Authority meeting.

The Combined Authority is asked to approve the following additional recommendations:

10. Consider the budget proposals in the context of the plans set out for economic growth and public service reform.
11. Approve the updated Strategic Context and Public Service Reform plans as set out in paragraph 1
12. Approve the update to the Expenditure Plans to include Local Transport Plan capital grant and transport levy funding streams, as set out in paragraph 3.1
13. Note that a further report on 2017/18 and future years spending plans, will be presented at the April 2017 meeting.

3. BACKGROUND

3.1 EXPENDITURE PLANS

The expenditure allocations for 2016/17 to 2020/21, have been updated to include Local Transport Plan capital grant and transport levy funding streams, as follows:



	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	Total
	<u>£k</u>	<u>£k</u>	<u>£k</u>	<u>£k</u>	<u>£k</u>	<u>£k</u>
<u>Funding</u>						
Transport Levy	0	31,496	31,496	31,496	31,496	125,984
LTP Capital Grant	0	26,188	26,188	26,188	26,188	104,752
	0	57,684	57,684	57,684	57,684	230,736
<u>Budget Allocations</u>						
Investment in Transport	0	31,496	31,496	31,496	31,496	125,984
<u>Capital</u>						
- Local Transport Plan	0	26,188	26,188	26,188	26,188	104,752

3.2 CASH FLOW AND VAT

We have requested DCLG for an Order to be laid before Parliament to specify the Combined Authority for the purpose of section 33 of the Value Added Tax Act 1994, which will enable CPCA to recover input tax against non-business revenue. They have responded to say that progress has been made with the Treasury (HMT) and HMRC and will confirm a timetable for the Order.

3.3 FURTHER DELEGATIONS

A bank account has been established for the Combined Authority using PCC's bankers, Barclays. We are in the process of novating the account out of the PCC umbrella now that the Combined Authority has been created.

4. FINANCIAL IMPLICATIONS

There are no matters to bring to the Boards attention other than those highlighted in other sections of the report

5. LEGAL IMPLICATIONS

The voting arrangement

6. EQUALITIES IMPLICATION

There are no matters to bring to the Boards attention.

7. APPENDICES

1. The Shadow CPCA Budget Report approved at 22 February 2017

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY SHADOW BOARD	AGENDA ITEM
	PUBLIC REPORT

TITLE : BUDGET REPORT 2016/17 TO 2020/21

RECOMMENDATIONS	
FROM :	
Lead Member	Councillor Robin Howe, Huntingdon District Council
Lead Officer	John Hill, Chief Executive Lead for Governance Work Stream
Author	John Harrison, Interim Chief Finance Officer (CFO) of the Shadow Combined Authority
<p>Subject to Cambridgeshire and Peterborough Combined Authority (CPCA) being established that the following be approved and recommended for adoption at its first meeting:</p> <ol style="list-style-type: none"> 1. Approve the budget and indicative resources for 2016/17, 2017/18 and Medium Term Financial Forecast for 2018/19 to 2020/21 at Appendix B. 2. Approve that the minimum working balance be set at £800,000. 3. Approve the Passporting of Highways capital funding to the original transport authorities in line with their original resource allocation for 2016/17 and 2017/18. 4. Approve the revenue transport levies from the transport authorities, along with the return of the funds to them to deliver the transport services, and delegate authority to the CFO to update the levies if further guidance is received from CLG. 5. Approve the Treasury Management and Investment Strategy at Appendix D. 6. Appoint Peterborough City Councils Service Director Financial Services as the interim Deputy S151 Officer. 7. Approve that the Combined Authority's external Auditors be sourced via PSAA Ltd. 8. Approve that a bank account be established via Peterborough City Council's bankers Barclays. 9. Note that a further report on 2017/18 and future years includes: 	
<p><i>Voting Arrangements:</i></p> <ol style="list-style-type: none"> 1. The approval of the draft budget must be decided by a simple majority of the members or substitutes of the CA present and voting (all recommendations except 3 & 4) 2. The Transport Budget decisions are presented to the Combined Authority for agreement and require two thirds of constituent councils to support them. This two thirds must include Peterborough City Council and Cambridgeshire CC (giving the Councils a veto if not in favour). (recommendations 3 & 4) 	



- a. Spending plans, including a review of the minimum working balance, and
- b. Income and efficiency streams with particular emphasis on public service reform will be presented at the March 2017 Combined Authority meeting.

1. EXECUTIVE SUMMARY

- 1.1. *Constituent members when agreeing to the establishment of the CPCA considered the resource allocations from central government and the initial expenditure plans.*
- 1.2. *Since this time further more detailed work has been undertaken on the likely costs of delivering the CPCA and the significant outcomes associated.*
- 1.3. *This is therefore the first update of the costs and forms the basis of the 2016/17 and 2017/18 budget together with the Medium Term Financial Forecast to 2020/21. The budget proposed will be subject to a further update in March 2017, at the first meeting of the new Combined Authority.*
- 1.4. *The Shadow Board is asked to approve the budget proposals and recommend them for adoption at the first meeting of the CPCA after its legal approval by the CLG. It is anticipated that it will be legally in existence from Tuesday 14TH March 2017.*
- 1.5. *The budget also ensures that the devolved capital funding for highways functions is passported to the two authorities (CCC and PCC) for delivery in their areas, along with the arrangements for the transport levy.*

2. BACKGROUND AND BUDGET PLANS

2.1. STRATEGIC CONTEXT

The Cambridgeshire and Peterborough Combined Authority has an ambition to double the size of the local economy over the next twenty-five years. This will bring substantial additional prosperity to the area:

- The economic output of the area will increase from £20bn to over £40bn;
- Over 70,000 new homes will be built;
- Over 130,000 new jobs will be created;
- a £1bn transport investment fund utilising different finance streams will deliver a range of key transport schemes;
- Bidding for a skills investment fund that will enable and a range of programmes to improve skills across all key business sectors; and to further progress a new University of Peterborough (this is expanded upon in para 2.11 below)

- Existing businesses will grow and export more; and new businesses will be attracted to the area.

The Combined Authority will oversee sustainable growth and ensure that all parts of Cambridgeshire and Peterborough share in the benefits of that growth.

2.2. CLG RESOURCES

The 'deal' includes the following grants from CLG:

- £20M pa for 30 years commencing in 2016/17. Of these annual sums 60% is capital monies (£12m pa) and the remaining £8m pa is revenue.
- The costs of establishing and running the CA have been agreed to initially be met from the revenue gainshare.
- £170m over the first five years for housing. £70m of this is specifically earmarked for Cambridge.

These now form the basis of the core budget for the CA.

2.3. EXPENDITURE PLANS

Attached at Appendix A are the proposed expenditure allocations for 2016/17 to 2020/21. In summary these are as follows:

	2016/17	2017/18	2018/19	2019/20	2020/21	Total
	£k	£k	£k	£k	£k	£k
<u>Funding</u>						
Gain Share	20,000	20,000	20,000	20,000	20,000	100,000
Housing (General)	10,000	40,000	20,000	20,000	10,000	100,000
Housing (Cambridge)	10,500	10,500	17,000	17,000	15,000	70,000
	40,500	70,500	57,000	57,000	45,000	270,000
<u>Budget Allocations</u>						
Revenue	452	2,241	1,005	1,005	1,005	5,708
<u>Capital</u>						
- Gain Share	0	0	0	0	0	0
- Housing	0	146	120	120	120	506
<u>Budget Unallocated</u>						
Gain Share Revenue	7,548	5,759	6,996	6,995	6,995	34,292
Gain Share Capital	12,000	12,000	12,000	12,000	12,000	60,000
Gain Share Housing	20,500	50,354	36,880	36,880	24,880	169,494
	40,048	68,113	55,876	55,875	43,875	263,786
Less, Revenue Reserve	-800					-800
Total	39,248	68,113	55,876	55,875	43,875	262,986

There is a significant one off cost in 2017/18 for the cost of the Mayoral elections which is estimated to total £1.044m. More detailed budgets are provided in Appendices B and C.

The table indicates that in the first five years the following resources are still available/unallocated:

- Revenue gain share: £33.492m (£34.292m above, less £0.8m reserves)
- Revenue Reserve: £0.800m
- Capital Gain Share: £60.000m
- Housing – General and Cambridge City: £169.494m

Unallocated balances will be managed and allocated through a Single Investment Fund according to agreed programme of activity as outlined in the Infrastructure and Investment plan and investments will be made as directed by the Investment Board.

2.4. CASH FLOW AND VAT

2.4.1 Until the dates for the receipt of funding from CLG are known, and a full programme of expenditure has been agreed, it is not possible to prepare a meaningful cash flow forecast or to calculate expected investment income.

2.4.2 We are also awaiting a response from DCLG on our request for an Order to be laid before parliament to specify the Combined Authority for the purpose of section 33 of the Value Added Tax Act 1994, which will enable CPCA to recover input tax against non-business revenue. This has been provided to other Combined Authorities.

2.5. GENERAL BALANCES

2.5.1 It is proposed that the General Balance Reserve will be created in year 1 and set at the equivalent of 5% of two years Revenue Gainshare expected by the Authority.

This equates to $5\% \times 2 \times £20m \times 40\% = £0.8m$.

This sum is included within the table at paragraph 2.3 and will be subject to review as part of the budget process. The first review will take place in March 2017 as part of the budget update.

2.5.2 This is in line with best practice to manage any unforeseen events. This will be helpful to allow for any potential budget uncertainties as we move into the first

year of the new Mayoral Combined Authority.

- 2.5.3 This reserve is only to cover potential risks in revenue expenditure. All capital schemes will be required to build in appropriate contingency to estimates to ensure potential risks around capital schemes are managed, as well as following appropriate risk management procedures.

2.6. **TRANSPORT**

- 2.6.1 Certain other funding streams will now be channelled via the combined authority. The main source initially is the Local Transport Plan (LTP) capital grant. It will then be down to the combined authority to allocate these funds in line with its transport plan.
- 2.6.2 It is proposed that initially the CA LTP will bring together the existing LTP's of Peterborough and Cambridgeshire. As such the LTP capital funding for 2017/18 will be passported onto both Councils. It is expected in future that some element of the LTP funding will be top-sliced to provide investment into the key route network.
- 2.6.3 The elements of the LTP that will be paid to the CA are listed below. It should be noted that other than the Integrated Block, the functions funded by the maintenance Block, Incentive funding and investment fund included in the table below have not been transferred through the Order to the Combined Authority other than in respect of the Key Route Network.

	Cambridgeshire CC	Peterborough CC
	£000	£000
Integrated Transport Block	3,190	1,407
Maintenance Block	13,342	3,078
incentive	1,249	259
national productivity investment fund	2,890	773
total	20,671	5,517

It is recommended for 2017/18 that any such sums are passported to Cambridgeshire and Peterborough. Sums for 2016/17 have already been paid to the Councils, but for avoidance of doubt it is recommended that the CA agrees that the funding remains with those councils.

- 2.6.4 The transport arrangements of the CA also affect the planning and setting of the transport revenue budget. Currently this is part of the Peterborough and Cambridgeshire overall revenue budget, and as such is funded through a combination of council tax, revenue support grant and business rates. CLG will not unpick the local government settlement to extract funding from the Council's settlements to pass to the CA. These sums will continue to be paid to the Council.
- 2.6.5 The approach to be followed will be that the CA can levy on Peterborough and Cambridgeshire County councils for the costs of these transport services. The current understanding from CLG are that these services include passenger transport, roads maintenance and street lighting. The value of the levy would be equal to the costs of providing those services in each council. The CA will then return the functions and the funding to the Councils to deliver those services. These values are outlined below.

	Cambridgeshire CC	Peterborough CC
	£,000	£,000
Sum for transport levy and to be reinvested in transport	21,673	9,823

It is recommended that delegated authority is provided to the CA CFO to vary this levy if further guidance is forthcoming from CLG and varies the services included in the levy

- 2.6.6 The arrangements and timing of payments from and to the Councils is to be agreed. It is likely that guidance for the payment of precepts can be used as a basis for that agreement.
- 2.6.7 The CA may also receive some specific grants from DfT (including Bus Service Operator Grant, Local sustainable transport fund (LSTF) and bikeability). Previously these were paid to Councils, but now DfT will cease paying their grants to the councils, and instead pay them to the CA. In line with proposals above, these will be passed to the Councils if such grants are received during the year. At the time of writing, no LSTF funding has been notified for either Cambridgeshire or Peterborough.

2.7. TREASURY MANAGEMENT STRATEGY

- 2.7.1 The Board is asked to approve the attached Treasury Management Strategy, which incorporates the Investment Strategy set out at Appendix D

- 2.7.2 The Borrowing Strategy will be further developed once the Authority's future borrowing requirements have been decided upon. The Authority has no plans to borrow in the short term, but in the meantime we will proceed with registering with the Public Works Loan Board (PWLb) in anticipation of future need. Once investment plans and borrowing plans are confirmed, the TMS can be refreshed and re-approved accordingly.
- 2.7.3 Should the assumed position change, an update to the Treasury Management Strategy will be presented to a future meeting.

2.8. EXTERNAL AUDITOR APPOINTMENTS

- 2.8.1 This section of the report presents to Members the Authority's options for appointing external auditors from financial year 2018/19 and for transitional arrangements for 2016/17 and 2017/18.
- 2.8.2 The appointment of external auditors for local government bodies was formerly a function of the Audit Commission under the Audit Commission Act 1998. The Audit Commission was abolished in 2015 and the responsibility for auditor appointments was passed to a new body, Public Sector Audit Appointments Ltd (PSAA), a company set up by the Local Government Association for the purpose. This however is a transitional arrangement and from 2018/19 local authorities will be responsible for appointing their own external auditors. Audit appointments will have to be made by 31 December 2017 to apply from April 2018.
- 2.8.3 The new requirements are set out in the Local Audit and Accountability Act 2014. This requires local authorities to either:

Option 1. Establish a local audit panel to make their auditor appointment. The local audit panel must consist of a majority of independent members and must have an independent chair. The panel must have a minimum of three members of which at least two must be independent, or

Option 2. Opt into any sector-led body that may be established as the appointing person under the Local Audit and Accountability Act and relevant regulations. If they decide to do so, the authority will not need an auditor panel. Public Sector Audit Appointments Ltd has now been established as an appointing person which would then make auditor appointments for the authorities that have opted in to its service.

It is not proposed that the Combined Authority adopts the approach set out in Option 1 for a number of reasons:-

- a. The appointment of independent members would need to be subject to a

recruitment process and these would be salaried appointments.

- b. The appointment of the external auditor maybe a full EU procurement process due to the cost of the contract over its lifetime of five years (a compulsory time period).
- c. The contract price that would be negotiated by the Combined Authority is likely to be higher than that available through a larger group of authorities or a body acting on behalf of the sector.

It should be noted that the Audit Commission and PSAA have negotiated significant reductions in external audit fees over recent years.

- 2.8.4 It is recommended that option 2 is followed and that the Public Sector Audit Appointments Ltd are appointed to make the external audit appointment for the Combined Authority and are notified accordingly.
- 2.8.5 The appointment of auditors for the 2016/17 and 2017/18 financial years would be covered by the PSAA's transitional arrangements. PSAA would be required to appoint the auditor to the CPCA until the end of the current transitional arrangements (up to completion of 2017/18 audits).
- 2.8.6 The PSAA would need to consult the new authority on a proposed auditor appointment, once the Order establishing the authority comes into force. Following consultation, the PSAA Board must approve the proposed appointment. The PSAA would expect to confirm the appointment as soon as possible after Board approval.
- 2.8.7 The Chief Finance Officer will also discuss with PSAA whether the CA should have the same auditors as the authority hosting the financial systems to minimise duplication of work.

2.9. FUTURE INCOME STREAMS AND EFFICIENCY SAVINGS

- 2.9.1 This initial CA budget focusses on the use of the grant provided by Government. However a key strand of CA financial work moving forward will be the need to develop additional funding streams and efficiency savings to enable more to be delivered.
- 2.9.2 The CA is also developing a fiscal strategy, outlining the high level position of tax and spend and valued added to the economy across the area. This will be developed further to help achieve the aims of increasing the value added to the economy, and increasing the net benefit to the public purse. Part of this may also include proposals that the area benefits from such gains.

2.9.3 A summary of potential income and efficiency streams is outlined below:

Source	Note
Levies	<p>The Combined Authority can levy councils for its functions, but only with approval through the budget process.</p> <p>The position with regards to transport levies is covered in section 2.5 above</p>
Mayoral precepts	<p>The exercise of mayoral functions can be met by precepts (council tax). This would include cost of those functions, the mayor's remuneration, and that of any political assistant and of the mayor's 'office'.</p> <p>A precept cannot be set for 2017/18, as the Mayor will not be in place prior to the financial year.</p> <p>In future years the setting of mayoral precepts will also be subject to the Government's controls on the level of increases in council tax (although it has not been confirmed exactly what format these will take, and how they will be applied in the first year of setting council tax).</p>
Use of gain share and capitalisation for CA costs	All Councils agreed at the November 2016 Council meetings that the CA costs would be funded from the gain share grant provided by Government
CA Commissioning Costs	It will be necessary when considering resource allocations for projects that appropriate sums are retained by the CA to cover any necessary commissioning costs above its core budget and resources
Supplementary business rates – Local Government Bill	<p>The original devolution scheme in Cambridgeshire and Peterborough included additional flexibility on business rates in para 12.6 as follows:</p> <p>'Subject to the making of enabling legislation, the Mayor shall have power to place a supplement of 2p per pound of rateable value on business rates to fund infrastructure and Mayoral costs with the agreement of the local business community through the LEP'</p> <p>The enabling legislation will be driven by the broader work on the localisation of business rates underway with CLG, and not within the finance order itself (and as such will be driven by</p>



	the timescales for that broader piece of work and is not yet available to the CA).
General powers to borrow – Local Government Bill	It is expected that CA's will have powers to borrow to support capital investment in their areas (final discussions on how this will be approved are taking place between CLG and HM Treasury). It is expected that this will be considered further by the CPCA alongside the emerging Infrastructure and Investment plan
Housing	Decisions are yet to be made on how capital receipts and any profits on management are to be allocated
Public Service Reform	<p>The CA is committed to helping drive forward public service reform. This was included in the original Council reports as follows:</p> <p><i>'As can be seen, the proposed Combined Authority will bring considerable financial benefit to the area. There will be costs incurred in establishing and running the Combined Authority, but the aim will be</i></p> <ul style="list-style-type: none"> <i>• to keep costs at an absolute minimum, using existing resource where possible</i> <i>• to look to generate savings and efficiencies through public service reform '</i> <p>Further work will be done on the target areas and business cases for reform</p>

2.10. FURTHER DELEGATIONS

There is need to establish a bank account. It is proposed to utilise Barclays who are PCC's bankers.

2.11. SKILLS AGENDA

The skills agenda is a particularly difficult one to be exact about financing options and also to fully understand the potential for efficiencies. The Joint Area Review of post 16 education outcomes will offer some clear direction with regards future potential for structured focus. Once that report has delivered, further discussions can follow with Government agencies, particularly the Skills Funding Agency (SFA) and Department for Work and Pensions (DWP) about

the extent and quantum of dedicated skills money that can be released to the CA in future years. Also under negotiation with the SFA is the devolved Adult Education Budget (AEB). Finally a bid has been submitted for £2M to deliver a career and pay progression pilot aimed at supporting recruitment and development within one of the area's most challenged recruitments sectors, health and care. Finally, major capital spend will be required to deliver the University of Peterborough.

3. FINANCIAL IMPLICATIONS

- 3.1. *Under Section 25 of the Local Government Act 2003 the Chief Finance Officer (CFO) must report to the CA in two areas in his capacity as S151 officer for the CA:*
- *the robustness of the budget estimates*
 - *the identification and management of risks together with the adequacy of the proposed reserves*
- 3.2. The budgets at this stage do not include future pay and price increases. This will need to be done as a part of the budget refresh during the course of the year.
- 3.3. This report sets the budget for the Combined Authority and Mayor. The budget and projects will be managed in accordance with the Local Assurance Framework and Monitoring and Evaluation Framework. Both of these documents will be agreed with the CLG.
- 3.3 Accountability for budgets has been allocated to Portfolio Holders and Officer leads together with a finance lead allocated.
- 3.4 This Medium Term Financial Plan is currently categorised as medium risk. At this stage allocations to major projects has not taken place (so the risk is more around not achieving objectives than financial risk). Adequate risk management processes are being developed and implemented to support and to control and reduce risk.
- 3.5 The CFO of Peterborough City Council is currently acting as the interim CFO and section 151 officer for the Combined Authority. It is recommended that the Service Director Financial Services (deputy CFO and S151 at Peterborough) also acts as the deputy S151 for the CA to provide cover as necessary.

4. LEGAL IMPLICATIONS

- 4.1 The Local Audit and Accountability Act 2014 requires local authorities to put in place arrangements for the appointment of external auditors.
- 4.2 The voting arrangements

5. EQUALITIES IMPLICATION

There are no matters to bring to the Boards attention and EIAs have been undertaken in respect of resource matters.

6. STRATEGIES UNDERPINNING BUDGET

The following strategies which are either in existence or under preparation guide resource allocation for the Budget:

- Fiscal Strategy
- Single Economic Plan
- Single Local Transport Plan
- Infrastructure and Investment plan
- Housing business Plan

7. CONSULTATION

- 7.1 The CA is currently establishing Scrutiny arrangements which will be an integral part of the future Budget and policy Framework of the CA
- 7.2 The Finance Order currently being drafted by the CLG will set out future budget timetables and responsibilities for the mayor and the CA. This will apply to future budgets.

8. BACKGROUND DOCUMENTS

None

9. APPENDICES

- A : Summary Budget Funding and Allocations 2016/17 to 2020/21.
B : Budget Summary by Workstream 2016/17, 2017/18 and 2018/19 to 2020/21.
C : Detailed Budget 2016/17, 2017/18 and 2018/19 to 2020/21.
D : Treasury Management Strategy 2016/17 and 2017/18.



APPENDIX A	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	Total
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	£000
<u>Funding</u>						
Gain Share	20,000	20,000	20,000	20,000	20,000	100,000
Housing	20,500	50,500	37,000	37,000	25,000	170,000
Transport Levy	0	31,496	31,496	31,496	31,496	125,984
LTP Capital Grant	0	26,188	26,188	26,188	26,188	104,752
	40,500	128,184	114,684	114,684	102,684	500,736
<u>Funding Sources</u>						
<u>Revenue</u>						
- Gain Share	8,000	8,000	8,000	8,000	8,000	40,000
- Transport Levy	0	31,496	31,496	31,496	31,496	125,984
<u>Capital</u>						
- Gain Share	12,000	12,000	12,000	12,000	12,000	60,000
- Housing (General)	10,000	40,000	20,000	20,000	10,000	100,000
- Housing (Cambridge)	10,500	10,500	17,000	17,000	15,000	70,000
- Local Transport Plan	0	26,188	26,188	26,188	26,188	104,752
	40,500	128,184	114,684	114,684	102,684	500,736
<u>Budget Allocations</u>						
<u>Initial Set up costs</u>						
- General	502	481	0	0	0	983
- Elections	0	1,044	0	0	0	1,044
	502	1,525	0	0	0	2,027
<u>Running Costs</u>						
- Investment in Transport	0	31,496	31,496	31,496	31,496	125,984
- Combined Authority	0	726	977	977	977	3,656
- Mayoral	0	137	148	148	148	581
less, income	-50	-146	-120	-120	-120	-556
Sub Total	452	33,737	32,501	32,501	32,501	131,692
<u>Capital</u>						
- Gainshare	0	0	0	0	0	0
- Housing	0	146	120	120	120	506
- Transport (to CCC & PCC)	0	26,188	26,188	26,188	26,188	104,752
	0	26,334	26,308	26,308	26,308	105,258
<u>TOTAL</u>						
Revenue	452	33,737	32,501	32,501	32,501	131,692
<u>Capital</u>						
- Gain Share	0	0	0	0	0	0
- Housing	0	146	120	120	120	506
- Transport (to CCC & PCC)	0	26,188	26,188	26,188	26,188	104,752
<u>Budget Unallocated</u>						
Gain Share Revenue	7,548	5,759	6,996	6,995	6,995	34,292
Gain Share Capital	12,000	12,000	12,000	12,000	12,000	60,000
Gain Share Housing	20,500	50,354	36,880	36,880	24,880	169,494
	40,048	68,113	55,876	55,875	43,875	263,786
Less, Revenue Reserve	-800					-800
Total	39,248	68,113	55,876	55,875	43,875	262,986



APPENDIX B				<u>2016/17</u> <u>(£k)</u>	<u>2017/18</u> <u>(£k)</u>	<u>2018/19</u> <u>to</u> <u>'20/21</u> <u>(£k)</u>
<u>Workstream</u>	<u>Portfolio Member Lead</u>	<u>Accountable Officer</u>	<u>Finance Lead</u>	<u>Total</u>	<u>Total</u>	<u>Total</u>
Governance	Lewis Herbert	John Hill	John Harrison	284	164	0
Fiscal	Robin Howe	John Harrison	John Harrison	113	38	0
Economic growth/ Business support	John Clark/ Mark Reeve	Neil Darwin	Clive Mason	0	0	0
Infrastructure and Transport	James Palmer	Neil Darwin	Steven Pilsworth	18	5	0
New Homes	Peter Topping	Antoinette Jackson	Caroline Ryba	53	289	240
Skills	John Holdich	Jo Lancaster	Chris Malyon	12	7	0
Public Services Reform/ Devolution Deal 2	Steve Count	Gillian Beasley	Rob Bridge	0	0	0
Communities and Communication	Steve Count/ Lewis Herbert	Paul Medd	Caroline Ryba	20	28	0
Combined Authority Costs	Lewis Herbert	John Hill	John Harrison	2	676	737
Election Costs		John Hill	John Harrison	0	1,044	0
Mayoral Costs		John Hill	John Harrison	0	137	148
Total Costs				502	2,387	1,125
Income		John Hill	John Harrison	-50	-146	-120
TOTAL NET COSTS				452	2,241	1,005



APPENDIX C	<u>2016/17</u> <u>(£k)</u>	<u>2017/18</u> <u>(£k)</u>	<u>2018/19</u> <u>to '20/21</u> <u>(£k)</u>
<u>Workstream/ Resource</u>	<u>Total</u>	<u>Total</u>	<u>Total</u>
<u>Governance</u>			
Interim Chief Exec	43	10	
Recruitment of the Combined Authority Chief Executive, Delivery Director, and other CA posts.	30	20	
To provide the services of a Monitoring Officer and legal support to the Combined Authority across the work streams.	56	20	
To provide support to drafting of the Combined Authority Constitution and other governance matters including Democratic services support to the Shadow Combined Authority, Combined Authority, Scrutiny and Audit Committee prior to mayoral elections.	52	10	
Accommodation and email/ICT infrastructure for the CA (location to be determined)		50	
To provide Programme and Project Management resources to support the setting up of the Combined Authority, delivering on devolution deal 1 and supporting the preparation of devolution deal 2.	89	48	
To provide a dedicated website for the Combined Authority that will include hosting and advertisement of Committee Papers, information on the mayoral election, FAQ's, News and Events, consultations etc	14	6	
<u>Fiscal</u>			
To provide the services of a Section 151 officer, Deputy S151 officer, financial support until May 2017 for the setting up of financial systems, processes and budgeting and the implementation and licencing costs of the finance system.	96	38	
To receive external assurance on the setting up of the Combined Authority from Grant Thornton. To include VAT and accounting advice, financial strategy development and reviewing the Assurance Framework.	10		
Insurance	2		
Internal Audit services to the Combined Authority during establishment.	5		
<u>Economic Growth/ Business Support</u>			
No resource allocated as at 1 Feb 2017			
<u>Infrastructure and Transport</u>			
To prepare a strategic 'short term' consolidation of the existing Cambridgeshire and Peterborough Local Transport Plans and support to the Infrastructure and Transport workstream until May '17. To include development of a Prioritisation Framework and the development of Transport Strategy and Policy.	18	5	
<u>New Homes</u>			
To provide a programme delivery support to manage the £170m Housing Programme.		240	240
Development of housing strategy and assurance frameworks; plus housing delivery management.	13	39	
Housing consultancy to support plans for Housing Programme	40	10	
<u>Skills</u>			
Support to the Skills work stream until May 2017, including development of a Single Skills Strategy for the CA.	12	7	
<u>Public Services Reform/ Devolution deal 2</u>			
No resource allocated as at 1 Feb 2017			
<u>Communities and Communication</u>			



To provide Communications support to manage press enquiries and responses, communication with members of the public and communication across organisations.	20	28	
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	2016/17 (£k)	2017/18 (£k)	2018/19 to '20/21 (£k)
Combined Authority Costs (from May 2017)			
Establishment Costs			
Chief Executive		147	160
Director, Delivery		128	140
Scrutiny Officer		35	38
Senior Dem Services		29	32
Dem Services		25	27
PA support to CE/Director/Mayor		17	19
Administrative Support		10	11
S151 Officer		29	32
Monitoring Officer		10	11
Finance Officer		49	54
on costs for posts (NI, pension)		120	131
Governance			
Remuneration for independent member of audit & governance committee		1	1
Adverts and fees for remuneration panel	2	1	1
Audit Costs		37	40
Office running costs		19	20
Communications		19	20
Election costs		1,044	
Mayoral office costs			
Mayoral Allowance		64	70
Shared costs with combined authority			
PA support to CE/Director/Mayor		22	24
Administrative Support		13	14
Office running costs		19	20
Communications		19	20
Total Cost	502	2,387	1,125
Income			
Extra LGA grant secured	-50		
Recharge to Housing Capital Grant		-146	-120
Total Income	-50	-146	-120
Funding required	452	2,241	1,005

Cambridgeshire and Peterborough Combined Authority (CPCA) Treasury Management Strategy 2016/17 to 2017/18



1. Introduction

1.1 Background

1.1.1 The Combined Authority is required to operate a balanced budget, which means that cash raised through the year will meet cash expenditure. The role of treasury management is to ensure cash flow is adequately planned so that cash is available when it is needed. Surplus monies are invested in low risk counterparties commensurate with the Combined Authority's low risk appetite ensuring that security and liquidity are achieved before considering investment return.

1.1.2 CIPFA defines treasury management as:

“ The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

1.2 Reporting Requirements

1.2.1 The Combined Authority is required to receive and approve, as a minimum, three reports each year; included in the Medium Term Financial, a mid-year report and a year end report.

1.2.2 This Treasury Management Strategy report will include:

- An Investment Strategy

1.2.3 A normal Annual Treasury Report would also provide the following details:

- the capital programme (including prudential indicators)
- a Minimum Revenue Provision (MRP) Policy
- the Treasury Management Strategy including treasury indicators
- a Borrowing Strategy

but based on the current position of the Combined Authority they will be included in future strategies.

1.3 Treasury Management Strategy for 2016/17 and 2017/18

1.3.1 The strategy for 2016/17 and 2017/18 will cover

- | | |
|--------------------------------------|--------------------------------------------|
| • Policy on use of external advisors | • Interest rates |
| • The Prudential Indicators | • Investment strategy |
| • Treasury indicators | • Treasury Management Scheme of Delegation |

1.3.2 These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, the Communities and Local

Government (CLG) MRP Guidance, the CIPFA Treasury Management Code and the CLG Investment Guidance.

1.4 Treasury Management Advisors

- 1.4.1 The Authority recognises that responsibility for treasury management decisions remain with the organisation at all times and will ensure that undue reliance is not placed upon external advisors.
- 1.4.2 The Authority also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Authority will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

2. Treasury Management Strategy

2.1 Treasury Management Policy

- 2.1.1 The treasury management function ensures that the Authority's cash is managed in accordance with the relevant professional codes, so that sufficient cash is available to meet the Authority's service requirements. This strategy covers the relevant treasury / prudential indicators, the current and projected debt positions, and the Annual Investment Strategy.
- 2.1.2 The Authority's primary treasury management objective is to invest available cash balances with a number of high quality investment counterparties over a spread of maturity dates in accordance with the Authority's lending list.

2.2 Borrowing Strategy

- 2.2.1 The Authority currently has no external loans and has no plans to borrow in the short term. Should this position change, an update to the treasury management strategy will be presented to a future board meeting.

2.3 Annual Investment Policy

- 2.3.1 The Authority's investment policy has regard to the CLG's Guidance on Local Government Investments ("the Guidance") and the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code").
- 2.3.2 The Authority's investment priorities are the security of capital and the liquidity of investments. The Authority will aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.



2.3.3 Investment instruments identified for use in the financial year are listed in Appendix 1 under the 'Specified' Investment categories.

2.4 Investment Counterparty Selection Criteria and Investment Strategy

2.4.1 Where it is necessary for investments to be undertaken in order to manage the Authority's cash flows, the Authority's primary principle is for the liquidity of its investments and for this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed will not be longer than 364 days. After this main principle the Authority will ensure that:

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate liquidity security and monitoring their security.

2.4.2 The Chief Finance Officer will maintain a counterparty list in compliance with the following criteria.

2.4.3 The Authority's minimum criteria will apply to the lowest rating for any institution according to the type of investment account being used. This complies with a CIPFA Treasury Management Panel recommendation in March 2009 and the CIPFA Treasury Management Code of Practice.

Agency	Short Term	Long Term
Fitch	F1	A
Moody's	P-1	Aa
Standard & Poor's	A-1	A

2.4.4 If the Chief Finance Officer revises the criteria it will be submitted to the CPCA for approval as necessary.

2.4.5 In order to minimise the risk to investing, the Authority has clearly stipulated the minimum acceptable credit quality of counterparties for inclusion on the lending list.

2.4.6 The criteria for providing a pool of high quality investment counterparties (both Specified and Non-Specified investments), and is shown in the order of use by the Authority, follows:

- UK Government (including gilts and the Debt Management Account Deposit Facility (DMADF)).
- UK Local Authorities.
- All of the above would be subject to continuous credit rating reviews.



- Banks Group 1 - Part nationalised UK banks - These banks can be included if they continue to be part nationalised and / or they meet the ratings below.
- Banks Group 2 – good credit quality - the Authority will only use banks which are UK banks and have the minimum credit ratings criteria relating to the type of investment being undertaken.
- Building Societies – if they meet the ratings above
- Money Market Funds - AAA rated by Fitch

2.4.7 The Authority's lending list will comprise of the institutions that meet the investment criteria above. Each counterparty on the list is assigned a counterparty limit as per the table in Appendix 1. Counterparties that no longer meet the investment criteria due to a credit rating downgrade will be removed from the list and any changes will be approved by the Chief Finance Officer. Approval will also be required if any new counterparties are added to the lending list.

2.4.8 The proposed criteria for Specified and Non-Specified investments are shown in Appendix 1 for approval. During this time of significant economic uncertainty due regard will be taken of the selection criteria outlined in 2.4.6, when using the options outlined in Appendix 1.

2.4.9 Investment returns expectations - Bank Base Rate is forecast to remain unchanged at 0.25% before starting to rise from 2019/20. Bank Rate forecasts for financial year ends are:

Financial Year	Bank Base Rate	Forecast
2016/17	0.25%	There is an upside risk to these forecasts (i.e. if increases in Bank Rate occurs sooner than forecast) if economic growth remains strong and unemployment falls faster than expected. However there is also a downside risk if the pace of growth falls back particularly if the Bank of England inflation forecasts for the rate of unemployment prove to be too optimistic.
2017/18	0.25%	
2018/19	0.25%	
2019/20	0.63%	

2.4.10 At the end of the year, the Authority will report on its investment activity as part of its Annual Treasury Report.

2.4.11 The Chief Finance Officer may appoint external fund managers to access markets not available to the in-house treasury team, diversify the investment portfolio and to optimise investment income returns. Fund



Managers will only be used if the Chief Finance Officer is satisfied the risk of loss is minimised and they can provide material out-performance when compared against comparative cash benchmarks. Fund Managers must comply with the Annual Investment Strategy.

3. Future Treasury Management Changes

3.1 Capital Prudential Indicators

3.1.1 The Authority's capital programme is the key driver of the treasury management activity. The output of the capital programme is reflected in the prudential indicators which are designed to assist member's overview and confirm the capital programme.

3.1.2 **Indicator 1** – Capital Expenditure – this Prudential Indicator is a summary of the Authority's estimated capital expenditure for the forthcoming financial year and the following ten financial years.

3.1.3 **Indicator 2** – Capital Financing Requirement (CFR) – the CFR is a measure of the Authority's underlying need to borrow for a capital purpose.

3.1.4 **Indicator 3** – This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

3.2 Annual Minimum Revenue Provision Statement

3.2.1 Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), CLG Regulations require full Council to approve a MRP statement in advance of each year.

4. Treasury Management Scheme of Delegation

4.1.1 The following is a list of the main tasks involved in treasury management and who in the Authority is responsible for them:

CPCA Board

- Receiving and reviewing reports on treasury management policies, practices and activities.
- Approval of Annual Strategy.

CPCA Board / S151 Officer (Chief Finance Officer)

- Approval of / amendments to the Council's adopted clauses, Treasury Management Policy Statement and Treasury Management Practices.

- Budget consideration and approval.
- Approval of the division of responsibilities.
- Receiving and reviewing regular monitoring reports and acting on recommendations.

Section 151 Officer (Chief Finance Officer) / Deputy 151 Officer

- Reviewing the Treasury Management Policy and procedures and making recommendations to the responsible body.
- Recommending clauses, treasury management policy/practices and making recommendations to the responsible body.
- Submitting regular treasury management reports.
- Submitting budgets and budget variations.
- Receiving and reviewing management information reports.
- Reviewing the performance of the treasury management function.
- Ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function.
- Ensuring the adequacy of internal audit, and liaising with external audit.
- Recommending the appointment of external service advisors.
- Undertaking the treasury management function including the daily cash flow by Peterborough City Council.

-Specified and Non-Specified Investments

Specified Investment:

- Offer high perceived security such as placements with Central Government Agencies, Local Authorities or with organisations that have strong credit ratings
- They offer high liquidity i.e. short term or easy access to funds
- Are denominated in £ sterling
- Have maturity dates of no more than 1 year
- For an institution scheme to qualify as a 'Specified Investment' it must have a minimum rating

APPROVED "SPECIFIED" INVESTMENTS				
Investment Type	Maximum Maturity period	Minimum Credit Criteria	Collective Limit £m	Individual Limit £m
Debt Management Agency Deposit Facility	Currently only accepts deposits up to 6 months duration.	UK Government backed	N/A	75
Term deposits with UK Government & Local Authorities	6 months	Sovereign risk / high security although not credit rated	100	20
Term deposits & Certificates of Deposit with Banks Group 1	6 months	Minimum ratings - F1(Fitch - short term) AAA (long term)	100	15
UK Government & Local Authority Stock Issues	6 months	Sovereign risk / high security although not credit rated	100	20
Term deposits & Certificates of Deposit with Banks Group 2	6 months	Minimum ratings – F1 (Fitch-short term) A (long term)	50	10
Deposit accounts with regulated UK building societies	6 months	Minimum ratings - F1 (Fitch short term) A (long term)	50	10
Money Market Funds	Repayable on call, without notice.	Minimum rating – AAA (Fitch)	50	10

APPROVED "SPECIFIED" INVESTMENTS				
Investment Type	Maximum Maturity period	Minimum Credit Criteria	Collective Limit £m	Individual Limit £m
Commercial Paper (short term obligations issued by banks, corporations & other issuers).	6 months	Minimum short term rating - F1 (Fitch) (Held by custodian)	10	10
Gilt & Bond Funds (open ended mutual funds investing in Gov. & corporate bonds)	Highly liquid, may be sold at any time.	Minimum rating - AAA-(Fitch, S&P A-1 etc.)	10	10
Reverse Gilt Repos (Gilts bought with commitment to sell on a specified date or on call, at agreed price)	6 months	UK Government backed (Held by custodian)	10	10
Treasury Bills	Maturities of up to 6 months Issued through a bidding process at a discount to face value	UK Government backed (Held by custodian)	10	10
Bonds issued by a financial institution guaranteed by UK Government	6 months	UK Government backed (Held by custodian)	10	10
Bonds issued by multilateral development banks	6 months	Minimum rating – AAA (Fitch, S&P A-1etc)	10	10
Bonds issued by multilateral development banks	Maturities of 1 - 10 years but tradable	Minimum rating - AAA (Fitch, S&P A-1etc)	5	5