



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

COMBINED AUTHORITY BOARD

Date: Wednesday, 30 June 2021

Democratic Services

Robert Parkin Dip. LG.
Chief Legal Officer and Monitoring Officer

10:00 AM

72 Market Street
Ely
Cambridgeshire
CB7 4LS

**Main Hall, Burgess Events and Conference Centre, One
Leisure, Westwood Road, St Ives PE27 6WU
[Venue Address]**

AGENDA

Open to Public and Press

Part 1 - Governance Items

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The Combined Authority Board comprises the following members:

For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact

COVID-19

The legal provision for virtual meetings no longer exists and meetings of the Combined Authority therefore take place physically and are open to the public. Public access to meetings is managed in accordance with current COVID-19 regulations and therefore if you wish to attend a meeting of the Combined Authority, please contact the Committee Clerk who will be able to advise you further.

Mayor Dr Nik Johnson

Austen Adams

Darryl Preston

Jan Thomas

Councillor Anna Bailey

Councillor Chris Boden

Councillor Wayne Fitzgerald

Councillor Ryan Fuller

Councillor Lewis Herbert

Councillor Lucy Nethsingha

Councillor Bridget Smith

| | |
|------------------|--|
| Clerk Name: | Richenda Greenhill |
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**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY
Agenda Item No. 1.2

Cambridgeshire and Peterborough Combined Authority Annual Meeting: Minutes

Date: Wednesday 2 June 2021

Time: 10.30am – 12.25pm

Venue: Main Hall, Burgess Hall Events and Conference Centre, One Leisure,
Westwood Road, St Ives PE27 6WU

Present: Mayor Dr Nik Johnson

A Adams - Chair of the Business Board, Councillor A Bailey – East Cambridgeshire District Council, Councillor C Boden – Fenland District Council, Councillor W Fitzgerald – Peterborough City Council, Councillor R Fuller – Huntingdonshire District Council, Councillor L Herbert – Cambridge City Council, Councillor E Meschini – Cambridgeshire County Council and Councillor B Smith – South Cambridgeshire District Council

Co-opted Members: J Thomas, Cambridgeshire and Peterborough Clinical Commissioning Group

Apologies: Councillor L Nethsingha, substituted by Councillor E Meschini

1. The Mayor - Declaration of Acceptance of Office

Mayor Dr Nik Johnson confirmed his acceptance of the office of Mayor of Cambridgeshire and Peterborough and took the Chair.

2. Announcements, apologies, and declarations of interest

The Mayor expressed his thanks to his wife and family for their support during the Mayoral campaign and to all communities across Cambridgeshire and Peterborough for electing him Mayor. Compassion, co-operation and community would be placed at the heart of the Combined Authority's work going forward. The Mayor expressed his thanks to the joint chief executives, directors, communications team and his office manager for their professionalism and support and for their willingness to listen to and embrace this approach.

The Local Transport Plan would be refreshed and the Mayor invited all of the constituent authorities to come together on transport projects across the Combined Authority area. Learning would be taken from the CAM project and applied across the region. His hope was to bring an initial transition plan before the Board on 28 July 2021 which would embrace this new vision. A similar approach would be taken with regard to developing a new housing plan. The Mayor believed that great things could be achieved for Cambridgeshire and Peterborough by working together.

Central Government had recently announced the criteria for bids for the City of Culture 2025 which would allow groups of towns to submit a bid. Peterborough City Council had already expressed interest in the competition and the Mayor's hope was to work together across the area to produce a bid centred on Peterborough, Cambridge and Ely. By focusing on 'the three Cs' of compassion, co-operation and community and by taking an innovative approach he believed that the Combined Authority could deliver change and culture.

Apologies for absence were reported as set out above.

There were no declarations of interest.

3. Deputy Mayor/s of the Combined Authority

The Mayor announced the appointment of Councillor Wayne Fitzgerald, Leader of Peterborough City Council, as the Statutory Deputy Mayor of Cambridgeshire and Peterborough Combined Authority. He also announced that he was minded to appoint Austen Adams, Chair of the Business Board, as Non-Statutory Deputy Mayor. To enable this to take place he would be proposing an amendment to the Constitution under the following agenda item to allow any member of the Combined Authority Board to be appointed as Non-Statutory Deputy Mayor (minute 4 below refers).

Councillor Smith sought confirmation of whether a non-elected member could be appointed as Non-Statutory Deputy Mayor. The Monitoring Officer stated that he had examined this in detail. The Local Enterprise Partnership/ Business Board's nominee to the Combined Authority Board was a substantive member of the Board with full voting rights so there was no barrier in law to their being appointed Non-Statutory Deputy Mayor. The constraint on this was that the Combined Authority Constitution stated that a Non-Statutory Deputy Mayor must be a member of a constituent council.

4. Membership of the Combined Authority 2021/22

Appendix 1 to the report: Membership of the Combined Authority Board was published on 1 June 2021 and circulated electronically to all members of the Board following the last of the constituent council's annual meetings.

Mr Adams and Ms Thomas left the meeting room for the duration of this item.

The Board was invited to note the members and substitute members appointed by constituent councils to the Combined Authority Board for 2021/22, to appoint the Business Board's nominations as its representative and substitute for 2021/22 and to confirm co-opted member status as non-voting members of the Board on the Police and Crime Commissioner and representatives of the Cambridgeshire and Peterborough Fire

Authority and Cambridgeshire and Peterborough Clinical Commissioning Group. The Board was further invited to agree that any late notifications of appointments to the Monitoring Officer should take immediate effect.

The Mayor moved an additional recommendation, seconded by Councillor Meschini, to:

Agree to amend the Constitution of the Combined Authority to enable a non-statutory deputy mayor to be appointed from the membership of the Combined Authority Board.

Several Members expressed strong reservations about the short notice given to Board members and lack of consultation about a proposed change to the Constitution. The Mayor stated that he would in future expect officers to provide such information to Board members in a timely manner.

Councillor Bailey expressed further concerns around the implications of appointing the Chair of the Business Board as Non-Statutory Deputy Mayor, questioning how this would work in practice. For example, if they chaired a Combined Authority Board meeting would they be voting in their capacity as Chair of the Business Board, which they were appointed to the Board to do, or as Non-Statutory Deputy Mayor. The Monitoring Officer stated that in the absence of the Mayor it would be the Statutory Deputy Mayor who would preside at a Board meeting. The Non-Statutory Deputy Mayor would only be called upon to chair in the absence of both the Mayor and Non-Statutory Deputy Mayor. The Mayor noted that it was already possible within the terms of the Constitution as it stood to appoint the Chair of the Business Board as Statutory Deputy Mayor, so this option had already been available to him. He had been impressed by Mr Adams' approach and willingness to work with the Combined Authority and judged that he deserved the recognition which an appointment as Non-Statutory Deputy Mayor would confer.

Councillor Smith commented that in her view an appointment as Non-Statutory Deputy Mayor implied a political role that she did not think appropriate for the Chair of the Business Board.

Councillor Boden welcomed the proposed appointment of the Chair of the Business Board as Non-Statutory Deputy Mayor. However, he expressed disappointment that this intention and details of the Constitutional change it would require had not been communicated to Board members in advance to enable them to consider it fully. On that basis, whilst he welcomed the intent he felt he could not support the proposed change at this time.

The Mayor stated that, having listened to the Board's comments, he would withdraw the additional recommendation for now and bring it back to a future meeting to allow time for Board members to consider the proposal more fully. In principle, he believed it to be a strong proposal, but he would listen to the Board's views. Councillor Boden welcomed this approach and asked that the proposals be circulated at the earliest opportunity to allow Board members and their legal advisers to review them. ACTION

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

- a) note the Members and substitute Members appointed by constituent councils to the Combined Authority for the municipal year 2021/2022 (Append 1);
- b) appoint the Business Board's nominations as Member and substitute Member to represent them on the Combined Authority for the municipal year 2021/22 (Appendix 1);
- c) confirm that the following bodies be given co-opted member status for the municipal year 2021/22:
 - (i) The Police and Crime Commissioner for Cambridgeshire.
 - (ii) Cambridgeshire and Peterborough Fire Authority.
 - (iii) Cambridgeshire and Peterborough Clinical Commissioning Group.
- d) Note the named representative and substitute representative for each organisation as set out in the report.
- e) Agree that any late notifications of appointments to the Monitoring Officer shall take immediate effect.

Mr Adams and Ms Thomas re-joined the meeting.

5. Minutes of the meeting on 24 March 2021

Councillor Herbert expressed strong reservations about the record of the discussion about the £100M Affordable Housing Programme (minute 657 refers). This did not in his view present an accurate picture of the position at the time and he asked that it should be recorded that he objected to the fact that the Board was not able to get an honest position of where the Combined Authority was at that point.

The Mayor acknowledged Councillor Herbert's strength of feeling, but noted that other Board members might have a different view. The Combined Authority was in a different place now and he wanted to move away from the confrontation which had been seen in some previous meetings. In his judgement, co-operation was key.

Councillor Smith commented that she had not been present at the previous meeting, but felt that it should be made clear that the phrase, 'There had been some misleading stories reported about this....' in relation to the £100M Affordable Housing Programme should be attributed to the former Mayor. The Mayor was content for this to be noted.

Councillor Fitzgerald commented that the minutes were an accurate record of what was stated at the time. Whether or not that information was correct was irrelevant.

The Monitoring Officer stated that the minutes were a non-verbatim record of the meeting as it occurred. The comments made by Board Members would be recorded in the minutes of the current meeting.

On being proposed by the Mayor, seconded by Mr Adams, it was resolved unanimously by those present and voting to:

Approve the minutes of the meeting on 24 March 2021 as an accurate record.

The Monitoring Officer stated that, by law, abstention from voting was taken as acquiescence.

6. Petitions

No petitions were received.

7. Public questions

No public questions were received.

8. Forward Plan

The Board reviewed the Forward Plan. The Forward Plan was an indication of future decisions, but it would be subject to continual review and might be changed to reflect any revisions to the Combined Authority's priorities and plans.

The Board was advised of two changes to the published Plan. The Transport and Infrastructure Committee meeting scheduled for 9 June 2021 had been postponed to July, date to be confirmed. This was to allow an induction session to be held for new members to brief them on the work and role of the committee, which was responsible for conducting statutory transport functions for the Combined Authority. It would also enable the Mayor to meet the committee members. The second change was the addition of a report seeking authority to spend against the programme budget for the Greater South East Energy Hub would be brought to the Board meeting on 30 June 2021.

The Mayor stated that he would initially be chairing the Transport and Infrastructure Committee himself. However, his intention in the longer term was to mirror the arrangements for the Skills and Housing and Communities Committees where the Mayor did not take up his seat.

Councillor Herbert asked when a report on the work undertaken by the Centre for Governance and Scrutiny would be brought to the Board. The Monitoring Officer stated that draft recommendations were expected in the next few weeks. These would be workshopped with the Overview and Scrutiny Committee and then taken to a Leaders strategy meeting via the Overview and Scrutiny Committee before being brought to the Board, probably around July or August. The Mayor stated his support for enhanced levels of scrutiny and transparency at the Combined Authority.

Councillor Boden expressed concern about the decision to postpone the Transport and Infrastructure Committee meeting until July, which meant delaying a number of decisions. The Mayor stated that he was conscious of the need for timely decisions on issues such as bus franchising, but emphasised the need for Committee members to be fully briefed on the Committee's role and statutory functions before they began work. His hope was to bring a number of decisions on transport issues before the Board on 28 July 2021.

Councillor Fuller commented that there had been several items of the agenda of the postponed Transport and Infrastructure Committee meeting relating to Huntingdonshire including on A141 Engagement, the St Ives Area Transport Study and the East West Rail Consultation. The latter would not now be discussed before the consultation closed which he felt was a mistake and he voiced his objection to the delay. Ms Sawyer, Chief Executive, stated that an extension had been granted to allow time for the East West Rail Consultation to be discussed. The implications of postponing the remaining decisions due to be taken in June had been considered and did not appear to cause any issues, but she would follow this up outside of the meeting with officers from Huntingdonshire District Council. ACTION

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

Approve the Forward Plan.

9. Appointments to Executive Committees and Appointment of Chairs and Lead Members

The Board was invited to note and agree the Mayor's nominations to Lead Member responsibilities and the membership of committees including the chairs of committees for 2021/22 as set out in Appendix 1, which was published and circulated electronically to Board members on 1 June 2021 after nominations had been received from all constituent councils following their annual meetings.

The Mayor stated that he wanted to create two new Lead Member roles relating to Health and the Environment. He saw himself as leading on the health agenda but would like the support of a Lead Member and invited anyone who was passionate about this issue to get in touch with him. He had also intended to propose two additional recommendations to delegate authority to the Transport and Infrastructure Committee to appoint the chair of that committee by a simple majority vote and to amend the Constitution to enable any member of the Transport and Infrastructure Committee to be appointed as its chair. However, in view of the previous discussion around giving Board members time to consider and comment on proposed changes to the Constitution (minute 4 above refers) he would not be moving those recommendations at this time. Instead, he would initially chair the Transport and Infrastructure Committee himself with a view to stepping down in due course.

Councillor Smith asked for more information about the Mayor's nominee as Lead Member for Environment. The Mayor stated that Councillor Stephen Ferguson was an Independent county councillor for St Neots East and Gransden. Councillor Ferguson had a strong background in environmental issues.

Councillor Fuller commented that he did not dispute the Mayor's right to nominate lead member responsibilities. However, the Constitution also stated that the Mayor and the Combined Authority Board would agree lead member responsibilities in respect of the Combined Authority functions and the Board had not been consulted on this. Councillor Fuller further noted that some lead member roles set out in Appendix 1 to the Constitution were not included in the nominations before the Board. The Monitoring Officer stated that he was satisfied that in discussing and agreeing appointments for the lead members for Health and the Environment the Board was fully seized of the issue.

In agreeing the appointments, the Board would also be agreeing to those new lead member responsibilities.

Councillor Boden noted that the nominations had only been published the previous evening, giving Board members little time to consider the proposals and offer comment. However, given the Mayor's recent democratic mandate he felt it was reasonable that the Board should concur with his wishes in this matter, so far as they were Constitutional. The Mayor had approached him to discuss the role of Lead Member for Health, but he was still unclear whether this related to public health or to the wider health agenda. In his judgement, this was why the responsibilities should be agreed before the appointments were made. For that reason he asked the Mayor consider withdrawing the proposed appointments of Lead Members for Health and the Environment for now. The Mayor stated his recognition of Councillor Boden's passion around the health/ public health agenda. He recognised the importance of clarifying the roles, but also saw value to allowing an appointee to shape the role themselves.

Councillor Bailey commented that lead member responsibilities were set out in the Constitution, so creating new lead member roles required a Constitutional change. In her judgement it would be important to have a proper discussion around the roles which were envisaged. In relation to health, this would include taking account of the county council's public health responsibilities and the role of the Clinical Commissioning Group. For that reason, she suggested that consideration of the creation and appointment to the two new lead member roles should be deferred to the next meeting, by which time role descriptions could also be available. For consistency, Cllr Bailey further suggested that any Constitutional changes relating to the chairing of the Transport and Infrastructure Committee should also be considered for the other executive committees. The Mayor commented that no Board members had been appointed to the Transport and Infrastructure Committee (T&I) by constituent councils, so he must initially take the chair himself. His understanding was that having previously had the Mayor chairing one of the executive committees might have skewed the agenda in that direction. In order to be respectful of the decisions of all of the executive committees the direction of travel was to have someone other than the Mayor chair T&I.

Councillor Bailey further commented that some local authorities included health and environmental implications in their reports to ensure that these factors were taken into account as part of the decision-making process. This practice could be introduced at the Combined Authority. The Mayor welcomed this idea. ACTION

Councillor Herbert voiced his support for the Mayor's right to appoint Lead Members. His preference would be to make those decisions now so that work could begin without delay. He noted that it had been the practice at previous annual meetings to table a number of papers on the day of the meeting.

Councillor Fuller commented that he was not arguing with the principle of the proposals, but wanted the opportunity to discuss them first. He did not wish to vote against the Mayor's proposals, but he did want the opportunity to consider and comment on them. It might be possible for non-Board members to hold Lead Member responsibilities, but his current view was that this would be an anomaly as they would have no speaking rights at the Board. Under the Devolution Deal the Board was the Mayor's Cabinet, but under the current proposals there were four constituent council Board members who were not being utilised. He felt that this could represent a missed opportunity, but he respected the Mayor's right to appoint his preferred candidates.

Councillor Fitzgerald commented that the Combined Authority had been criticised previously in relation to its governance and there was no wish to see that continue. If it took time to get decisions right then he believed that was what should happen. He suggested that proposals for the new Lead Member roles for Health and Environment should be shared with the Board before being taken to a future meeting. As well as looking at the responsibilities of the proposed new roles this should also set out how those roles would function in practice in relation to making proposals to the Board if they were not held by Board members. The Board would also want to see details of those Lead Member responsibilities not currently allocated, such as finance and investment and spatial planning, and the rationale for not including them. He did not feel there would be a problem with the principle, but wanted to get the governance right.

The Mayor stated that, having listened to the views expressed by the Board during the debate, he agreed that it was important to get the processes around decision-making right from the outset. On this basis he was content not to proceed with an appointment to the role of Lead Member for the Environment at this time.

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

- a) note and agree the Mayor's nominations to Lead Member responsibilities and the membership of the committees, with the exception of the appointment of a Lead Member for Environment, including the Chairs of committees for 2020/21 as set out in Appendix 1.
- b) note the Members and substitute Members appointed by constituent councils to the Combined Authority for the municipal year 2021/2022 (Appendix 1).
- c) Note and agree the Membership for the Employment Committee for 2021/22 (Appendix 1)

The meeting was adjourned from 11.56am to 12.03pm.

10. Appointment of the Overview and Scrutiny Committee 2021/22

The Board was invited to confirm the size and political balance of the Overview and Scrutiny Committee for 2021/22 as set out in the report, confirm the appointment of constituent councils' nominees and to consider inviting the Overview and Scrutiny Committee (O&S) to consider the co-option of an independent member from a constituent council. Should O&S wish to appoint an independent member this recommendation would be brought back to the Board for approval. It had been decided in 2017 to appoint two representatives to O&S from each constituent council in order to provide equitable representation and the same approach had been followed since then. The Monitoring Officer had delegated authority to accept nominations for vacancies between meetings and any such appointments would be reported to the next meeting of the Board. Councillor Boden stated that Councillor Tierney would substitute for both Councillors Hay and Miscandlon on O&S for Fenland District Council.

Councillor Fuller commented that allowing O&S the choice of appointing an Independent member was based on the assumption that this would not affect the political balance of the committee. However, the Independent members at

Cambridgeshire County Council were now part of the Joint Administration which was leading the Council. The Monitoring Officer stated that political proportionality at the Combined Authority was based on membership of a political party rather than a group, but he undertook to look into this. ACTION

Councillor Boden commented that he supported the recommendations. Having sat on the committee previously he judged that the larger membership was appropriate. He stated that the figures quoted in the report for Fenland District Council had changed and there were now 27 Conservative Members and 9 Independent members. He did not believe that this altered the current political proportionality calculations, but welcomed the practice of keeping political proportionality under regular review. Councillor Boden asked for an explanation of how political balance percentages were converted into seat allocations on both O&S and the Audit and Governance Committee to be provided outside of the meeting. ACTION.

Councillor Smith commented that it was important to allow O&S to act as it thought best in relation to the co-option of Independent member, but for clarity asked whether O&S had chosen to appoint an Independent member previously and the voting arrangements should it chose to co-opt an Independent member. Ms Sawyer, Chief Executive, stated that when the Combined Authority was first formed there was a request by the Independent Group to have a member sit on O&S. Membership was politically proportionate based on membership of registered political parties so this was a discretionary decision for the Board. On that occasion the Conservative Group had a large majority and choose to give up one seat to an Independent member. The following year there was a change in political balance and the Board did not appoint an Independent member to O&S. Instead, the Board gave O&S the discretion to decide whether to co-opt an Independent member and the Committee chose not to do so. The Monitoring Officer stated that a decision to co-opt an Independent member would require a simple majority of those present and voting at O&S and the recommendation would then be taken to the Board for approval.

Councillor Fitzgerald commented that it was important that O&S was perceived to be fair and independent and for that reason he judged it would not be appropriate for it to be chaired by an Independent member of the Joint Administration at the County Council.

Councillor Boden asked whether the Mayor agreed that the chair of O&S should be a Conservative member. The Mayor stated that he was in agreement with this and that he also favoured having an Independent member co-opted as a non-voting member of the committee, but that these were matters for O&S to decide.

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

- a) confirm that the size of the Overview and Scrutiny Committee should be 14 members; two members from each constituent council and two substitute members for the municipal year 2021/2022.
- b) to agree the political balance on the committee as set out in Appendix 1.

- c) confirm the appointment of the Member and substitute Member nominated by constituent councils to the Overview and Scrutiny Committee for the municipal year 2020/21 as set out in Appendix 2.
- d) to request that the Overview and Scrutiny Committee consider the co-option of an independent member from a Constituent Council.

11. Appointment of the Audit and Governance Committee 2021/22

The Board was invited to confirm the size, composition and political balance of the Audit and Governance Committee for 2021/22 and to confirm the appointment of the Members and substitute Members nominated by constituent councils. The Board was also invited to re-appoint the existing independent person, Mr Alan John Pye, to the Committee for a term of four years ending May 2025, to appoint Mr Pye as chair of the Committee and to delegate authority to the Committee to elect a Vice Chair for 2021/22. It was also proposed to increase the remuneration of the Independent Person on a pro-rata basis with reference to a similar role on the Police and Crime Panel and in recognition of the increase in the number of meetings.

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

- a) confirm that the size of the Audit and Governance Committee should be eight members; one member and one substitute from each Constituent Council and one independent person.
- b) appoint Mr Alan John Pye as the independent person of the Audit and Governance Committee for a term of four years ending May 2025.
- c) raise the remuneration for the role of the Independent Person as the Chair of the committee on a pro-rated basis, to reflect the increased activity of the committee, to £3068 per annum.
- d) to agree the political balance on the committee as set out in Appendix 1;
- e) confirm the appointment of the Members and substitute Members nominated by Constituent Councils to the Committee for the municipal year 2021/2022 as set out in Appendix 2.
- f) appoint Mr Alan John Pye as Chair of the Audit and Governance Committee for the municipal year 2021/2022 and delegate authority to elect the Vice Chair to the Audit and Governance Committee.

12. Calendar of Meetings 2021/22

The Board was invited to approve the draft calendar of meetings for 2021/22.

Councillor Boden asked whether the north of the county might host the Board's next meeting and also whether a future meeting might be arranged in Wisbech to allow Board members to experience first-hand the town's transport issues. He further suggested that Combined Authority Board meetings might in future start at 10.00am

rather than 10.30am. The Mayor stated he would want to move meetings around the county if possible and noted the request to include Wisbech. There was no dissent to the suggestion of starting future Board meetings at 10.00am. ACTION

Councillor Herbert commented that Combined Authority Board meetings regularly lasted five hours or more and that he judged there was a need for better agenda management. ACTION

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

Approve the Calendar of Meetings for 2021/2022 as set out in the report.

(Mayor)



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item 1.2, Appendix 1

Combined Authority Board Action Log

Purpose: The action log contains actions recorded in the minutes of Combined Authority Board meetings and provides an update on officer responses.

| Minute | Report title | Lead officer | Action | Response | Status |
|--|---|-----------------------------------|---|---|--------|
| Minutes of the meeting on 2 June 2021 (Annual Meeting) | | | | | |
| 4. | Membership of the Combined Authority | Robert Parkin, Monitoring Officer | Cllr Boden asked that the proposals to amend the Constitution to enable a Non-Statutory Deputy Mayor to be appointed from the membership of the Combined Authority Board to be circulated at the earliest opportunity to allow Board members and their legal advisers to review them. | <p>A paper will be brought to LSM which sets out any proposed changes to the constitution.</p> <p>This will be released early to enable members to review in full.</p> | Open |
| 8. | Forward Plan | Kim Sawyer, Chief Executive | Ms Sawyer undertook to follow up Cllr Fuller's concerns about the impact on projects of the cancellation of the Transport and Infrastructure Committee on 9 June with officers at Huntingdonshire District Council. | | |
| 9. | Appointments to Executive Committees and Appointment of Chairs and Lead Members | Robert Parkin, Monitoring Officer | The Mayor welcomed Cllr Bailey's suggestion that the health and environmental implications of recommendations should be included in reports. | Report authors will be asked to include a treatment of health and environmental considerations in future reports. | Open |
| 10. | Appointment of the Overview and Scrutiny Committee | Robert Parkin, Monitoring Officer | The Monitoring Officer undertook to consider whether the membership of Independent members in Cambridgeshire County Council's Joint Administration had any implications for the potential co-option of an Independent member to the Overview and Scrutiny Committee. | <p>The law does not exclude individuals who are members of the executives of constituent councils.</p> <p>The rules recognise registered political parties- rather than groups.</p> | Closed |

| Minute | Report title | Lead officer | Action | Response | Status |
|--|------------------------------|---|---|--|--------|
| Minutes of the meeting on 2 June 2021 (Annual Meeting) | | | | | |
| | | Robert Parkin, Monitoring Officer | Cllr Boden asked for an explanation of how political balance percentages were converted into seat allocations on both the Overview and Scrutiny Committee and the Audit and Governance Committee to be provided outside of the meeting. | The Democratic Services Manager has written to Cllr Boden | Closed |
| 12. | Calendar of Meetings 2021/22 | Robert Parkin, Monitoring Officer | Cllr Boden asked that a future Board meeting be held in Wisbech and that future Board meetings should start at 10.00am rather than 10.30am. There was no dissent. | Officers continue to search for suitable venues for meetings, and are looking at options within Wisbech. | Open |
| | | Robert Parkin, Monitoring Officer | Cllr Herbert asked for better agenda management to reduce the length of Board meetings. | Business put to the Combined Authority Board at the request of Directors. The governance team seek to manage business away from the Combined Authority Board where appropriate, however a change to the amount of business to the Combined Authority Board will depend upon a review of the overall governance arrangements which will be brought through the Leaders' Strategy Forum. | Open. |

Cambridgeshire and Peterborough Combined Authority Forward Plan of Executive Decisions

Published 22 June 2021

The Forward Plan is an indication of future decisions. Please note that it is subject to continual review and may be changed in line with any revisions to the priorities and plans of the CPCA. It is re-published on a monthly basis to reflect such changes.

Purpose

The Forward Plan sets out all of the decisions which the Combined Authority Board and Executive Committees will be taking in the coming months. This makes sure that local residents and organisations know what decisions are due to be taken and when.

The Forward Plan is a live document which is updated regularly and published on the [Combined Authority website](#) (click the Forward Plan' button to view). At least 28 clear days' notice will be given of any key decisions to be taken.

What is a key decision?

A key decision is one which, in the view of the Overview and Scrutiny Committee, is likely to:

- i. result in the Combined Authority spending or saving a significant amount, compared with the budget for the service or function the decision relates to (usually £500,000 or more); or
- ii. 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.

Non-key decisions and update reports

For transparency, the Forward Plan also includes all non-key decisions and update reports to be considered by the Combined Authority Board and Executive Committees.

Access to reports

A report will be available to view online one week before a decision is taken. You are entitled to view any documents listed on the Forward Plan after publication, or obtain extracts from any documents listed, 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 this notice can be requested from Robert Parkin, Chief Legal Officer and Monitoring Officer for the Combined Authority at Robert.Parkin@cambridgeshirepeterborough-ca.gov.uk.

The Forward Plan will state if any reports or appendices are likely to be exempt from publication or confidential and may be discussed in private. If you want to make representations that a decision which it is proposed will be taken in private should instead be taken in public please contact Robert Parkin, Chief Legal Officer and Monitoring Officer at Robert.Parkin@cambridgeshirepeterborough-ca.gov.uk at least five working days before the decision is due to be made.

Notice of decisions

Notice of the Combined Authority Board's decisions and Executive Committee decisions will be published online within three days of a public meeting taking place.

Standing items at Executive Committee meetings

The following reports are standing items and will be considered by at each meeting of the relevant committee. The most recently published Forward Plan will also be included on the agenda for each Executive Committee meeting:

Housing and Communities Committee

1. Affordable Housing Programme Update
2. £100k Homes and Community Land Trusts Update

Skills Committee

1. Budget and Performance Report
2. Employment and Skills Board Update

Transport and Infrastructure Committee

1. Budget Monitor Update
2. Performance Report

Mayoral Decision

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|----|---|----------------------|--------------------------|-----------------------|--|--|--|----------------------|--|
| 1. | Approval of Allocation of Recycled Growth Funding | Mayor Dr Nik Johnson | On or after 15 June 2021 | Key Decision 2021/036 | To approve £2m of unallocated recycled local growth funds to the University of Peterborough Phase 3 project. | Relevant internal and external stakeholders, including the Business Board and members of the Combined Authority Board. | John T Hill Director of Business and Skills | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices |

Housing and Communities Committee – 21 June 2021

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|----|--|-----------------------------------|------------------|-------------------|---|---|---|---|--|
| 2. | Implementation of the revised Affordable Housing Programme | Housing and Communities Committee | 21 June 2021 | Decision | To consider proposals for the Affordable Housing Programme following discussions with MHCLG and make recommendations to the Combined Authority Board. | Relevant internal and external stakeholders | Roger Thompson Director of Housing and Development | Councillor Lewis Herbert Lead Member for Housing | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |
| 3. | Connecting Cambridgeshire Update | Housing and Communities Committee | 21 June 2021 | Decision | To provide an update on the Connecting Cambridgeshire programme. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Councillor Lewis Herbert Lead Member for Housing | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|----|--|-----------------------------------|------------------|-------------------|--|---|---|---|--|
| 4. | Rebel Acres Start-up Grant Application | Housing and Communities Committee | 21 June 2021 | Decision | To consider and approve Rebel Acres' application for start-up grant funding of £5000 under the Community Land Trust's start-up fund. | Relevant internal and external stakeholders | Roger Thompson Director of Housing and Development | Councillor Lewis Herbert Lead Member for Housing | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |

Combined Authority Board Meeting Date – 30 June 2021

Governance items

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|----|---|--|------------------|-------------------|--|---|--|----------------------|---|
| 5. | Minutes of the meeting on 2 June 2021 | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Decision | To approve the minutes of the previous meeting. | Relevant internal and external stakeholders | Richenda Greenhill Democratic Services Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 6. | Forward Plan | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Decision | To approve the latest version of the forward plan. | Relevant internal and external stakeholders | Robert Parkin Chief Legal Officer and Monitoring Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 7. | Combined Authority Appointments June 2021 | Cambridgeshire and Peterborough | 30 June 2021 | Decision | To consider any nominations received from constituent councils | Relevant internal and external stakeholders | Robert Parkin Chief Legal Officer and | Mayor Dr Nik Johnson | It is not anticipated that there will be any |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|----|--|--|------------------|-------------------|---|---|---|----------------------|---|
| | | Combined Authority Board | | | or co-opted member organisations. | | Monitoring Officer | | documents other than the report and relevant appendices. |
| 8. | Appointment of the Chief Executive | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Decision | To appoint the chief executive of the Cambridgeshire and Peterborough Combined Authority. | Relevant internal and external stakeholders, including the Employment Committee. | Robert Parkin Chief Legal Officer and Monitoring Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 9. | Audit and Governance Committee Annual Report 2020/21 | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Decision | To receive the Audit and Governance Committee Annual Report 2020/21. | Relevant internal and external stakeholders, including the Audit and Governance Committee | Robert Parkin Chief Legal Officer and Monitoring Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|---------------------------------|--|------------------|-----------------------|--|---|--|----------------------|---|
| 10. | Budget Monitor Report June 2021 | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Key Decision 2021/021 | To note the outturn position for the 2020/21 financial year and approve carry-forwards from the 2020/21 budgets. | Relevant internal and external stakeholders | Jon Alsop Section 73 Chief Finance Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |

Mayoral Decisions

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|---|----------------------|------------------|-------------------------|--|---|--|----------------------|--|
| 11. | Local Highways Maintenance Grant Allocation 2021/22 | Mayor Dr Nik Johnson | 30 June 2021 | Key Decision KD2021/018 | To approve the Local Highways Maintenance Grant allocations to Cambridgeshire County Council and | Relevant internal and external stakeholders | Jon Alsop Section 73 Chief Finance Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|--|-----------------|----------------|------------------|-------------------|----------------------------|--------------|--------------|-------------|--|
| | | | | | Peterborough City Council. | | | | the report and relevant appendices. |

Combined Authority Decisions

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|-----------------------------|--|------------------|-------------------|---|---|--|----------------------|--|
| 12. | East West Rail Consultation | Transport and Infrastructure Committee | 30 June 2021 | Decision | To provide an update on the Combined Authority's response to the East West Rail consultation. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|---|--|------------------|-----------------------|--|---|--|----------------------|--|
| 13. | Bus Services [May contain exempt appendices] | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Key Decision 2021/030 | To consider recommendations to authorise officers to work with bus operators on next steps in bus reform including a Bus Services Improvement Plan; apply Department for Transport funding for bus services; and fund public transport improvements. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |
| 14. | Climate Change | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Key Decision 2021/023 | To approve a response to the Independent Commission on Climate's Initial Recommendations. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|--|------------------|-----------------------|---|---|--|----------------------|--|
| | | | | | | | | | appendices to be published |
| 15. | Market Towns Programme Investment Prospectus – Approval of Fifth Tranche of Recommended Projects and change request for Huntingdonshire Funding Timeline Extension | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Key Decision 2021/019 | To approve the fifth tranche of recommended projects under the Market Towns Programme Investment Prospectus and a Huntingdonshire change request to extend project funding timelines. | Relevant internal and external stakeholders | John T Hill, Director of Business & Skills | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |
| 16. | Authority to spend for the Greater South East Energy Hub | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Key Decision 2021/035 | To approve the 'authority to spend' against the Programme budget for the Greater South East Energy Hub in the | Relevant internal and external stakeholders | John T Hill, Director of Business & Skills | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|---|--|------------------|-------------------|--|---|--|--|---|
| | | | | | Cambridgeshire and Peterborough area. | | | | and relevant appendices to be published |
| 17. | Careers Hub | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Decision | To approve additional future funding to the Careers Hub. | Relevant internal and external stakeholders | John T Hill Director of Business and Skills | Councillor Lucy Nethsingha Lead Member for Skills | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |
| 18. | European Regional Development Funding (ERDF) Growth Coaching Grants – | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Decision | To approve a Partner Agreement between the Combined Authority and YTKO (a consortium member delivering | Relevant internal and external stakeholders | John T Hill Director of Business and Skills | Councillor Lucy Nethsingha Lead Member for Skills | It is not anticipated that there will be any documents other than the report and |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|--|-------------------|----------------|------------------|-------------------|-----------------------------|--------------|--------------|-------------|--|
| | Partner Agreement | | | | the Growth Works contract). | | | | relevant appendices to be published. |

Recommendations from the Housing and Communities Committee

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|--|------------------|-----------------------|---|---|---|---|--|
| 19. | Implementation of the revised Affordable Housing Programme | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Key Decision 2021/022 | To request Board to consider proposals for the Affordable Housing Programme following | Relevant internal and external stakeholders | Roger Thompson Director of Housing and Development | Councillor Lewis Herbert Lead Member for Housing | It is not anticipated that there will be any documents other than the report and relevant appendices |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|--|-----------------|----------------|------------------|-------------------|-------------------------|--------------|--------------|-------------|--|
| | | | | | discussions with MHCLG. | | | | to be published |

Recommendations from the Skills Committee

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|---|--|------------------|-----------------------|---|---|--|--|--|
| 20. | Adult Education Budget 2021-22 Funding Allocations and Policy Changes | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Key Decision 2021/020 | To consider proposals for granting delegated authority to award final contract and grant allocations to Adult | Relevant internal and external stakeholders | John T Hill Director of Business and Skills | Councillor Lucy Nethsingha Lead Member for Skills | It is not anticipated that there will be any documents other than the report and relevant appendices |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|---|--|------------------|-------------------|--|---|--|--|---|
| | | | | | Education Budget (AEB) providers and approve changes to AEB funding policy and rules. | | | | to be published. |
| 21. | Cambridgeshire and Peterborough Combined Authority Employment and Skills Strategy | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Decision | To approve the proposed approach to the development of the Employment and Skills Strategy. | Relevant internal and external stakeholders | John T Hill Director of Business and Skills | Councillor Lucy Nethsingha Lead Member for Skills | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |

Recommendations from the Business Board

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|--|------------------|-------------------|---|---|---|----------------------|--|
| 22. | Manufacturing and Materials Research and Development Centre Project Change Request and Revised Business Plan | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Decision | To report Mayoral Decision KD2021/027 to the Combined Authority Board for noting. | Relevant internal and external stakeholders | John T Hill, Director of Business & Skills | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |
| 23. | Community Renewal Fund and Levelling Up Fund Bid Selection Process | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Decision | To report Mayoral Decision 35-2021 to the Combined Authority Board for noting. | Relevant internal and external stakeholders, including the Business Board | John T Hill Director of Business and Skills | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|--|------------------|-------------------|---|--|--|---|---|
| 24. | Community Renewal Fund (CRF) Final Submission Approval | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Decision | To note Mayoral Decision 37-2021. | Relevant internal and external stakeholders | John T Hill Director of Business and Skills | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |
| 25. | Approval of Allocation of Recycled Growth Funding | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Decision | To report Mayoral Decision 36-2021 (KD2021/036) to the Combined Authority Board for noting. | Relevant internal and external stakeholders, including the Business Board and members of the Combined Authority Board. | John T Hill Director of Business and Skills | Austen Adams Chair of the Business Board | It is not anticipated that there will be any documents other than the report and relevant appendices |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|-----------------------------------|--|------------------|-------------------|---|---|---|--|---|
| 26. | Format of Business Board meetings | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Decision | To consider recommendations on the format of future Business Board meetings following the Business Board's consideration of a recommendation from the Audit and Governance Committee. | Relevant internal and external stakeholders | John T Hill, Director of Business & Skills | Austen Adams Chair of the Business Board | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |
| 27. | Sector Strategies | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Decision | To approve and adopt strategies for the Life Sciences, Advanced Manufacturing and Digital Sectors in Cambridgeshire and Peterborough. | Relevant internal and external stakeholders | John T Hill Director of Business and Skills | Austen Adams Chair of the Business Board | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|---|--|------------------|-------------------|---|---|--|---|---|
| 28. | Growth Works Management Review May 2021 | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Decision | To monitor and review programme delivery and performance. | Relevant internal and external stakeholders | John T Hill Director of Business and Skills | Austen Adams Chair of the Business Board | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |

Transport and Infrastructure Committee – 14 July 2021

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|--|------------------|-------------------|---|---|--|----------------------|--|
| 29. | CAM Delivery Strategy and Shareholder Report | Transport and Infrastructure Committee | 14 July 2021 | Decision | To consider the proposed Delivery Strategy and funding and financing strategy for the CAM Programme and make recommendations to the Combined Authority Board. | Relevant internal and external stakeholders | Kim Sawyer Chief Executive | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |
| 30. | A141 Engagement | Transport and Infrastructure Committee | 14 July 2021 | Decision | To receive an update on results of the engagement. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|--|------------------|-------------------|--|---|--|----------------------|--|
| 31. | Segregated Cycling Study Holme to Sawtry | Transport and Infrastructure Committee | 14 July 2021 | Decision | To consider proposals for funding a Segregated Cycling Study for Holme to Sawtry and make recommendations to the Combined Authority Board. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |
| 32. | Harston Capacity Study | Transport and Infrastructure Committee | 14 July 2021 | Decision | To consider proposals for funding a Harston Capacity Study and make recommendations to the Combined Authority Board. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|-----------------------------------|--|------------------|-------------------|--|---|--|----------------------|--|
| 33. | A142 Chatteris to Snailwell Study | Transport and Infrastructure Committee | 14 July 2021 | Decision | To consider proposals for funding an A142 to Snailwell study and make recommendations to the Combined Authority Board. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |
| 34. | Sawston Station Study | Transport and Infrastructure Committee | 14 July 2021 | Decision | To consider proposals for funding a Sawston Station Study and make recommendations to the Combined Authority Board. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|---|--|------------------|-------------------|-------------------------------|---|--|----------------------|--|
| 35. | Cambridge South Station Progress Update | Transport and Infrastructure Committee | 14 July 2021 | Decision | To provide a progress update. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |
| 36. | Soham Station Progress Update | Transport and Infrastructure Committee | 14 July 2021 | Decision | To provide a progress update. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|---|--|------------------|-------------------|--|---|--|----------------------|--|
| 37. | Independent Audit of Cambourne to Cambridge Better Public Transport Project | Transport and Infrastructure Committee | 14 July 2021 | Decision | To consider an independent audit of the Cambourne to Cambridge Better Public Transport Project | Relevant internal and external stakeholders including the Greater Cambridge Partnership | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |
| 38. | A505 | Transport and Infrastructure Committee | 14 July 2021 | Decision | To receive the Pre-Strategic Outline Business case and make recommendations to the Combined Authority Board on next steps. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|--|------------------|-------------------|--|---|--|----------------------|--|
| 39. | A10 Junctions and Dualling Outline Business Case | Transport and Infrastructure Committee | 14 July 2021 | Decision | The update the committee on the next stage for development of the Outline Business Case for the A10 and financial approvals required and make recommendations to the Combined Authority Board. . | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |

Combined Authority Board – 28 July 2021

Governance items

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|---|--|------------------|-------------------|---|---|--|----------------------|---|
| 40. | Minutes of the meeting on 30 June 2021 | Cambridgeshire and Peterborough Combined Authority Board | 28 July 2021 | Decision | To approve the minutes of the previous meeting. | Relevant internal and external stakeholders | Richenda Greenhill, Democratic Services Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 41. | Forward Plan | Cambridgeshire and Peterborough Combined Authority Board | 28 July 2021 | Decision | To approve the latest version of the forward plan. | Relevant internal and external stakeholders | Robert Parkin Chief Legal Officer and Monitoring Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 42. | Advertisement and Appointment Process for | Cambridgeshire and Peterborough | 28 July 2021 | Decision | To approve the recommendation from the Audit and Governance | Relevant internal and external stakeholders | Robert Parkin Chief Legal | Mayor Dr Nik Johnson | It is not anticipated that there will be any |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|--|------------------|-------------------|--|---|--|----------------------|---|
| | Two Independent Persons | Combined Authority Board | | | Committee to undertake an advertisement and appointment process for two independent persons in regard to Member Conduct. | including the Audit and Governance Committee | Officer and Monitoring Officer | | documents other than the report and relevant appendices. |
| 43. | Appointment of Independent Remuneration Panel to review Members Allowance Scheme | Cambridgeshire and Peterborough Combined Authority Board | 28 July 2021 | Decision | To invite the Combined Authority Board to agree that an Independent Remuneration Panel be requested to review the Members' Allowances Scheme in relation to the Mayor's allowance. | Relevant internal and external stakeholders, including the Audit and Governance Committee | Robert Parkin Chief Legal Officer and Monitoring Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 44. | Corporate Risk Management Strategy and Risk Register | Cambridgeshire and Peterborough Combined Authority Board | 30 June 2021 | Decision | To review and approve the Corporate Risk Management | Relevant internal and external stakeholders, including the | Robert Parkin Chief Legal Officer and | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|-----------------------|--|------------------|-------------------|---|---|--|----------------------|---|
| | | | | | Strategy and Risk Register. | Audit and Governance Committee | Monitoring Officer | | other than the report and relevant appendices. |
| 45. | Budget Monitor Update | Cambridgeshire and Peterborough Combined Authority Board | 28 July 2031 | Decision | To provide an update on the revenue and capital budgets for the year to date. | Relevant internal and external stakeholders | Jon Alsop Section 73 Chief Finance Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |
| 46. | Performance Report | Cambridgeshire and Peterborough Combined Authority Board | 28 July 2021 | Decision | To note the Combined Authority performance reporting Dashboard. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|--|-----------------|----------------|------------------|-------------------|-------------------|--------------|--------------|-------------|--|
| | | | | | | | | | to be published. |

Combined Authority Decisions

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|----------------------------------|--|------------------|-------------------|---|---|-------------------------------------|----------------------|---|
| 47. | CAM Shareholder Report | Cambridgeshire and Peterborough Combined Authority Board | 28 July 2021 | Decision | To consider the CAM Shareholder report | Relevant internal and external stakeholders | Chief Executive | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 48. | Development of Key Route Network | Cambridgeshire and Peterborough | 28 July 2021 | Decision | To consider proposals for funding the development of a Key Route Network. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery | Mayor Dr Nik Johnson | It is not anticipated that there will be any |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|--|------------------|-------------------------|---|---|--|----------------------|---|
| | | Combined Authority Board | | | | | and Strategy | | documents other than the report and relevant appendices to be published |
| 49. | Mayoral Capacity Fund | Cambridgeshire and Peterborough Combined Authority Board | 28 July 2021 | Decision | To request approval for £350k of funding from the Mayoral Capacity Fund to finance the four key costs in relation to mobilisation and enabling planning applications for Phase 3 of the University of Peterborough. | Relevant internal and external stakeholders | John T Hill Director of Business and Skills | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 50. | Market Towns Programme Investment Prospectus – Approval of | Cambridgeshire and Peterborough Combined Authority Board | 28 July 2021 | Key Decision KD2021/017 | To approve the final tranche of recommended projects under the Market Towns Programme | Relevant internal and external stakeholders | John T Hill Director of Business and Skills | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|---|--|------------------|-------------------------|---|---|--|----------------------|---|
| | Final Tranche of Recommended Projects and Change Request for St Neots and Littleport Funding Timeline Extensions. | | | | Investment Prospectus and change requests from Huntingdonshire and East Cambridgeshire to extend project funding timelines. | | | | the report and relevant appendices. |
| 51. | March – Future High Streets Funding Bid: Additional Combined Authority Match Funding | Cambridgeshire and Peterborough Combined Authority Board | 28 July 2021 | Key Decision KD2021/037 | To consider an application received from Fenland District Council to request Combined Authority match funding towards the Government approved March Future High Street Fund scheme. | Relevant internal and external stakeholders | John T Hill Director of Business and Skills | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |

By recommendation to the Combined Authority Board

Recommendations from the Transport and Infrastructure Committee

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|--|------------------|-------------------|---|---|--|----------------------|--|
| 52. | CAM Delivery Strategy and Shareholder Report | Cambridgeshire and Peterborough Combined Authority Board | 28 July 2021 | Decision | To sign off the Delivery Strategy and funding and financing strategy for the CAM Programme. | Relevant internal and external stakeholders | Kim Sawyer Chief Executive | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 53. | Segregated Cycling Study Holme to Sawtry | Cambridgeshire and Peterborough Combined Authority Board | 28 July 2021 | Decision | To consider proposals for funding a Segregated Cycling Study for Holme to Sawtry. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|-----------------------------------|--|------------------|-------------------|---|---|--|----------------------|--|
| 54. | Harston Capacity Study | Cambridgeshire and Peterborough Combined Authority Board | 28 July 2021 | Decision | To seek approval of funding for Harston Capacity Study. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |
| 55. | A142 Chatteris to Snailwell Study | Cambridgeshire and Peterborough Combined Authority Board | 28 July 2021 | Decision | To consider proposals for funding an A142 to Snailwell study. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|--|------------------|-----------------------|---|---|--|----------------------|--|
| 56. | A505 | Cambridgeshire and Peterborough Combined Authority Board | 28 July 2021 | Decision | To receive the Pre-Strategic Outline Business case decide next steps. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |
| 57. | A10 Junctions and Dualling Outline Business Case | Cambridgeshire and Peterborough Combined Authority Board | 28 July 2021 | Key Decision 2021/040 | The seek financial approvals for the next stage for development of the Outline Business Case for the A10. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |

Recommendations from the Business Board

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|---|--|------------------|-------------------|---|---|--|--|--|
| 58. | Strategic Funding Management Review – July 2021 | Cambridgeshire and Peterborough Combined Authority Board | 28 July 2021 | Decision | To monitor and review programme performance, evaluation, outcomes and risks. | Relevant internal and external stakeholders | John T Hill, Director of Business & Skills | Austen Adams Chair of the Business Board | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |
| 59. | Business Board Annual Report and Delivery Plan | Cambridgeshire and Peterborough Combined Authority Board | 28 July 2021 | Decision | To approve the Business Board Annual Report for 2020-21 and Annual Delivery Plan for 2021-22. | Relevant internal and external stakeholders | John T Hill, Director of Business & Skills | Austen Adams Chair of the Business Board | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |
| 60. | Business Board Expenses | Cambridgeshire and Peterborough | 28 July 2021 | Decision | To approve the updated | Relevant internal and | John T Hill, Director of | Austen Adams Chair of the | It is not anticipated that there |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|--|-----------------------|--------------------------|------------------|-------------------|---|-----------------------|-------------------|----------------|---|
| | and Allowances Scheme | Combined Authority Board | | | Business Board Member Allowance Scheme. | external stakeholders | Business & Skills | Business Board | will be any documents other than the report and relevant appendices to be published |

Housing and Communities Committee – 6 September 2021

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|-----------------------------------|------------------|-----------------------|--|---|---|---|--|
| 61. | Affordable Housing Programme Scheme Approvals – September 2021 | Housing and Communities Committee | 6 September 2021 | Key Decision 2021/012 | To consider and approve allocations to new schemes within the Affordable | Relevant internal and external stakeholders | Roger Thompson Director of Housing and Development | Councillor Lewis Herbert Lead Member for Housing | It is not anticipated that there will be any documents other than the report |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|---|-----------------------------------|------------------|-------------------|--|---|--|---|--|
| | | | | | House Programme. | | | | and relevant appendices to be published. |
| 62. | Connecting Cambridgeshire Strategy Review | Housing and Communities Committee | 6 September 2021 | Decision | To provide an update on to targets and future direction of the Cambridgeshire and Peterborough Digital Connectivity Infrastructure strategy for 2021-2025. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Councillor Lewis Herbert Lead Member for Housing | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |

Transport and Infrastructure Committee – 8 September 2021

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|-----------------------------|--|------------------|-------------------|--|---|--|----------------------|---|
| 63. | Local Transport Plan Update | Transport and Infrastructure Committee | 8 September 2021 | Decision | To provide an update on the Local Transport Plan refresh. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |
| 64. | E-Scooter and E-Bike Update | Transport and Infrastructure Committee | 8 September 2021 | Decision | To provide an update on the scheme and Department for Transport survey outcomes. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and |

| | | | | | | | | | |
|-----|---|--|------------------------|----------|--|--|--|-------------------------|--|
| | | | | | | | | | relevant appendices to be published. |
| 65. | Bus Strategy | Transport and Infrastructure Committee | 8 September 2021 | Decision | To provide an update on National Bus Strategy work. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |
| 66. | Transforming Cities Fund Annual Report | Transport and Infrastructure Committee | 8 September 2021 | Decision | To note the Transforming Cities Annual Report. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |

Skills Committee – 13 September 2021

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|------------------|-------------------|-------------------|---|---|--|--|---|
| 67. | Opportunities to develop the Greater South East Energy Hub | Skills Committee | 13 September 2021 | Decision | To note the accountable body and Business Plan for the Greater South East Energy Hub, including opportunities for a green supply chain and skills requirements. | Relevant internal and external stakeholders | John T Hill Director of Business and Skills | Councillor Lucy Nethsingha Lead Member for Skills | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |

Combined Authority Board – 29 September 2021

Governance items

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|--|-------------------|-------------------|--|---|--|----------------------|---|
| 68. | Minutes of the meeting on 28 July 2021 | Cambridgeshire and Peterborough Combined Authority Board | 29 September 2021 | Decision | To approve the minutes of the previous meeting. | Relevant internal and external stakeholders | Richenda Greenhill, Democratic Services Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 69. | Forward Plan | Cambridgeshire and Peterborough Combined Authority Board | 29 September 2021 | Decision | To approve the latest version of the forward plan. | Relevant internal and external stakeholders | Robert Parkin Chief Legal Officer and Monitoring Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|-----------------------|--|-------------------|-------------------|---|---|--|----------------------|---|
| 70. | Budget Monitor Update | Cambridgeshire and Peterborough Combined Authority Board | 29 September 2031 | Decision | To provide an update on the revenue and capital budgets for the year to date. | Relevant internal and external stakeholders | Jon Alsop Section 73 Chief Finance Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |

Combined Authority Decisions

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|------------------------|--|-------------------|-------------------|--|---|-----------------|----------------------|---|
| 71. | CAM Shareholder Report | Cambridgeshire and Peterborough Combined Authority Board | 29 September 2021 | Decision | To consider the CAM Shareholder report | Relevant internal and external stakeholders | Chief Executive | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |

By recommendation to the Combined Authority

Recommendations from the Transport and Infrastructure Committee

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|--|-----------------|----------------|------------------|-------------------|-------------------|--------------|--------------|-------------|--|
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|-----|--------------|--|-------------------|-----------------------|---|---|--|----------------------|---|
| | | | | | | | | | |
| 72. | Bus Strategy | Transport and Infrastructure Committee | 29 September 2021 | Key Decision 2021/034 | To provide an update on National Bus Strategy work. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |

Recommendations from the Skills Committee

| | | | | | | | | | |
|-----|--|--|-------------------|----------|---|---|---|--|--|
| 73. | Opportunities to develop the Greater South East Energy Hub | Cambridgeshire and Peterborough Combined Authority Board | 29 September 2021 | Decision | To note the opportunities for a green supply chain and skills requirements in the Cambridgeshire and Peterborough area. | Relevant internal and external stakeholders | John T Hill, Director of Business & Skills | Councillor Lucy Nethsingha Lead Member for Skills | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |
|-----|--|--|-------------------|----------|---|---|---|--|--|

Recommendations from the Business Board

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|--|-------------------|-------------------|--|---|--|--|--|
| 74. | Combined Authority Implications of the Local Enterprise Partnership Review | Cambridgeshire and Peterborough Combined Authority Board | 29 September 2021 | Decision | To note the outcomes of Government's national Local Enterprise Partnership (LEP) Review. | Relevant internal and external stakeholders | John T Hill, Director of Business & Skills | Austen Adams Chair of the Business Board | It is not anticipated that there will be any documents other than the report and relevant appendices to be published |
| 75. | Enterprise Zones Programme Update | Cambridgeshire and Peterborough Combined Authority Board | 29 September 2021 | Decision | To update the Board on the Enterprise Zones Programme. | Relevant internal and external stakeholders | John T Hill, Director of Business & Skills | Austen Adams Chair of the Business Board | It is not anticipated that there will be any documents other than the report and relevant |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|--|-----------------|----------------|------------------|-------------------|-------------------|--------------|--------------|-------------|--|
| | | | | | | | | | appendices to be published |

Housing and Communities Committee – 3 November 2021

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|-----------------------------------|------------------|-----------------------|---|---|---|--------------------------|--|
| 76. | Affordable Housing Programme Scheme Approvals: | Housing and Communities Committee | 3 November 2021 | Key Decision 2021/013 | To consider and approve allocations to new schemes within the | Relevant internal and external stakeholders | Roger Thompson Director of Housing and Development | Councillor Lewis Herbert | It is not anticipated that there will be any documents |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|--|-----------------|----------------|------------------|-------------------|-----------------------------|--------------|--------------|-------------------------|--|
| | November 2021 | | | | Affordable House Programme. | | | Lead Member for Housing | other than the report and relevant appendices to be published. |

Transport and Infrastructure Committee – 8 November 2021

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|------------------------------------|--|------------------|-------------------|--|---|-------------------------------------|----------------------|--|
| 77. | March Area Transport Study Outline | Transport and Infrastructure Committee | 8 November 2021 | Decision | To consider the Outline Business Case and make recommendations to the Combined | Relevant internal and external stakeholders | Paul Raynes Director of Delivery | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|-----------------------------|--|------------------|-------------------|---|---|--|----------------------|---|
| | Business Case | | | | Authority Board on the next stage of the project. | | and Strategy | | other than the report and relevant appendices to be published. |
| 78. | Local Transport Plan Update | Transport and Infrastructure Committee | 8 November 2021 | Decision | To provide an update on the Local Transport Plan refresh. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |
| 79. | Wisbech Rail Update | Transport and Infrastructure Committee | 8 November 2021 | Decision | To provide an update on the project and outline next steps. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|---|--|------------------|-------------------|---|---|--|----------------------|---|
| | | | | | | | | | the report and relevant appendices to be published. |
| 80. | A1260 Nene Parkway Junction 15 | Transport and Infrastructure Committee | 8 November 2021 | Decision | To consider the Full Business Case and a request to approve the drawdown construction funds and make recommendations to the Combined Authority Board. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |
| 81. | St Ives Strategic Outline Business Case | Transport and Infrastructure Committee | 8 November 2021 | Decision | To review outcomes from the Strategic Outline Business Case and next steps and make recommendations | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--------------------------------------|--|------------------|-------------------|---|---|--|----------------------|---|
| | | | | | to the Combined Authority Board. | | | | and relevant appendices to be published. |
| 82. | A141 Strategic Outline Business Case | Transport and Infrastructure Committee | 8 November 2021 | Decision | To review outcomes from the Strategic Outline Business Case and make recommendations of next steps to the Combined Authority Board. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |

Combined Authority Board – 24 November 2021

Governance Items

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|---|--|------------------|-------------------|--|---|--|----------------------|---|
| 83. | Minutes of the meeting on 29 September 2021 | Cambridgeshire and Peterborough Combined Authority Board | 24 November 2021 | Decision | To approve the minutes of the previous meeting. | Relevant internal and external stakeholders | Richenda Greenhill, Democratic Services Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 84. | Forward Plan | Cambridgeshire and Peterborough Combined Authority Board | 24 November 2021 | Decision | To approve the latest version of the forward plan. | Relevant internal and external stakeholders | Robert Parkin Chief Legal Officer and Monitoring Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 85. | Budget Monitor Update | Cambridgeshire and Peterborough | 24 November 2021 | Decision | To provide an update on the revenue and capital | Relevant internal and external stakeholders | Jon Alsop Section 73 Chief | Mayor Dr Nik Johnson | It is not anticipated that there will be any |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--------------------|--|------------------|-------------------|--|---|--|----------------------|---|
| | | Combined Authority Board | | | budgets for the year to date. | | Finance Officer | | documents other than the report and relevant appendices to be published. |
| 86. | Performance Report | Cambridgeshire and Peterborough Combined Authority Board | 24 November 2021 | Decision | To note the Combined Authority performance reporting Dashboard | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |

Combined Authority Decisions

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|--|------------------|-----------------------|---|---|--|----------------------|---|
| 87. | CAM Shareholder Report | Cambridgeshire and Peterborough Combined Authority Board | 24 November 2021 | Decision | To consider the CAM Shareholder report | Relevant internal and external stakeholders | Chief Executive | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 88. | Response to the Independent Commission on Climate Change | Cambridgeshire and Peterborough Combined Authority Board | 24 November 2021 | Key Decision 2021/025 | To approve a response to the Independent Commission on Climate Change's full recommendations. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |

By recommendation to the Combined Authority

Recommendations from the Transport and Infrastructure Committee

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|--|------------------|-----------------------|---|---|--|----------------------|---|
| 89. | March Area Transport Study Outline Business Case | Cambridgeshire and Peterborough Combined Authority Board | 24 November 2021 | Key Decision 2021/026 | To receive the Outline Business Case and decide on the next stage of the project. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 90. | Wisbech Rail Update | Cambridgeshire and Peterborough Combined Authority Board | 24 November 2021 | Decision | To provide an update on the project and outline next steps. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|---|--|------------------|-----------------------|---|---|--|----------------------|---|
| 91. | St Ives Strategic Outline Business Case | Cambridgeshire and Peterborough Combined Authority Board | 24 November 2021 | Decision | To review outcomes from the Strategic Outline Business Case and recommended next steps. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |
| 92. | A1260 Nene Parkway Junction 15 | Cambridgeshire and Peterborough Combined Authority Board | 24 November 2021 | Key Decision 2021/032 | To consider the Full Business Case and a request to approve the drawdown construction. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--------------------------------------|--|------------------|-------------------|--|---|--|----------------------|---|
| 93. | A141 Strategic Outline Business Case | Cambridgeshire and Peterborough Combined Authority Board | 24 November 2021 | Decision | To review outcomes from the Strategic Outline Business Case and recommendations on next steps. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |

Housing and Communities Committee – 10 January 2022

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|-------------------------------------|-----------------------------------|------------------|-----------------------|--|---|----------------|--------------------------|--|
| 94. | Affordable Housing Programme Scheme | Housing and Communities Committee | 10 January 2022 | Key Decision 2021/038 | To consider and approve allocations to new schemes | Relevant internal and external stakeholders | Roger Thompson | Councillor Lewis Herbert | It is not anticipated that there will be any |

| | | | | | | | | | |
|--|------------------------------|--|--|--|---|--|---|-------------------------------|---|
| | Approvals January 2022 | | | | within the Affordable House Programme. | | Director of Housing and Development | Lead Member for Housing | documents other than the report and relevant appendices. |
|--|------------------------------|--|--|--|---|--|---|-------------------------------|---|

Transport and Infrastructure Committee – 12 January 2022

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|-----------------------------|--|------------------|-------------------|--|---|--|----------------------|---|
| 95. | Local Transport Plan Update | Transport and Infrastructure Committee | 12 January 2022 | Decision | To provide an update on the Local Transport Plan refresh following consultation. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 96. | University Access Study | Transport and Infrastructure Committee | 12 January 2022 | Decision | To consider recommendations on the Outline Business Case | Relevant internal and external stakeholders | Paul Raynes Director of Delivery | Mayor Dr Nik Johnson | It is not anticipated that there will be any |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|-------------------------------|--|------------------|-------------------|--|---|--|----------------------|---|
| | | | | | Phase 1 and outline next steps and make recommendations to the Combined Authority Board. | | and Strategy | | documents other than the report and relevant appendices. |
| 97. | A47 Dualling | Transport and Infrastructure Committee | 12 January 2022 | Decision | To summarise outcome of the Highways England Review and outline next steps. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 98. | Fenland Stations Regeneration | Transport and Infrastructure Committee | 12 January 2022 | Decision | To give an update on construction completion of March and Manea stations as part of the Fenland Stations | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|--|-----------------|----------------|------------------|-------------------|-------------------------|--------------|--------------|-------------|--|
| | | | | | Regeneration programme. | | | | relevant appendices. |

Combined Authority Board – 26 January 2022

Governance Items

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|-----|--|--|------------------|-------------------|---|---|---|----------------------|---|
| 99. | Minutes of the meeting on 24 November 2021 | Cambridgeshire and Peterborough Combined Authority Board | 26 January 2022 | Decision | To approve the minutes of the previous meeting. | Relevant internal and external stakeholders | Richenda Greenhill, Democratic Services Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|------|-----------------------|--|------------------|-------------------|---|---|---|----------------------|---|
| 100. | Forward Plan | Cambridgeshire and Peterborough Combined Authority Board | 26 January 2022 | Decision | To approve the latest version of the forward plan. | Relevant internal and external stakeholders | Robert Parkin Chief Legal Officer and Monitoring Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 101. | Budget Monitor Update | Cambridgeshire and Peterborough Combined Authority Board | 26 January 2022 | Decision | To provide an update on the revenue and capital budgets for the year to date. | Relevant internal and external stakeholders | Jon Alsop Section 73 Chief Finance Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |
| 102. | Performance Report | Cambridgeshire and Peterborough Combined Authority Board | 26 January 2022 | Decision | To note the Combined Authority performance | Relevant internal and external stakeholders | Paul Raynes Director of Delivery | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|--|-----------------|----------------|------------------|-------------------|---------------------|--------------|--------------|-------------|--|
| | | | | | reporting Dashboard | | and Strategy | | other than the report and relevant appendices to be published. |

Combined Authority Decisions

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|------|------------------------|--|------------------|-------------------|---|---|-----------------|----------------------|---|
| 103. | CAM Shareholder Report | Cambridgeshire and Peterborough Combined Authority Board | 26 January 2022 | Decision | To consider the CAM Shareholder report. | Relevant internal and external stakeholders | Chief Executive | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |

By recommendation to the Combined Authority Board

Recommendations from the Transport and Infrastructure Committee

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|------|-------------------------|--|------------------|-----------------------|--|---|--|----------------------|---|
| 104. | University Access Study | Transport and Infrastructure Committee | 26 January 2022 | Key Decision 2021/031 | To consider recommendations on the Outline Business Case Phase 1 and outline next steps. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 105. | A47 Dualling | Transport and Infrastructure Committee | 26 January 2022 | Decision | To summarise outcome of the Highways England Review and outline next steps. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |

Housing and Communities Committee – 9 March 2022

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|------|--|-----------------------------------|------------------|-----------------------|---|---|---|---|---|
| 106. | Affordable Housing Programme Scheme Approvals March 2022 | Housing and Communities Committee | 9 March 2022 | Key Decision 2021/039 | To consider and approve allocations to new schemes within the Affordable House Programme. | Relevant internal and external stakeholders | Roger Thompson Director of Housing and Development | Councillor Lewis Herbert Lead Member for Housing | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 107. | Northern Fringe Progress Report | Housing and Communities Committee | 9 March 2022 | Decision | To receive a progress report on the Northern Fringe. | Relevant internal and external stakeholders | Roger Thompson Director of Housing and Development | Councillor Lewis Herbert Lead Member for Housing | It is not anticipated that there will be any documents other than the report and relevant appendices. |

Transport and Infrastructure Committee – 14 March 2022

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|------|---------------------------|--|------------------|-------------------|---|---|--|----------------------|---|
| 108. | Local Transport Plan 2022 | Transport and Infrastructure Committee | 14 March 2022 | Decision | To consider the Local Transport Plan refreshed document and make recommendations to the Combined Authority Board. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |

Combined Authority Board – 30 March 2022

Governance Items

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|------|------------------------------|---------------------------------|------------------|-------------------|---|---|-----------------------------------|----------------------|--|
| 109. | Minutes of the meeting on 26 | Cambridgeshire and Peterborough | 30 March 2022 | Decision | To approve the minutes of the previous meeting. | Relevant internal and external stakeholders | Richenda Greenhill, Democratic | Mayor Dr Nik Johnson | It is not anticipated that there will be any |

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|------|-----------------------|--|------------------|-------------------|---|---|---|----------------------|---|
| | January 2022 | Combined Authority Board | | | | | Services Officer | | documents other than the report and relevant appendices. |
| 110. | Forward Plan | Cambridgeshire and Peterborough Combined Authority Board | 30 March 2022 | Decision | To approve the latest version of the forward plan. | Relevant internal and external stakeholders | Robert Parkin Chief Legal Officer and Monitoring Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |
| 111. | Budget Monitor Update | Cambridgeshire and Peterborough Combined Authority Board | 30 March 2022 | Decision | To provide an update on the revenue and capital budgets for the year to date. | Relevant internal and external stakeholders | Jon Alsop Section 73 Chief Finance Officer | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices to be published. |

By recommendation to the Combined Authority Board

Recommendations from the Transport and Infrastructure Committee

| | Title of report | Decision maker | Date of decision | Decision required | Purpose of report | Consultation | Lead officer | Lead Member | Documents relevant to the decision submitted to the decision maker |
|------|---------------------------|--|------------------|-----------------------|---|---|--|----------------------|---|
| 112. | Local Transport Plan 2022 | Cambridgeshire and Peterborough Combined Authority Board | 30 March 2022 | Key Decision 2021/033 | To approve the Local Transport Plan refreshed document. | Relevant internal and external stakeholders | Paul Raynes Director of Delivery and Strategy | Mayor Dr Nik Johnson | It is not anticipated that there will be any documents other than the report and relevant appendices. |

FP/06/2021

Comments or queries about the Forward Plan to Cambridgeshire and Peterborough Combined Authority

Please send your comments or queries to Robert Parkin, Chief Legal Officer and Monitoring Officer, at Robert.Parkin@cambridgeshirepeterborough-ca.gov.uk . We need to know:

1. Your comment or query:
2. How can we contact you with a response (please include your name, a telephone number and your email address).
3. Who you would like to respond to your query.



Membership of the Combined Authority Committees

To: Combined Authority Board

Meeting Date: 30th June 2021

Public report: Public Report

From: Robert Parkin
Chief Legal Officer and Monitoring Officer

Recommendations: The Combined Authority Board is recommended to:

- (a) Appoint the Members and substitute Members nominated by constituent councils to the Executive Committees, Overview & Scrutiny Committee and Audit & Governance Committee for the municipal year 2021/2022 (Appendix 1); and
- (b) Note the named representative and substitute representative for each organisation as set out in the report.

Voting arrangements: A simple majority of all Members

1. Purpose

- 1.1 To appoint the substitute Members nominated by Peterborough City Council, Cambridge City Council and Cambridgeshire County Council to sit on the Executive Committees, Overview and Scrutiny Committee and Audit and Governance Committee set out in Appendix 1 following amendments made since the last meeting of the Combined Authority Board.
- 1.2 The Board agreed at its last meeting that any late nominations to the Monitoring Officer will take immediate effect. The Members and substitute Members appointed by the Constituent Councils are set out in Appendix 1.

2. Background

- 2.1 In July 2018, the Combined Authority Board agreed a new system of decision making through the establishment of three committees. The terms of reference of the Transport and Infrastructure Committee, the Skills Committee and the Housing and Communities Committee were also agreed. The confirmed Members and substitute Members appointed by the Constituent Councils are set out in Appendix 1.
- 2.2 The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 states that the Combined Authority must appoint such a number of members of each of the constituent councils to an overview and scrutiny committee, 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 when taken together. The confirmed Members and substitute Members appointed by the Constituent Councils are set out in Appendix 1.
- 2.3 In accordance with the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017, the Combined Authority is required to establish an Audit Committee. The confirmed Members and substitute Members appointed by the Constituent Councils are set out in Appendix 1.

3. Financial Implications

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

4. Legal Implications

- 4.1 These are dealt with in the report.

5. Appendices

- 5.1 Appendix 1 – Membership of Executive Committees, Overview and Scrutiny Committee and Audit and Governance Committee.

6. Background Papers

6.1 [CA Board AGM 2nd June 2021 – Decision Summary](#)

Appendix 1

Membership of Executive Committees

Transport Committee (8 seats)

| | | Lead Member Responsibilities/Member | Board Member | Substitute |
|---|--------|--|---------------------|------------------------|
| 1 | Chair | Mayor/Lead Member | | |
| 2 | Member | Member for Cambridge City Council | Cllr Jocelynn Scutt | Cllr Katie Thornburrow |
| 3 | Member | Member for Cambridgeshire County Council | Cllr Neil Shailer | Cllr Richard Howitt |
| 4 | Member | Member for East Cambridgeshire District Council | Cllr Josh Schumann | Cllr David Brown |
| 5 | Member | Member for Fenland District Council | Cllr Chris Seaton | Cllr Chris Boden |
| 6 | Member | Member for Huntingdonshire District Council | Cllr J Neish | Cllr R Fuller |
| 7 | Member | Member for Peterborough City Council | Cllr Peter Hiller | Cllr Graham Casey |
| 8 | Member | Member for South Cambridgeshire District Council | Cllr Neil Gough | Cllr Bridget Smith |

Skills Committee (8 seats)

| | | Lead Member Responsibilities/Member | Board Member | Substitute |
|---|--------|--|----------------------|---------------------|
| 1 | Chair | Mayor/Lead Member | | |
| 2 | Member | Member for Cambridge City Council | Cllr Mike Davey | Cllr Rosy Moore |
| 3 | Member | Member for Cambridgeshire County Council | Cllr Lucy Nethsingha | Cllr Claire Daunton |
| 4 | Member | Member for East Cambridgeshire District Council | Cllr Lis Every, | Cllr Josh Schumann |
| 5 | Member | Member for Fenland District Council | Cllr Chris Seaton | Cllr David Mason |
| 6 | Member | Member for Huntingdonshire District Council | Cllr J Neish | Cllr R Fuller |
| 7 | Member | Member for South Cambridgeshire District Council | Cllr Eileen Wilson | Cllr Neil Gough |
| 8 | Member | Member for Peterborough City Council | Cllr Lynne Ayres | Cllr Ray Bisby |

Housing and Communities Committee (8 seats)

| | | Lead Member Responsibilities/Member | Board Member | Substitute |
|---|--------|--|--------------------------|------------------------|
| 1 | Chair | Mayor/Lead Member | | |
| 2 | Member | Member for Cambridge City Council | Cllr Lewis Herbert | Cllr Richard Robertson |
| 3 | Member | Member for Cambridgeshire County Council | Cllr Alison Whelan | Cllr Brian Milnes |
| 4 | Member | Member for East Cambridgeshire District Council | Cllr David Ambrose Smith | Cllr Anna Bailey |
| 5 | Member | Member for Huntingdon District Council | Cllr R Fuller | Cllr J Neish |
| 6 | Member | Member for Peterborough City Council | Cllr Steve Allen | Cllr John Howard |
| 7 | Member | Member for South Cambridgeshire District Council | Cllr John Batchelor | Cllr Eileen Wilson |
| 8 | Member | Member for Fenland District Council | Cllr Dee Laws | Cllr Chris Boden |

Employment Committee

| | | Council | Board Member | Substitute |
|---|--------|---------------------------------------|-----------------------|---------------------|
| 1 | | Mayor | | |
| 2 | Member | Cambridge City Council | Cllr Lewis Herbert | Cllr Mike Sargeant |
| 3 | Member | Cambridgeshire County Council | Cllr Lucy Nethsingha | Cllr Elisa Meschini |
| 4 | Member | East Cambridgeshire District Council | Cllr Anna Bailey | Cllr Josh Schumann |
| 5 | Member | Huntingdonshire District Council | Cllr D Keane | Cllr R Fuller |
| 6 | Member | Peterborough City Council | Cllr Wayne Fitzgerald | Cllr Steve Allen |
| 7 | Member | South Cambridgeshire District Council | Cllr Bridget Smith | Cllr Neil Gough |
| 8 | Member | Fenland District Council | Cllr Kim French | Cllr Maureen Davis |

Membership of Overview and Scrutiny Committee

| Constituent Council | Member | Substitute |
|----------------------------------|--|---|
| Cambridgeshire County Council | Cllr Mark Goldsack Cllr Edna Murphy | Cllr Steve Count Cllr Piers Coutts |
| Peterborough City Council | Cllr Andy Coles Cllr Shaz Nawaz | Cllr Mohammed Farooq Cllr Muhammed Jamil/Katia Yurgetene |
| Fenland District Council | Cllrs Anne Hay Alex Miscandlon | Cllr Steve Tierney |
| Huntingdonshire District Council | Cllr Steven Corney Cllr Doug Dew | Cllr Eric Butler Cllr Adam Roberts |
| South Cambs DC | Cllr Aidan Van de Weyer Cllr Judith Rippeth | Cllr Peter Fane Cllr Ian Sollom |
| East Cambs DC | Cllr Alan Sharp Cllr Lorna Dupre | Cllr David Ambrose-Smith Cllr Charlotte Cane |
| Cambridge City Council | Cllr Mike Davey Cllr Dave Baigent | TBC TBC |

Membership of Audit and Governance Committee

| Constituent Council | Member | Substitute |
|----------------------------------|--------------------|--------------------------|
| Cambridgeshire County Council | Cllr Graham Wilson | Cllr Michael Atkins |
| Peterborough City Council | Cllr Shaz Nawaz | Cllr Muhammed Jamil |
| Fenland District Council | Cllr Ian Benney | Cllr Sam Hoy |
| Huntingdonshire District Council | Cllr Graham Bull | Cllr Mac McGuire |
| South Cambs DC | Cllr Tony Mason | Cllr Peter Fane |
| East Cambs DC | Cllr David Brown | Cllr David Ambrose-Smith |
| Cambridge City Council | Cllr Mike Sargeant | Cllr Rosy Moore |



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 1.7

Appointment of the Chief Executive

To: Cambridgeshire and Peterborough Combined Authority Board

Meeting Date: 30 June 2021

Public report: Yes.

This report contains an appendix which is exempt from publication under Part 1 of Schedule 12A of the Local Government Act 1972, as amended, in that it would not be in the public interest for this information to be disclosed (information relating to the identify of an individual). The public interest in maintaining the exemption outweighs the public interest in publishing the appendices.

Lead Member: Mayor Dr Nik Johnson

From: Martin Jaynes, Human Resources Manager

Key decision: No

Forward Plan ref: N/A

Recommendations: The Combined Authority Board is recommended to:

- a) Note the progress made regarding the appointment to the position of the Combined Authority Chief Executive; and
- b) To receive and agree the recommendation made by the Members of the Employment Committee at the meeting on 16 June 2021 that the preferred candidate be appointed to the position of Chief Executive/Head of Paid Service for the Combined Authority with effect from a start date to be agreed by the preferred candidate and the Human Resources Manager.

Voting arrangements: A simple majority of all Members of the board present and voting

1. Purpose

- 1.1 The purpose of this report is to update Members on the proposed appointment of a permanent Chief Executive, following consideration of this issue by the Employment Committee of the Combined Authority at its meeting on 16 June 2021 and to consider the recommendation of that committee accordingly.
- 1.2 The post of Chief Executive is a key strategic post that leads the Cambridgeshire and Peterborough Combined Authority and is required to oversee the delivery of the organisational priorities for the Combined Authority. The Chief Executive is the Head of Paid Service and has overall responsibility for the management and coordination of the employees appointed by the Combined Authority.
- 1.3 Appendix 1 is exempt from publication as it contains the identity of the preferred candidate. The exemption is applied in order to enable the preferred candidate time to communicate their departure to the staff within their current organisation. It is expected that the exemption from publication will be disapplied in the public meeting of the Combined Authority Board of 30th of June 2021.

2. Background

- 2.1 Penna plc were appointed as recruitment consultants and were tasked to identify a representative diverse pool of appropriately experienced and talented individuals capable of leading the Combined Authority and to secure their interest in the post.
- 2.2 The following process began week commencing 15 March 21 through executive search and supplemented by advertising on the CPCA website, The Times Online, The Guardian Jobs Online, LinkedIn and Municipal Journal we received 33 applications for the role. Penna conducted an initial sifting of applications and presented these to the longlist panel. The panel included the Mayor, Martin Jaynes (HR CPCA), Rob Parkin (Chief Legal Officer CPCA) and a Technical Assessor, Deborah Cadman (CEO of West Midlands Combined Authority).
- 2.3 From this meeting 7 candidates were longlisted and interviewed to test the technical competence of each candidate to carry out the role of a Combined Authority CEO. These interviews were conducted by Penna and the Technical Assessor and an interview report was written and presented to the shortlist panel.
- 2.4 The shortlisting meeting was attended by Penna, the Technical Assessor, the Mayor, the Chair of the Business Board and CPCA (HR Manager and Chief Legal Officer). The outcome of this being that the 4 candidates presented to the Employment Committee interviewing on the 16 June. The decision on shortlisting was made by the Human Resources Manager in consultation with the Mayor, in accordance with the delegation of the Employment Committee given on 19 January 2021.
- 2.5 Short-listed candidates attended Engagement Panels on 7 and 14 June 2021 which was Chaired by lead consultants Charles Wilson and Julie Towers from Penna and included membership from senior executives from key stakeholders Cambridgeshire and Peterborough Clinical Commissioning Group, Anglia Ruskin University, the CPCA Business Board, and the Police and Crime Commissioner. The Engagement Panels were tasked with providing independent feedback to the Employment Committee on the candidates skills and

knowledge relevant to the role and their views on strengths and weaknesses relevant to their area of expertise.

- 2.4 A confidential interview pack was considered by the members of the Employment Committee on 16 June 2021. At the interviews candidates were asked to provide the Employment Committee with a 10 minute presentation and to answer competency based questions to explore their suitability for the role.
- 2.5 Following the final interviews and having considered candidate application forms, reports detailing outcomes of the technical interviews, and the feedback from the Engagement Panel the Employment Committee agreed unanimously to recommend the appointment of the preferred candidate for the position of chief executive to the Combined Authority Board for approval; and ask the Human Resources Manager to make an offer to the preferred candidate subject to satisfactory references and the confirmation of the appointment by the Combined Authority Board.
- 2.6 The preferred candidate has asked (for reasons relating to their staff-communication within their current organisation) that their name be maintained as confidential until the day of the Combined Authority Board. Accordingly, the Appendix to this report referring to the name is exempt from publication.
- 2.7 The role of Chief Executive is currently appointed to Kim Sawyer, and John Hill on a co-Chief Executive basis, and these arrangements will continue until the start date of the preferred candidate (if confirmed in appointment by this board). That start date is expected to be in autumn 2021.

3. Financial Implications

- 3.1 None at this point.

4. Legal Implications

- 4.1 None at this point.

5. Other Significant Implications

- 5.1 None.

6. Appendices

- 6.1 Appendix 1 (Exempt) - Name of Preferred Candidate.

7. Background Papers

- 7.1 [Employment Committee 16 June 2021](#)
- 7.1 [Employment Committee 27 January 2021](#)



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 1.8

Audit and Governance Committee Annual Report

To: Combined Authority Board

Meeting Date: 30th June 2021

Public report: Public Report

From: John Pye
Audit and Governance Committee Chair

Recommendations: The Combined Authority Board is recommended to:

Note the Annual Report of the Chair of Audit and Governance Committee for 2020/21 (Appendix 1) and provide any feedback to the Committee.

Voting arrangements: Note only item, no vote.

1. Purpose

- 1.1 The Audit & Governance Committee has a wide-ranging remit that underpins the Combined Authority's governance processes by providing independent challenge and assurance of the adequacy of risk management, internal control including internal audit, anti-fraud and the financial reporting framework. These are detailed in its terms of reference.
- 1.2 It is important for the Audit and Governance Committee to review annually the work undertaken by the committee to ensure best practice and effectiveness for the Combined Authority is being achieved. The Annual Report of the Chair of Audit & Governance Committee shows the work carried out by the Committee over the 2020/21 municipal year.

2. Background

- 2.1 It is recommended by relevant professional bodies that audit and governance committees should produce an annual report which details the work of the Committee for the Municipal Year. At its meeting on 6th April 2021 the Audit and Governance Committee approved the Annual Report of the Chair of Audit & Governance Committee for submission to the Combined Authority. The Annual Report forms Appendix 1 to this report.
- 2.2 The Annual Report shows:
 - Background to the Committee, its roles, responsibilities and membership;
 - An overview and coverage of its remit including Internal Audit, Accounts and Financial Management, External Audit, Risk Management, Control Assurance, Corporate Governance, and Fraud and Irregularities;
 - Training provided to ensure that suitable challenge and scrutiny is adopted. Records of complaints, Freedom of Information requests and attendance levels for the committee to consider.

3. Financial Implications

- 3.1 There are no financial implications arising from this report.

4. Legal Implications

- 4.1 There are no legal implications arising from this report. It is good practice for Audit & Governance Committees to submit an annual report to their authority board.

5. Appendices

- 5.1 Appendix 1 – Audit and Governance Annual Report

6. Background Papers

6.1 [A&G Committee Agenda 6th April 2021](#)



ANNUAL REPORT FROM THE CHAIRMAN OF AUDIT & GOVERNANCE COMMITTEE FOR THE COMBINED AUTHORITY OF CAMBRIDGESHIRE AND PETERBOROUGH 2020/2021

**To review and scrutinize the authority's
financial affairs**

**To make reports and recommendations
to the CA on these reviews**

**To review and assess the economy,
efficiency and effectiveness of the
authority's use of resources**

**To review and assess the authority's risk
management, internal control and
corporate governance arrangements**

**To ensure high standards of conduct
amongst Members**

AUDIT AND GOVERNANCE COMMITTEE: ANNUAL REPORT 2020/2021

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| MEMBERSHIP AND MEETINGS | Page 5 |
| KEY ACTIVITIES DURING THE MUNICIPAL YEAR | Page 6-11 |
| MEMBER DEVELOPMENT AND ATTENDANCE | Page 12 |
| GOVERNANCE MONITORING | Page 12 |
| PLANS FOR 2021/2022 | Page 14 |

FOREWORD FROM THE CHAIRMAN OF THE AUDIT & GOVERNANCE COMMITTEE

I am pleased to provide the Audit and Governance Committee's (A&G's) Annual Report for the municipal year 2020/21. The Combined Authority Board is asked to:

- Note the work carried out by the Committee in scrutinizing the governance arrangements across the Combined Authority.
- Provide any feedback to the Committee.

The report describes the A&G Committee's routine programme of work throughout the year, together with the issues referred to the Combined Authority Board. Members have supported and challenged officers to help in the further development of effective and transparent risk management, internal control and governance processes.

Points to bear in mind, as you read the report, are:

- All meetings were virtual, and there were no quoracy concerns.
- Workload increased, with eight meetings held instead of the five planned.
- The Committee benefited from a stable membership.
- New Internal Auditors were appointed.
- The Committee is supported by Officers in an open and responsive manner.
- The Mayor attends the Committee when requested.
- All the Committee's recommendations to the Combined Authority Board were accepted.
- There are no material governance concerns to report.

I would like to thank Committee Members and Officers for their support of the A&G Committee work during the year.

John Pye
Audit and Governance Chair

1. INTRODUCTION

This is the A&G Committee's fourth annual report and is prepared in line with best practice¹.

The A&G Committee was established by the Combined Authority in May 2017. The membership comprises seven elected members representing each of the Combined Authority's constituent councils, together with an Independent Person. The Combined Authority Board agreed at its annual general meeting in May 2017 that the Independent Person should act as the A&G Committee's Chair.

The Committee's purpose is to provide: independent assurance of the adequacy of the risk management framework and the associated control environment; independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the Authority's exposure to risks and weaknesses; and to oversee the financial reporting process.

The key benefits of an Audit and Governance Committee can be seen as:

- Raising awareness of the need for internal control, and the implementation of internal and external audit recommendations;
- Increasing public confidence in the objectivity and fairness of financial and other reporting;
- Reinforcing the importance and independence of internal and external audit and similar review processes; and
- Providing additional assurance through a process of independent and objective review.

The A&G Committee's Terms of Reference are at **Annex A** of this report.

This report sets out the work undertaken by the A&G Committee for 2020/21. The A&G Committee has seen good progress in all areas under its remit, with rigorous of scrutiny of the Corporate Risk Register, Value for Money and the Assurance Framework.

The A&G Committee's specific actions and recommendations during the year included:

- 1) That Climate Change be included on the Corporate Risk Register
- 2) The approval and consideration of an Independent Review into Lancaster Way.
- 3) A review of the Constitution, which was put to Combined Authority Board for approval with supporting suggestions.
- 4) A review of the Assurance Framework, which was put to Combined Authority Board for approval, with the recommendation that Business Board meetings should be open to the public unless the Chair decided otherwise.
- 5) Obtaining updates on the liaison between the Combined Authority and civil servants in London, after the Ministry of Housing Communities and Local Government raised concerns about the governance arrangements.
- 6) Obtaining updates on the working relationship between the Combined Authority and Greater Cambridge Partnership
- 7) Recommending that the Combined Authority Board adopt a defined relationship between the Risk and Change Control documents.
- 8) Obtaining updates on the Adult Education Budget.

¹ Best practice as contained in the Chartered Institute of Public Finance and Accountancy (CIPFA) document "A Toolkit for Local Authority Audit Committees"

2. MEMBERSHIP AND MEETINGS

All meetings were virtual using Zoom.

During 2020/21, the Audit and Governance Committee met on the following dates:

- 26 May 2020
- 31 July 2020
- 24 September 2020 (extra meeting to review the Constitution)
- 2 October 2020
- 27 November 2020 (extra meeting to approve the Accounts)
- 29 January 2021
- 5 March 2021 (extra meeting to consider the Assurance Framework)
- 6 April 2021

The Committee met eight times instead of the planned five. The additional meetings were:

- In September, to review the Constitution prior to it being taken to the Combined Authority Board.
- In November, to align with the revised timescales for the approval of the statement of accounts after the delay due to the Covid 19 Pandemic.
- In March 2021, to review the Assurance Framework prior to it being taken to the Combined Authority Board.

There is a cross representation of parties in accordance with the make-up of the constituent councils across the Combined Authority area. The members for 2020/21 were:

Table 1: Councillor Audit Committee Membership 2020/21 as at 6 April 2020:

| Independent Person | Conservative | Liberal Democrats | Labour |
|--------------------|---|---------------------------------------|-----------------|
| John Pye (Chair) | Cllr Ian Benney Cllr David Brown (Vice Chair) Cllr Mark Goldsack Cllr Graham Bull | Cllr Tony Mason Cllr Nick Sandford | Cllr Mike Davey |

Senior officers from the Combined Authority are also present at the A&G Committee meetings, including the Chief Finance Officer, Chief Legal and Monitoring Officer, Chief Executive Officer and Chief Internal Auditor.

Dependent on the agenda, other officers attend as do the External Auditors, Ernst & Young.

The Mayor for the Combined Authority attended one meeting.

The Committee was well supported by the Combined Authority's senior officers throughout the year.

3. KEY ACTIVITIES DURING THE MUNICIPAL YEAR

3.1 Background

The A&G Committee's terms of reference cover six main areas:

- Annual Accounts
- Corporate Governance
- Internal Audit
- External Audit
- Financial Reporting
- Code of Conduct

The work to fulfil these terms of reference is summarised below.

3.2 Annual Accounts

Remit: Approve the annual statement of accounts.

A & G Committee Actions:

26 May 2020

- *Workshop: Draft Statement of Accounts:* The A&G Committee considered and commented on the draft accounts for the Combined Authority 2019/20

31 July 2020

- *Draft Statement of Accounts:* Some sections of the 26 May version of the draft accounts were incomplete. That was because of the late receipt of the actuarial report containing the information necessary for the proper accounting treatment and accompanying notes of the Combined Authority's pension fund.

2 October 2020

- *Statement of Accounts Update:* Due to the impact of COVID-19 on local authorities, MHCLG made amendments to the required timing of the publication of local authority accounts and of the public inspection requirement. The Committee noted progress towards the preparation and audit of the 2019/20 Statement of Accounts.

27 November 2020

- *Audited Statement of Accounts 2019/20:* Due to the impact of COVID-19 on local authorities, MHCLG amended the publication date for final, audited, accounts from 31 July (for Category 1 authorities) to 30 November 2020 for all local authority bodies. The Committee received and approved the final Statement of Accounts 2019/20.

3.3 Governance

Remits:

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

Review the Annual Governance Statement prior to approval to ensure it properly

reflects the risk environment and supporting assurances;

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

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

Monitor the anti-fraud and whistleblowing policies and the complaint process;

Audit & Governance Committee Actions:

26 May 2020

- *Corporate Risk Register:* The Committee received and commented on the Corporate Risk Register
- *Complaints Procedure:* The Committee noted the revised procedures and recommended them to the CA Board.
- *Trading Companies – Scrutiny Arrangements:* The Committee received the report explaining the dynamic of the Overview & Scrutiny functions in relation to traded companies. Additionally, the Committee needed to be satisfied with the governance and expenditure of the trading companies.
- *Revised Guide for Project Management:* The Committee received and noted the revised guide.

31 July 2020

- *Corporate Risk Register:* The Committee received and commented on the Corporate Risk Register.
- *Annual Governance Statement:* The Committee received and reviewed the Annual Governance Statement.
- *Independent Commission on Climate Change:* The Committee received and commented on the report.

24 September 2020

- *Constitution Review:* The Committee received and commented on the review of the constitution carried out by officers. It recommended the adoption of the Constitution to the CA Board, and provided some suggestions for further improvements.

2 October 2020

- *Corporate Risk Register:* The Committee received and commented on the Corporate Risk Register

27 November 2020

- *Corporate Risk Register:* The Committee received and commented on the Corporate Risk Register

- *Relationship Risk and Change Document:* The Committee received the report on the Relationship between Risk and Change Control document. The Combined Authority Board was recommended to adopt the proposed Relationship between Risk and Change Control.
- *Lancaster Way:* The Committee received an update on the independent value for money review of the Lancaster Way project, as jointly commissioned by the Combined Authority (CPCA) and Cambridgeshire County Council (CCC).

29 January 2021

- *Corporate Risk Register:* The Committee received and commented on the Corporate Risk Register

5 March 2021

- *Assurance Framework:* The Committee reviewed the revised draft of the Assurance Framework. The Combined Authority Board was recommended to adopt the revised Framework subject to some amendments. The Committee particularly recommended an amendment to make meetings of the Business Board open to the public unless determined otherwise by the Chair.
- *Constitution Update:* The Committee received the report which requested that the Audit and Governance Committee, as the custodians of the Combined Authority Constitution, consider and comment on a recommendation from the Housing and Communities Committee.
- *Information Governance Update:* The Committee received the report on an Information Governance review, including findings and recommendations for implementation.
- *Standing Enquiries:* The Committee received the report on how it scrutinises assurance, and agreed how it should introduce specific arrangements to monitor the incidence of whistleblowing, fraud and complaints.

3.4 Internal Audit

Remits

Provide assurances over the effectiveness of internal audit functions and assuring the internal control environments of key partners;

Review internal audit requirements undertaken by the Combined Authority;

Approve the internal audit plan;

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

Audit & Governance Committee Actions:

26 May 2020

- *Internal Audit Update:* The Committee received a progress report from the Internal Auditor

31 July 2020

- *Internal Audit 2020/21:* The Committee were informed of the expressions of interest in assuming the Internal Audit function, following the end of the Service Level agreement with Peterborough City Council. The Internal Audit Plan 2020/21 would be presented at the 2 October 2020 meeting of the Committee

2 October 2020

- *Internal Audit – Progress Report:* 1. A final update on Internal Audit for 2019/20 was provided, and the new Internal Auditors, RSM, presented the initial draft audit plan for 2020/21

27 November 2020

- *Internal Audit – Progress Report:* The Committee received the report which provided details of the progress made in delivering the approved Audit Plan for 2020/21

29 January 2021

- *Internal Audit Update Report:* The Committee received the report which provided an update to the work that RSM have conducted against the internal audit plan for 2020/21. The paper also provided the conclusions and recommendations of RSM's review of Risk Management: management had accepted all the recommendations of the partial assurance.

3.5 External Audit

Remits

Review the annual accounts;

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;

Audit & Governance Committee Actions:

26 May 2020

- *External Audit Update:* The external auditors presented an update and reiterated the change in deadlines for the publication of accounts.

31 July 2020

- *External Audit Update:* The Committee received the report which advised that, owing to complexities related to the Cambridgeshire Pension Fund, the audit would not be complete until the end of September and would be presented to the 2 October meeting of the Committee.

2 October 2020

- *CPCA Statement of Accounts and External Audit 2019/20*: The Committee received the report that provided an update on the Ernst and Young (EY) audit, with an expectation that procedures would be completed by 9 October.

27 November 2020

- *External Audit Report and Opinion*: The Committee received and noted the unqualified opinion.

29 January 2021

- *External Audit – Annual Audit Letter*: The Committee noted the report and annual audit letter 2019/20

5 March 2021

- *External Audit – Outline Audit Plan*: The Committee received and noted the report which provided the Committee with EY's outline audit plan for the 2020/21 financial statements.

3.6 Financial Reporting

Remits

Consider whether accounting policies were appropriately followed and any need to report concerns to the Combined Authority Board;

Consider any issues arising from External Auditor's audit of the account;

Ensure there is effective scrutiny of the treasury management strategy and policies in accordance with CIPFA's Code of Practice;

Maintain an overview of the Council's Constitution in respect of contract procedure rules, financial regulations and standards of conduct and make recommendations to the Chief Finance Officer and Monitoring Officer where necessary;

Audit & Governance Committee Actions:-

26 May 2020

- *Treasury Management Strategy Summary*: The Committee received and noted the strategy.

2 October 2020

- *Treasury Management Strategy Review*: The Committee received and noted a report reviewing the current performance against the prudential indicators included within the Treasury Management Strategy.

27 November 2021

- *Adult Education Budget*: The Committee received and noted the report that provided an update for the Committee on the Adult Education Budget arrangements

29 January 2021

- *Treasury Management Strategy Update*: The Committee received and noted the report which outlined the Treasury Management and Capital Strategies for 2021-22 and the in-

year performance against the adopted 2020-21 prudential and treasury indicators.

3.7 Code of Conduct

Remits

Ensure the Combined Authority has effective policies and processes in place to ensure high standards of conduct by its Members and Co-opted Members;

Assisting the Members and Co-opted Members to observe the Code of Conduct;

Advising the Combined Authority on the adoption or revision of the Code of Conduct and monitor its operation;

Advising on training and overseeing the effectiveness of any training for Members and Co-opted Members on matters relating to the Code of Conduct;

24 September 2020

- *Constitution Review*: Part of the constitution review introduced a new Code of Conduct, which the committee reviewed and recommended for adoption to the CA Board.

4. MEMBER DEVELOPMENT AND ATTENDANCE

There was a programme of Members' development sessions through the year involving:

- A Constitution review workshop
- A Value for Money Workshop – National Audit Office
- Combined Authority Board Updates

Attendance

| Date of Meeting | Number of members attended | Substitutes sent | Meeting Quorate |
|-------------------|----------------------------|------------------|-----------------|
| 26 May 2020 | 8 | 0 | Yes |
| 31 July 2020 | 6 | 1 | Yes |
| 24 September 2020 | 8 | 0 | Yes |
| 2 October 2020 | 8 | 0 | Yes |
| 27 November 2020 | 8 | 0 | Yes |
| 29 January 2021 | 7 | 0 | Yes |
| 5 March 2021 | 8 | 0 | Yes |

Whilst quoracy has been a challenge in previous years, this municipal year of virtual meetings has been quorate.

Nevertheless, the Committee, in conjunction with the Overview and Scrutiny Committee for the Combined Authority, requested that the Mayor for the Combined Authority write to the MHCLG to raise our concern about the high quorum requirement for Combined Authority Committees. The response received from the Minister said that these concerns would be taken into consideration as the Government developed their English Devolution and Local Recovery White Paper.

5. GOVERNANCE MONITORING

FREEDOM OF INFORMATION REQUESTS

The Combined Authority for Cambridgeshire and Peterborough is a public body for the purpose of the Freedom of Information Act 2000. (Schedule 1 Part 2 S19B); and as such must respond to requests for information held by the authority.

There have been 32 requests from 1st March 2020 and 1st March 2021, 4 of these requests were Environmental Information Regulation (EIR) requests. All responses are published on the Cambridgeshire and Peterborough Combined Authority website.

A member of the public has the right to ask for an internal review if they are dissatisfied with the handling of a Freedom of Information request. Over the last year the Combined Authority received one request for internal reviews.

The table below shows how many Freedom of Information request were received this year and whether or not they were responded to within the statutory deadline of 20 working days.

Freedom of Information Requests Received March 2020 – March 2021

| Number of FOI & EIR received between 1 st March 2020 – 1 st March 2021 | Responded within deadline | Late responses | Internal review undertaken | Outcome of internal review |
|--|---------------------------|----------------|----------------------------|----------------------------|
| | | | | |

| | | | | |
|----|----|---|---|---|
| 32 | 27 | 8 | 1 | No finding of the CPCA failing to comply with the EIR or of information being wrongly withheld. |
|----|----|---|---|---|

COMPLAINTS

The Combined Authority has a two stage process for complaints from members of the public, businesses or organisations which is published on the website.

- Stage One follows an informal complaints process, where the relevant officer will do their best to settle the issue directly with the complainant .
- Stage Two follows a more formal process which allows for a complainant to make a formal complaint in writing to the Monitoring Officer, which will then be thoroughly investigated.

The Combined Authority has received and responded to 5 complaints.

WHISTLEBLOWING

Whistleblowing is where an individual who has concerns about a danger, risk, and contravention of rules or illegality provides useful information to address this. In doing so they are acting in the wider public interest, usually because it threatens others or impacts on public funds.

The concerns can include something they believe goes against the core values of Standards in Public Life (the Nolan Principles) and the Code of Conduct for Cambridgeshire and Peterborough Combined Authority Members and staff. The Standards in Public Life principles are integrity, honesty, objectivity, accountability, openness, leadership and impartiality.

The procedure to be followed was approved by the A&G Committee and is published on the Combined Authority website.

At the time this report is published, a complaint is being assessed to examine whether it is a whistleblowing matter, in which case it will be processed in accordance with the policy.

6. FUTURE DEVELOPMENTS AND PLANS FOR 2021/22

Overall, the Audit and Governance Committee want to continue to develop and build on our current achievements. For 2021/22 this will include reviews into:

- Governance of Trading Companies
- Governance of the Business Board
- Corporate Risk Register
- Role of the committee in the governance of projects.

John Pye

Chair

Audit and Governance Committee



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 2.1

Outturn Budget Monitoring Report 2020-21

| | |
|----------------------|---|
| To: | Cambridgeshire and Peterborough Combined Authority Board |
| Meeting Date: | 30 June 2021 |
| Lead Member: | Mayor Dr Nik Johnson |
| From: | Jon Alsop, Section 73 Officer |
| Key decision: | Yes |
| Forward Plan ref: | KD2021/021 |
| Recommendations: | <p>The Combined Authority Board is recommended to:</p> <ul style="list-style-type: none">a) Note the outturn position of the 2020-21 financial year;b) Approve the carry forward of unspent revenue budgets as set out in paragraph 2.1;c) Approve the slippage in the capital programme as set out in paragraph 3.1;d) Note the revised 2021-22 budget and capital programme; ande) Note the 2021-22 budget amendments set out in paragraph 4.3. |
| Voting arrangements: | A simple majority of all Members present and voting. |

1. Purpose

- 1.1. This report presents the outturn expenditure against the 2020-21 budget and capital programme as at the end of the financial year (31st March 2021) and asks the Board to approve the carry forward of revenue underspends where specific needs are identified along with slippage on the capital programme.
- 1.2. It also shows the 2021-22 revenue budget and capital programme including the impact of decisions made at the March Combined Authority Board.

1. 2020-21 Outturn Position

- 1.1. At its March meeting the Combined Authority Board received the draft outturn report based on the actual spend to the end of January and forecasts as of the end of February. The Combined Authority's draft statutory accounts were published in June and this report presents the outturn position in line with those accounts, after actual and accrued expenditure has been accounted for, and requests approval of revenue carry forwards and capital slippage.
- 1.2. As the March Board approved forecast carry forwards and slippages, this report will focus on explaining changes from the forecast position.
- 1.3. The materiality thresholds for reporting as agreed by the Board are: £100k in Mayoral and Corporate Services revenue budgets, £250k in 'Housing', 'Business and Skills', and 'Delivery and Strategy' revenue budgets, and £500k on all capital projects.

2. Revenue Outturn Position

- 2.1. A summary of the financial position of the Authority, showing 'Revenue' income and expenditure for the year to 31st March 2021, is set out in the table below. A more detailed breakdown of income and expenditure for the year to date is shown at **Appendix 1**.

| | March Budget £'000 | Adjustments £'000 | Revised Budget £'000 | Actuals £'000 | Variance £'000 | Requested Carry Forward £'000 | Requested STA Carry Forward £'000 |
|--|--------------------------|----------------------|----------------------------|------------------|-------------------|--|--|
| 2020-21 Revenue | | | | | | | |
| Grant Income | -38,793 | -468 | -39,261 | 39,342 | -82 | -8 | - |
| Mayor's Office | 467 | - | 467 | 422 | -45 | 5 | - |
| CA Gross Staffing Costs | 5,202 | - | 5,202 | 5,604 | -45 | - | - |
| Other Employee Costs | 418 | - | 418 | 313 | -105 | - | - |
| Externally Commissioned Support Services | 359 | - | 359 | 317 | -42 | 5 | - |
| Corporate Overheads | 628 | - | 628 | 594 | -35 | 5 | - |
| Governance Costs | 164 | - | 164 | 109 | -55 | - | - |
| Other Corporate Budgets | -686 | - | -686 | -540 | 146 | - | - |
| Recharges to Ringfence Funded Projects | -1,940 | - | -1,940 | -2,430 | -490 | - | - |
| Corporate Services Expenditure | 4,146 | - | 4,146 | 3,967 | -179 | 10 | - |

| | | | | | | | |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|
| Business and Skills | 23,512 | -1,818 | 21,694 | 16,123 | -5,571 | 3,596 | - |
| Delivery and Strategy | 26,439 | -251 | 26,188 | 23,253 | -2,935 | 2,742 | 145 |
| Housing | 780 | - | 780 | 690 | -90 | 114 | 2,800* |
| Workstream Expenditure | 50,731 | -2,069 | 48,662 | 40,066 | -8,596 | 6,453 | 2,945 |
| Total Expenditure | 55,343 | -2,069 | 53,274 | 44,455 | -8,820 | 6,468 | 2,945 |

* incl. 'sta'

- 2.2. The outturn position shows a 'positive' variance of £8.9m against the budget for the year after adjustments made for Board decisions and additional funding awards: the largest of these adjustments reflects the decision to retain Accountable Body responsibilities for the Energy Hub resulting in a reduction in 2020-21 spend in Business and Skills.
- 2.3. This is an increase of £2.2m from the forecast underspend presented in March, due to the following changes:
- £185k increase in spend on the Change Management Reserve due to a pension liability provision.
 - -£108k more core staff costs were recharged to specific grant funds than anticipated.
 - -£470k further underspend across the AEB funded budget lines.
 - -£502k of contributions to the running costs of the Growth Company which were anticipated in 2020-21 will now not be charged until 2021-22 due to the delayed go-live date of the service.
 - The balance is made up of individually immaterial changes against the forecast which can be seen in **Appendix 1**.
- 2.4. Overall Corporate Services is showing a variance against budget of 4%. This is the result of small savings on a number of budget lines offsetting a £226k underachievement on Treasury Management investment income due to very low interest rates being available when lending over the past year.
- 2.5. There are three areas of material underspend in Business and Skills' revenue budgets: AEB provision, the Health and Care Sector Work Academy (HCSWA) and the contribution to the Growth Company. The AEB and HCSWA account for £4.7m of underspend in 2020-21.
- For the HCSWA, the pandemic has affected the cost incurred in the delivery of the project and also the number of learners engaged. As such the HSCWA have only able to drawdown minimum costs to pay for salaries as learners numbers have been low; a change request has been submitted to the Department for Work and Pensions to consider a revised business case extending the programme timeline in light of the pandemic's impact.
 - Similarly, the number of enrolments for AEB courses has been depressed relative to a normal year, however these have been bouncing back and are now only down 7% as of May. Adding to this, several additional awards were made within the year for specific elements of AEB provision (High Value Courses and Sector-Based Work Academies) and eligible spend on these areas is still ramping up.
- 2.6. There are three areas of material underspend in Delivery and Strategy, totalling £2.7m: The A141 Huntingdon SOBC and CAM innovation company, both of which the Board received reports on in March, and the bus review implementation, which the Board is receiving an update regarding at this meeting.

3. Capital Outturn Position

- 3.1. A summary of the 20-21 capital programme and capital grant income for the period to 31st March 2021 is shown below. Detail of the capital programme can be seen across **Appendices 2 and 3**. As appendix 3 shows the forward-looking capital programme it has been amended to show the proposed slippage rather than the 2020-21 budgets. N.B. STA stands for Subject to Approval and YTD is year to date.

| Capital Programme Summary | 20-21 Budget | Outturn Actuals | Variance | | Requested Slippage | Requested STA Slippage |
|---------------------------|----------------|-----------------|----------------|---------------|--------------------|------------------------|
| | £'000 | £'000 | £'000 | % | £'000 | £'000 |
| Corporate Services | - | - | - | - | - | 150 |
| Business and Skills | 82,320 | 58,354 | -23,966 | -29.1% | 20,892 | - |
| Delivery and Strategy | 77,090 | 64,675 | -12,415 | -16.1% | 11,088 | 11,944 |
| Housing | 49,115 | 29,951 | -19,164 | -39.0% | - | - |
| Totals | 208,525 | 152,979 | -55,546 | -26.6% | 31,980 | 12,094 |

| Capital Funding Summary | 20-21 Budget | Outturn Actuals | Variance | | % Received to date |
|------------------------------------|-----------------|-----------------|---------------|---------------|--------------------|
| | £'000 | £'000 | £'000 | % | |
| £100m Housing Fund | -45,000 | - | 45,000 | -100.0% | 0.0% |
| £70m Cambridge City Housing Fund | -15,000 | - | 15,000 | -100.0% | 0.0% |
| Active Transport Grant | -2,084 | -1,508 | 576 | -27.6% | 100.0% |
| Pothole and Challenge Funding | -12,554 | -15,629 | -3,075 | 24.5% | 124.5% |
| Capital Gainshare | -12,000 | -12,000 | - | 0.0% | 100.0% |
| Highways Maintenance Capital Grant | -22,554 | -22,554 | - | 0.0% | 100.0% |
| Local Growth Funding | -35,738 | -35,738 | - | 0.0% | 100.0% |
| Getting Building Fund | -7,300 | -7,300 | - | 0.0% | 100.0% |
| Transforming Cities Funding | -22,000 | -22,000 | - | 0.0% | 100.0% |
| Green Home Grants | -79,350 | -79,350 | - | 0.0% | 100.0% |
| Totals | -253,579 | -196,079 | 57,501 | -22.7% | |

- 3.2. As the statutory accounts are prepared on an accruals basis, meaning that transactions are shown in the year in which the actual goods or services are delivered rather than the one in which payments are made, there are a number of significant changes from the figures reported in March, which were based on cash transactions.
- 3.3. The main two examples of this are capital projects, being delivered by our Constituent Authorities, where the funding has been paid up-front and the subscription for shares which have yet to be paid up. as the payment was made from the CPCA's bank account it was shown as spend in the March report, but only the amount spent by the constituent authority is shown in 2021-22 budgetary control report (BCR). The budget lines affected are:

- South Fens Business Park as well as both Cambridge and Peterborough City Centre LGF projects were all prepaid LGF projects. Across these projects a total of £2.37m was left unspent by the respective Councils as at 31st March 2021 thus an underspend and slippage are reported.
- Share purchases, which had been agreed via signed shareholders agreements but not yet paid up, are shown as fully spent across the University of Peterborough, The Growth Service Company and One CAM.

- 3.4. The largest change to the figures reported to the March Board are those from the capital Housing programmes. In response to communications from the Secretary of State for MHCLG indicating that support for the current affordable housing programmes would cease, and alternative funding arrangement then be agreed, the Housing Programme is being reviewed and the Board are receiving a separate paper at this meeting with further details.

In light of the changing circumstances around this funding stream it would not be meaningful to include the historic spend projections in the report, so no forecasts of spend are shown here. The updated budgets will be included in future reports once they are approved by the Board.

- 3.5. The Business and Skills programme has been updated following the decisions by the Board to fund Market Town initiatives. This has eliminated the STA carry forward as the programme revised the funding profile into 2021-22 and allocated it between the towns.
- 3.6. Business and Skills' capital programme slippage has increased by £2.0m on top of the pre-payments discussed in paragraph 3.3 to a total of £21.8m. £2.6m of slippage is due to a 3-month slippage in the timeline for the Green Homes Grants, this is a national issue and MHCLG have been approached to discuss approving an extension to the programme nationally to reflect this. This is offset by a reduction of £1m for the West Cambs Innovation park which delivered ahead of schedule and thus drew down the last of it's LGF grant before the end of March.
- 3.7. There have been no material changes to slippage in the Delivery and Strategy directorate since the draft carry forwards were approved but the combination of immaterial changes across the whole portfolio has resulted in an overall decrease in slippage of £2.1m.
- 3.8. As reported in March there are substantial 'Subject to Approval' (STA) budgets that were included in the 2020-21 budget which have yet to bring a business case to Board to draw down the funds, but which are still required by the projects and thus are requesting the slippage be approved. In order to provide greater visibility of the 'whole life' budget of projects, Finance reports, and all project reports with financial implications, will include the STA budgets so Members can clearly see if progress reports do not match to the overall funding provision.
- 3.9. Outside of Housing there have only been minor changes to the expected capital funding for the Authority in 2020-21:
- The original budget for the emergency active travel grant was based on an indicative allocation, the actual allocation from DfT was £576k lower than the indicative allocation.

- DfT paid £3.1m of Local Highways Capital grants for 2021-22 in March 2021, this is purely a timing issue and this amount will be included in the amounts awarded to the Local Highways Authorities for 2021-22.

4. 2021-22 Budget

- 4.1. Below are the opening positions for the 2021-22 revenue and capital budgets showing the effect of the carry forwards and slippage, a line-by-line breakdown of these budgets are attached as **Appendices 4** and **3** respectively:

| | 21-22 MTFP Budget £'000 | Adjustments £'000 | Proposed Carry Forwards £'000 | Revised Budget £'000 |
|--|----------------------------------|----------------------|--|----------------------------|
| 2021-22 Revenue Budget | | | | |
| Grant Income | -38,192 | -1,025 | -8 | -39,225 |
| | | | | |
| Mayor's Office | 483 | - | 5 | 488 |
| CA Gross Staffing Costs | 5,451 | 421 | - | 5,872 |
| Other Employee Costs | 327 | - | - | 327 |
| Externally Commissioned Support Services | 307 | - | 5 | 312 |
| Corporate Overheads | 775 | - | 5 | 780 |
| Governance Costs | 1,184 | - | - | 1,184 |
| Other Corporate Budgets | 10 | - | - | 10 |
| Recharges to Ringfence Funded Projects | -2,087 | -421 | - | -2,508 |
| Corporate Services Expenditure | 5,968 | - | 10 | 5,978 |
| | | | | |
| Business and Skills | 15,755 | 4,268 | 3,596 | 23,619 |
| Delivery and Strategy | 13,190 | 751 | 2,742 | 16,683 |
| Housing | - | 100 | 114 | 214 |
| Workstream Expenditure | 28,945 | 5,119 | 6,453 | 40,516 |
| Total Expenditure | 35,395 | 5,119 | 6,468 | 46,981 |

| Capital Programme Summary | Original 21-22 budget £'000 | 20-21 Total Slippage £'000 | Opening 21-22 Budget £'000 |
|------------------------------|-----------------------------------|----------------------------------|----------------------------------|
| Corporate Services | 44 | - | 44.0 |
| Business and Skills | 94,395 | 20,892 | 115,288 |
| Delivery and Strategy | 56,970 | 11,088 | 68,057 |
| Housing | * | * | * |
| Totals | 151,365 | 31,980 | 183,345 |

* as mentioned in paragraph 3.4 the Housing capital programme figures have been omitted pending confirmation of the revised programme.

- 4.2. The two, equal and opposite, adjustments in Corporate Services are the staffing costs relating to the Passenger Transport service coming in-house. These costs are then shown as recharged to Delivery and Strategy as they are funded entirely by the Passenger

Transport Levy.

- 4.3. Since the March Board meeting there have been two budgetary changes to be brought to the Board's attention that are not addressed in more detail elsewhere in the agenda:
- £40k was received because the Combined Authority is the lead authority for two areas identified as priority areas as part of the Community Renewal Fund (Fenland and Peterborough). This funding is for bid co-ordination and appraisal which is being undertaken within the Business and Skills directorate so will offset these staffing costs.
 - The Digital Connectivity Infrastructure business plan was approved via ODN288-2021, resulting in the 2021-22 budget for this programme moving from STA to Approved.

Significant Implications

5. Financial Implications

- 5.1. None beyond those identified in the report.

6. Legal Implications

- 6.1. None

7. Other Significant Implications

- 7.1. None

8. Appendices

- 8.1. Appendix 1 – Detailed Breakdown of the 2020-21 Outturn Position as at 31st March 2021
- 8.2. Appendix 2 – Outturn Capital Expenditure as at 31st March 2021
- 8.3. Appendix 3 – 2021-25 Capital Programme and Slippage
- 8.4. Appendix 4 – Detailed Breakdown of the 2021-22 Revenue Budget

Appendix 1 – Detailed Breakdown of the 2020-21 Outturn Position as at 31st March 2021

| | Budget | | | Actuals | | |
|--|------------------------|---------------|--------------------------|------------------|-------------------|---------------------------|
| | Mar Budget £'000 | Adj £'000 | 20-21 Budget £'000 | Outturn £'000 | Variance £'000 | Requested c/f £'000 |
| Grant Income | | | | | | |
| Revenue Gainshare | -8,000.0 | | -8,000.0 | -8,000.0 | - | - |
| Mayoral Capacity Fund | -1,000.0 | | -1,000.0 | -1,000.0 | - | - |
| Skills Advisory Panel Grant | -75.0 | | -75.0 | -75.0 | - | - |
| Enterprise Zone receipts | -605.3 | | -605.3 | -558.7 | 46.56 | - |
| Careers Enterprise Company Funding | -124.9 | | -124.9 | -130.5 | -5.6 | - |
| Adult Education Budget | -12,084.1 | | -12,084.1 | -12,084.1 | - | - |
| Growth Hub Grants | -672.1 | | -672.1 | -681.9 | -9.8 | - |
| LEP Core Funding | -500.0 | | -500.0 | -500.0 | - | - |
| Transport Levy | -12,347.6 | | -12,347.6 | -12,347.6 | - | - |
| COVID-19 bus services support grant | -439.5 | | -439.5 | -636.8 | -197.4 | - |
| Better Deal 4 Buses grant | -383.9 | | -383.9 | -383.9 | - | - |
| Additional Home to School Transport Grants | -1,055.5 | -68.3 | -1,123.8 | -1,123.8 | - | - |
| Active Travel Fund Revenue | -858.8 | | -858.8 | -858.8 | - | - |
| Apprenticeship Levy Fund Pooling | -86.2 | | -86.2 | -55.0 | 31.17 | - |
| Green Homes Grant Rev | | -250.0 | -250.0 | -250.0 | - | - |
| Peer to Peer Network Funding | -210.0 | | -210.0 | -164.1 | 45.94 | - |
| Transport Delivery Management | | -150.0 | -150.0 | -150.0 | - | - |
| Visitor Economy and R&R Grant income | -349.9 | | -349.9 | -342.3 | 7.55 | -7.6 |
| Total Grant Income | -38,792.6 | -468.3 | -39,260.9 | -39,342.4 | -81.6 | -7.6 |
| Mayor's Office | | | | | | |
| Mayor's Allowance | 85.0 | | 85.0 | 84.5 | -0.5 | - |
| Mayor's Conference Attendance | 10.0 | | 10.0 | - | -10.0 | 5.0 |
| Mayor's Office Expenses | 40.0 | | 40.0 | 27.0 | -13.0 | - |
| Mayor's Office Accommodation | 77.4 | | 77.4 | 71.9 | -5.5 | - |
| Mayor's Office Staff | 254.4 | | 254.4 | 238.4 | -16.0 | - |
| Total Mayor's Office | 466.8 | - | 466.8 | 421.9 | -44.9 | 5.0 |

| | Budget | | | Actuals | | |
|---|------------------------|--------------|--------------------------|------------------|-------------------|---------------------------|
| | Mar Budget £'000 | Adj £'000 | 20-21 Budget £'000 | Outturn £'000 | Variance £'000 | Requested c/f £'000 |
| Corporate Overheads | | | | | | |
| Accommodation Costs | 340.0 | | 340.0 | 259.2 | -80.8 | - |
| Software Licences, Mobile Phones cost | 20.0 | | 20.0 | 14.5 | -5 | - |
| Communications | 40.0 | | 40.0 | 33.6 | -6 | - |
| Website Development | 38.4 | | 38.4 | 20.3 | -18.1 | 5.0 |
| Recruitment Costs | 40.0 | | 40.0 | 52.1 | 12.1 | - |
| Insurance | 30.0 | | 30.0 | 32.2 | 2.2 | - |
| Audit Costs | 85.0 | | 85.0 | 132.5 | 47.5 | - |
| Office running costs | 25.0 | | 25.0 | 17.5 | -7.5 | - |
| Corporate Subscriptions | 10.0 | | 10.0 | 31.8 | 21.8 | - |
| Total Corporate Overheads | 628.4 | - | 628.4 | 593.8 | -34.6 | 5.0 |
| Governance Costs | | | | | | |
| Committee/Business Board Allowances | 144.0 | | 144.0 | 92.9 | -51.1 | - |
| Miscellaneous | 20.0 | | 20.0 | 15.8 | -4.2 | - |
| Total Governance Costs | 164.0 | - | 164.0 | 108.7 | -55.3 | - |
| Other Corporate Budgets | | | | | | |
| COVID Pressures | 120.0 | | 120.0 | 182.1 | 62.1 | - |
| Capacity Funding | 125.0 | | 125.0 | 33.6 | -91.4 | - |
| Contribution to the A14 Upgrade | 89.0 | | 89.0 | 38.3 | -50.8 | - |
| Interest Receivable on Investments | -1,020.0 | | -1,020.0 | -794.1 | 225.9 | - |
| Total Other Corporate Budgets | -686.0 | - | -686.0 | -540.1 | 145.8 | - |
| Recharges to Ringfence Funded Projects | | | | | | |
| Directly Grant Funded Staff | -1,691.2 | | -1,691.2 | -2,124.9 | -433.7 | - |
| Directly Grant Funded Overheads | -248.9 | | -248.9 | -305.0 | -56.0 | - |
| Total Recharges to Ringfence Funded Projects | -1,940.1 | - | -1,940.1 | -2,429.8 | -489.7 | - |
| Total Corporate Services Expenditure | 4,145.7 | - | 4,145.7 | 3,967.1 | -178.6 | 10.0 |

| | Budget | | | Actuals | | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| | Mar Budget | Adj | 20-21 Budget | Outturn | Variance | Requested c/f |
| Business and Skills | | | | | | |
| AEB Devolution Programme | 11,646.3 | | 11,646.3 | 10,538.2 | -1,108.1 | - |
| AEB Innovation Fund - Revenue | 336.7 | | 336.7 | 3.4 | -333.3 | - |
| AEB Programme Costs | 433.9 | | 433.9 | 353.9 | -80.0 | - |
| AEB National Retraining Scheme | 65.1 | | 65.1 | 25.6 | -39.5 | 39.5 |
| AEB High Value Courses | 148.5 | | 148.5 | - | -148.5 | - |
| AEB Sector Based Work Academies | 146.8 | | 146.8 | - | -146.8 | - |
| Apprenticeship Levy Fund Pooling | 76.2 | -23.5 | 52.7 | 52.7 | 0.0 | - |
| Marketing and Promotion of Services | 95.0 | -40.0 | 55.0 | 47.2 | -7.8 | 7.8 |
| Careers and Enterprise Company (CEC) | 86.2 | | 86.2 | 122.0 | 35.9 | - |
| Energy Hub | 822.6 | | 822.6 | 575.0 | -247.7 | - |
| EU Exit Funding | 267.6 | -12.0 | 255.5 | 267.6 | 12.0 | - |
| Growth Hub | 517.0 | -96.2 | 420.8 | 519.6 | 98.8 | - |
| Rural Community Energy Fund (RCEF) | 2,765.7 | -2,252.5 | 513.1 | 512.4 | -0.7 | - |
| Green Homes Grant Sourcing Activity | - | 184.6 | 184.6 | 104.2 | -80.5 | 80.5 |
| Green Homes Grant Sourcing Strategy | - | 250.0 | 250.0 | 180.7 | -69.3 | 69.3 |
| Growth Co Services | - | 501.7 | 501.7 | - | -501.7 | 501.7 |
| HAT Work Readiness Programme | 52.8 | | 52.8 | 54.8 | 2.0 | - |
| Health and Care Sector Work Academy | 3,235.6 | | 3,235.6 | 436.6 | -2,798.9 | 2,799.0 |
| Integrated Insight & Evaluation Programme | 189.0 | | 189.0 | 181.5 | -7.5 | 7.5 |
| LEP Capacity Funding | 188.0 | | 188.0 | 188.0 | -0.0 | - |
| LIS Implementation | 176.3 | -50.0 | 126.3 | 126.3 | -0.0 | - |
| Local Growth Fund Costs | 400.0 | | 400.0 | 558.8 | 158.8 | -158.8 |
| Market Town Implementation of Strategies | 222.9 | | 222.9 | 201.8 | -21.1 | 20.9 |
| Peer Networks Programme | 210.0 | | 210.0 | 163.4 | -46.6 | - |
| Skills Advisory Panel (SAP) (DfE) | 114.0 | | 114.0 | 76.7 | -37.3 | 37.3 |
| Skills Brokerage | 107.0 | | 107.0 | 119.4 | 12.4 | - |
| Skills Strategy Implementation | 120.5 | -50.0 | 70.5 | 55.4 | -15.2 | 15.2 |
| St Neots Masterplan | 254.1 | | 254.1 | 117.7 | -136.4 | 136.4 |
| Trade and Investment Programme | 100.0 | | 100.0 | 67.5 | -32.5 | 32.5 |
| EZ Funded Growth Company Contribution | 230.0 | -230.0 | - | - | - | - |
| University of Peterborough | 4.2 | | 4.2 | 4.2 | -0.0 | - |
| University of Peterborough - Legal Costs | 150.0 | | 150.0 | 126.3 | -23.7 | - |
| Visitor Economy and R&R Grants | 349.9 | | 349.9 | 342.3 | -7.6 | 7.6 |
| Total Business and Skills | 23,512.0 | -1,817.9 | 21,694.1 | 16,123.2 | -5,570.9 | 3,596.3 |

| | Budget | | | Actuals | | |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|
| | Mar | | 20-21 | | | Requested |
| Delivery and Strategy | Budget | Adj | Budget | Outturn | Variance | c/f |
| A10 Dualling SOBC | 297.1 | | 297.1 | 189.0 | -108.1 | |
| A141 Huntingdon SOBC | 350.0 | -251.1 | 98.9 | 98.9 | -0.0 | 0.0 |
| Active Travel Fund Revenue | 858.8 | | 858.8 | 858.8 | -0.0 | 0.0 |
| Additional Home to School Transport Grants | 1,055.5 | | 1,055.5 | 1,055.9 | 0.5 | - |
| Bus Review Implementation | 1,844.0 | | 1,844.0 | 101.6 | -1,742.4 | 1,742.4 |
| Bus Service Subsidisation | 245.0 | | 245.0 | 58.0 | -187.0 | 187.0 |
| CAM Metro OBC | 1,356.4 | | 1,356.4 | 1,302.7 | -53.7 | - |
| CAM Innovation Company | 6,915.2 | | 6,915.2 | 6,258.7 | -656.5 | 656.5 |
| Climate Change | 125.0 | | 125.0 | 65.3 | -59.7 | 59.7 |
| COVID Bus Service Support Grant | 439.5 | | 439.5 | 447.7 | 8.2 | - |
| Land Commission | 40.0 | | 40.0 | - | -40.0 | 40.0 |
| Monitoring and Evaluation Framework | 168.7 | | 168.7 | 164.8 | -3.9 | |
| Non-Statutory Spatial Framework (Phase 2) | 71.4 | | 71.4 | 14.6 | -56.7 | 201.6* |
| Public Service Reform | 75.0 | | 75.0 | 38.8 | -36.2 | - |
| Schemes and Studies | 100.0 | | 100.0 | 102.8 | 2.8 | - |
| Sustainable Travel | 150.0 | | 150.0 | 147.3 | -2.7 | - |
| Transport Levy | 12,347.6 | | 12,347.6 | 12,347.6 | - | - |
| Total Delivery and Strategy | 26,439.2 | -251.1 | 26,188.1 | 23,252.7 | -2,935.4 | 2,887.3 |
| | | | | | | |
| Housing | | | | | | |
| CLT and £100k Homes | 83.4 | | 83.4 | 109.9 | 26.5 | - |
| Garden Villages | 696.2 | | 696.2 | 580.0 | -116.3 | 2,914.0* |
| Total Housing | 779.6 | - | 779.6 | 689.9 | -89.7 | 2,914.0 |
| | | | | | | |
| Total Workstream Expenditure | 50,730.8 | -2,069.0 | 48,661.7 | 40,065.7 | -8,596.0 | 9,397.6 |
| | | | | | | |
| Total Revenue Expenditure | 55,343.3 | -2,069.0 | 53,274.3 | 44,454.7 | -8,819.6 | 9,397.6 |

* - these two budget lines include subject to approval budget in their requested carry forward hence the requested carry forward exceeds the revised budget column, which only includes the approved budget.

Appendix 2 – Outturn Capital Expenditure as at 31st March 2021

| Business and Skills | 20-21 approved budget £'000 | 20-21 Outturn £'000 | 20-21 Variance £'000 | Requested Slippage £'000 | Requested STA Slippage £'000 |
|--|--|------------------------------------|-------------------------------------|---|---|
| AEB Innovation Fund | 324 | - | -324 | 324 | - |
| Aerotron Relocation | 847 | 847 | - | - | - |
| Ascendal New Technology Accelerator (Equity) | 965 | 965 | - | - | - |
| Cambridge Biomedical MO Building | 3,000 | 1,298 | -1,702 | 1,702 | - |
| Cambridge City Centre | 710 | 19 | -691 | 691 | - |
| CRC Construction and Digital Refurbishment | 2,500 | 1,589 | -911 | 911 | - |
| COVID and Capital Growth Grant Scheme | 5,994 | 5,768 | -226 | 7 | - |
| COVID micro-grants scheme | 500 | 490 | -10 | - | - |
| Eastern Agritech Initiative | 1,696 | 1,551 | -145 | 100 | - |
| Endurance Estates | 2,400 | - | -2,400 | - | - |
| Green Home Grant Capital Programme | 2,638 | 10 | -2,628 | 2,628 | - |
| Hauxton House Redevelopment | 216 | 216 | - | - | - |
| Haverhill Epicentre | 1,163 | 1,163 | - | - | - |
| Illumina Accelerator | 1,000 | 600 | -400 | - | - |
| March Adult Education | 400 | 86 | -314 | 314 | - |
| Market Town Master Plan Implementation | - | - | - | - | - |
| Metalcraft (Advanced Manufacturing) | 3,160 | 181 | -2,979 | 2,979 | - |
| NIAB - Agri-Tech Start Up Incubator | 2,442 | 2,442 | - | - | - |
| NIAB - Hasse Fen | 600 | 600 | - | - | - |
| Peterborough City Centre | 800 | 119 | -681 | 681 | - |
| Photocentric | 1,875 | 1,875 | - | - | - |
| Smart Manufacturing Association | 715 | 715 | - | - | - |
| South Fen Business Park | 997 | - | -997 | 997 | - |
| St Neots Masterplan Capital (B&S) | - | - | - | - | - |
| Start Codon (Equity) | 3,342 | 1,117 | -2,226 | 2,226 | - |
| The Growth Service Company | 5,407 | 5,407 | - | - | - |
| TTP Incubator | 2,300 | 2,267 | -33 | 33 | - |
| TWI - Innovation Ecosystem | 1,230 | 1,230 | - | - | - |
| University of Peterborough - Business Case/Phase 1 | 12,300 | 12,300 | - | - | - |
| University of Peterborough - LGF investment | 12,500 | 12,500 | - | - | - |
| University of Peterborough Phase 2 | 7,300 | - | -7,300 | 7,300 | - |
| West Cambs Innovation Park | 3,000 | 3,000 | - | - | - |
| Total Business and Skills | 82,320 | 58,354 | -23,966 | 20,892 | - |

| | 20-21 approved budget £'000 | 20-21 Outturn £'000 | 20-21 Variance £'000 | Requested Slippage £'000 | Requested STA Slippage £'000 |
|--|--------------------------------|------------------------|-------------------------|-----------------------------|---------------------------------|
| <u>Delivery and Strategy</u> | | | | | |
| A10 Dualling | 500 | - | -500 | 500 | - |
| A1260 Nene Parkway Junction 15 | 654 | 446 | -208 | 208 | - |
| A1260 Nene Parkway Junction 32/3 | 517 | 278 | -239 | 239 | 4,030 |
| A141 capacity enhancements | 978 | 143 | -835 | - | - |
| A16 Norwood Dualling | 61 | 65 | 4 | -4 | - |
| A47 Dualling | 40 | 53 | 13 | - | - |
| A505 Corridor | 422 | 279 | -143 | 143 | - |
| A605 Oundle Rd Widening - Alwalton-Lynch Wood | 793 | 781 | -12 | - | - |
| A605 Stanground - Whittlesea | 1,110 | 1,113 | 3 | -3 | - |
| Active Travel Grant payments to Highways Authorities | 2,084 | 1,508 | -576 | - | - |
| CAM Innovation Company Set up | 1,995 | 1,995 | - | - | - |
| Cambridge South Station | 385 | 1,134 | 749 | - | - |
| Coldhams Lane roundabout improvements | 409 | 175 | -234 | 234 | 700 |
| Digital Connectivity Infrastructure Programme | 1,940 | 669 | -1,271 | 1,271 | - |
| Ely Area Capacity Enhancements | 2,163 | 1,747 | -416 | 326 | - |
| Fengate Access Study, Eastern Industries Access - Ph 1 | 614 | 287 | -327 | 327 | 730 |
| Fengate Access Study, Eastern Industries Access - Ph 2 | 147 | 146 | -1 | 1 | - |
| Local Highways Maintenance & Pothole Fund | 22,554 | 22,554 | - | - | - |
| King's Dyke | 8,620 | 10,118 | 1,498 | -1,498 | 2,100 |
| Lancaster Way | 2,633 | 1,557 | -1,077 | 500 | 1,168 |
| March Junction Improvements | 2,637 | 583 | -2,054 | 2,054 | 1,298 |
| Pothole and Challenge Funds | 12,554 | 12,554 | - | - | - |
| Regeneration of Fenland Railway Stations | 1,708 | 297 | -1,410 | 1,410 | - |
| Soham Station | 5,737 | 4,493 | -1,244 | 1,244 | - |
| Wisbech Access Strategy | 5,494 | 1,363 | -4,132 | 4,132 | 930 |
| Wisbech Rail | 341 | 336 | -6 | 6 | 988 |
| Total Delivery and Strategy | 77,090 | 64,675 | -12,415 | 11,088 | 11,944 |

| | 20-21 approved budget £'000 | 20-21 Outturn £'000 | 20-21 Variance £'000 | Requested Slippage £'000 | Requested STA Slippage £'000 |
|--------------------------------------|--------------------------------|------------------------|-------------------------|-----------------------------|---------------------------------|
| <u>Housing</u> | | | | | |
| Cambridge City Housing Programme | 20,564 | 13,979 | -6,584 | - | - |
| Affordable Housing Grant Programme | 23,346 | 8,823 | -14,523 | - | - |
| Housing Investment Fund - contracted | 5,205 | 7,148 | 1,943 | - | - |
| Total Housing | 49,115 | 29,951 | -19,164 | - | - |

| | 20-21 approved budget £'000 | 20-21 Outturn £'000 | 20-21 Variance £'000 | Requested Slippage £'000 | Requested STA Slippage £'000 |
|----------------------------------|--------------------------------|------------------------|-------------------------|-----------------------------|---------------------------------|
| <u>Corporate Services</u> | | | | | |
| Investment in Finance System | - | - | - | - | 150 |
| Total Corporate Services | - | - | - | - | 150 |

| | | | | | |
|--------------------------------|----------------|----------------|----------------|---------------|---------------|
| Total Capital Programme | 208,525 | 152,979 | -55,546 | 31,980 | 12,094 |
|--------------------------------|----------------|----------------|----------------|---------------|---------------|

Appendix 3 – 2021-25 Capital Programme and Slippage

| | Approved to Spend Budgets | | | | | Total approved to spend £'000 | Subject to Approval budget | | | | | Total project £'000 |
|--|---------------------------|------------------|------------------|------------------|------------------|-------------------------------------|----------------------------|------------------|------------------|------------------|------------------|---------------------------|
| | Slippage £'000 | 2021-22 £'000 | 2022-23 £'000 | 2023-24 £'000 | 2024-25 £'000 | | Slippage £'000 | 2021-22 £'000 | 2022-23 £'000 | 2023-24 £'000 | 2024-25 £'000 | |
| Business and Skills | | | | | | | | | | | | |
| AEB Innovation Fund | 324 | - | - | - | - | 324 | - | - | - | - | - | 324 |
| Cambridge Biomedical MO Building | 1,702 | - | - | - | - | 1,702 | - | - | - | - | - | 1,702 |
| Cambridge City Centre | 691 | - | - | - | - | 691 | - | - | - | - | - | 691 |
| CRC Construction and Digital Refurbishment | 911 | - | - | - | - | 911 | - | - | - | - | - | 911 |
| COVID and Capital Growth Grant Scheme | 7 | - | - | - | - | 7 | - | - | - | - | - | 7 |
| Eastern Agritech Initiative | 100 | - | - | - | - | 100 | - | - | - | - | - | 100 |
| Green Home Grant Capital Programme | 2,628 | 75,713 | - | - | - | 78,340 | - | - | - | - | - | 78,340 |
| Illumina Accelerator | - | 1,000 | 1,000 | - | - | 2,000 | - | - | - | - | - | 2,000 |
| March Adult Education | 314 | - | - | - | - | 314 | - | - | - | - | - | 314 |
| Market Towns: Chatteris | - | 228 | - | - | - | 228 | - | 772 | - | - | - | 1,000 |
| Market Towns: Ely | - | 656 | - | - | - | 656 | - | 344 | - | - | - | 1,000 |
| Market Towns: Huntingdon | - | 578 | - | - | - | 578 | - | 422 | - | - | - | 1,000 |
| Market Towns: Littleport | - | - | - | - | - | - | - | 1,000 | - | - | - | 1,000 |
| Market Towns: March | - | 1,000 | - | - | - | 1,000 | - | - | - | - | - | 1,000 |
| Market Towns: Ramsey | - | 1,000 | - | - | - | 1,000 | - | - | - | - | - | 1,000 |
| Market Towns: Soham | - | 600 | - | - | - | 600 | - | 400 | - | - | - | 1,000 |
| Market Towns: St Ives | - | 620 | - | - | - | 620 | - | 380 | - | - | - | 1,000 |
| Market Towns: St Neots | - | 1,000 | - | - | - | 1,000 | - | 3,100 | - | - | - | 4,100 |
| Market Towns: Whittlesey | - | 1,000 | - | - | - | 1,000 | - | - | - | - | - | 1,000 |
| Market Towns: Wisbech | - | 701 | - | - | - | 701 | - | 299 | - | - | - | 1,000 |
| Metalcraft (Advanced Manufacturing) | 2,979 | - | - | - | - | 2,979 | - | - | - | - | - | 2,979 |
| Peterborough City Centre | 681 | - | - | - | - | 681 | - | - | - | - | - | 681 |
| South Fen Business Park | 997 | - | - | - | - | 997 | - | - | - | - | - | 997 |
| Start Codon (Equity) | 2,226 | - | - | - | - | 2,226 | - | - | - | - | - | 2,226 |
| The Growth Service Company | - | 3,000 | 3,000 | 3,000 | - | 9,000 | - | - | - | - | - | 9,000 |
| TTP Incubator | 33 | - | - | - | - | 33 | - | - | - | - | - | 33 |
| University of Peterborough Phase 2 | 7,300 | 7,300 | - | - | - | 14,600 | - | - | - | - | - | 14,600 |
| Total Business and Skills | 20,892 | 94,395 | 4,000 | 3,000 | - | 122,288 | - | 6,717 | - | - | - | 129,005 |

| Delivery and Strategy | Approved to Spend Budgets | | | | | Total approved to spend £'000 | Subject to Approval budget | | | | | Total project £'000 |
|--|---------------------------|------------------|------------------|------------------|------------------|-------------------------------------|----------------------------|------------------|------------------|------------------|------------------|---------------------------|
| | 2020-21 £'000 | 2021-22 £'000 | 2022-23 £'000 | 2023-24 £'000 | 2024-25 £'000 | | 2020-21 £'000 | 2021-22 £'000 | 2022-23 £'000 | 2023-24 £'000 | 2024-25 £'000 | |
| A10 Dualling | 500 | 1,500 | - | - | - | 2,000 | - | - | - | - | - | 2,000 |
| A1260 Nene Parkway Junction 15 | 654 | - | - | - | - | 654 | - | 5,000 | - | - | - | 5,654 |
| A1260 Nene Parkway Junction 32/3 | 517 | - | - | - | - | 517 | 4,030 | 1,000 | 1,500 | - | - | 7,047 |
| A141 capacity enhancements | 978 | - | - | - | - | 978 | - | - | 650 | 1,300 | 2,300 | 5,228 |
| A16 Norwood Dualling | 61 | 630 | - | - | - | 691 | - | 420 | 12,000 | - | - | 13,111 |
| A47 Dualling | 40 | - | - | - | - | 40 | - | - | - | - | - | 40 |
| A505 Corridor | 422 | - | - | - | - | 422 | - | - | - | - | - | 422 |
| A605 Oundle Rd Widening - Alwalton-Lynch Wood | 793 | - | - | - | - | 793 | - | - | - | - | - | 793 |
| A605 Stanground - Whittlesea | 1,110 | 220 | - | - | - | 1,330 | - | - | - | - | - | 1,330 |
| Active Travel Grant payments to Highways Authorities | 2,084 | - | - | - | - | 2,084 | - | - | - | - | - | 2,084 |
| CAM Delivery to OBC | - | 3,500 | - | - | - | 3,500 | - | 1,500 | 6,500 | 6,500 | - | 18,000 |
| CAM Innovation Company Set up | 1,995 | 2,000 | - | - | - | 3,995 | - | - | - | - | - | 3,995 |
| Cambridge South Station | 385 | - | - | - | - | 385 | - | - | - | - | - | 385 |
| Coldhams Lane roundabout improvements | 409 | - | - | - | - | 409 | 700 | 1,500 | - | - | - | 2,609 |
| Digital Connectivity Infrastructure Programme | 1,940 | 1,868 | - | - | - | 3,808 | - | - | 1,500 | 1,500 | 1,500 | 8,308 |
| Ely Area Capacity Enhancements | 2,163 | - | - | - | - | 2,163 | - | - | - | - | - | 2,163 |
| Fengate Access Study - Eastern Industries Access - Phase | 614 | - | - | - | - | 614 | 730 | 600 | 4,200 | - | - | 6,144 |
| Fengate Access Study - Eastern Industries Access - Phase | 147 | 160 | - | - | - | 307 | - | 660 | 1,280 | - | - | 2,247 |
| Local Highways Maintenance & Pothole (with PCC and CC) | 22,554 | 23,080 | 23,080 | 23,080 | 23,080 | 114,874 | - | - | - | - | - | 114,874 |
| King's Dyke | 8,620 | 9,087 | - | - | - | 17,707 | 2,100 | - | - | - | - | 19,807 |
| Lancaster Way | 2,633 | - | - | - | - | 2,633 | 1,168 | - | - | - | - | 3,802 |
| March Junction Improvements | 2,637 | 60 | - | - | - | 2,697 | 1,298 | 1,440 | - | - | - | 5,435 |
| Pothole and Challenge Funds | 12,554 | - | - | - | - | 12,554 | - | - | - | - | - | 12,554 |
| Regeneration of Fenland Railway Stations | 1,708 | 1,200 | - | - | - | 2,908 | - | 674 | - | - | - | 3,582 |
| Soham Station | 5,737 | 8,000 | 4,000 | - | - | 17,737 | - | - | - | - | - | 17,737 |
| Snailwell Loop | - | - | - | - | - | - | - | 500 | - | - | - | 500 |
| St Ives (SOBC, OBC & FBC) | - | - | - | - | - | - | - | 500 | 1,000 | 1,400 | 1,500 | 4,400 |
| Transport Modelling | - | 750 | - | - | - | 750 | - | - | - | - | - | 750 |
| Wisbech Access Strategy | 5,494 | - | - | - | - | 5,494 | 930 | 3,000 | - | - | - | 9,424 |
| Wisbech Rail | 341 | 300 | - | - | - | 641 | 988 | 1,700 | 3,000 | 5,000 | - | 11,329 |
| Total Delivery and Strategy | 77,090 | 52,354 | 27,080 | 23,080 | 23,080 | 202,684 | 11,944 | 18,494 | 31,630 | 15,700 | 5,300 | 280,452 |

| | Approved to Spend Budgets | | | | | Total approved to spend £'000 | Subject to Approval budget | | | | | Total project £'000 |
|--------------------------------------|---------------------------|------------------|------------------|------------------|------------------|-------------------------------------|----------------------------|------------------|------------------|------------------|------------------|---------------------------|
| | 2020-21 £'000 | 2021-22 £'000 | 2022-23 £'000 | 2023-24 £'000 | 2024-25 £'000 | | 2020-21 £'000 | 2021-22 £'000 | 2022-23 £'000 | 2023-24 £'000 | 2024-25 £'000 | |
| Housing | | | | | | | | | | | | |
| Cambridge City Housing Programme | 20,564 | 3,240 | 4,096 | - | | 27,900 | - | - | - | - | - | 27,900 |
| Affordable Housing Grant Programme | 23,346 | 12,000 | 22,000 | 3,055 | | 60,401 | - | - | - | - | - | 60,401 |
| Housing Investment Fund - contracted | 5,205 | 5,728 | 593 | - | 344 | 11,870 | - | 17,786 | 25,421 | - | - | 55,077 |
| Total Housing | 49,115 | 20,968 | 26,689 | 3,055 | 344 | 100,171 | - | 17,786 | 25,421 | - | - | 143,378 |
| | | | | | | | | | | | | |
| | Approved to Spend Budgets | | | | | Total approved to spend £'000 | Subject to Approval budget | | | | | Total project £'000 |
| | 2020-21 £'000 | 2021-22 £'000 | 2022-23 £'000 | 2023-24 £'000 | 2024-25 £'000 | | 2020-21 £'000 | 2021-22 £'000 | 2022-23 £'000 | 2023-24 £'000 | 2024-25 £'000 | |
| Corporate Services | | | | | | | | | | | | |
| Investment in Finance System | - | - | - | - | - | - | 150 | - | - | - | - | 150 |
| ICT Capital costs | - | 44 | 38 | 38 | 38 | 158 | - | - | - | - | - | 158 |
| Total Corporate Services | - | 44 | 38 | 38 | 38 | 158 | 150 | - | - | - | - | 308 |
| | | | | | | | | | | | | |
| Total Capital Programme | 208,525 | 167,458 | 57,807 | 29,173 | 23,462 | 486,425 | 12,094 | 42,997 | 57,051 | 15,700 | 5,300 | 619,567 |

Appendix 4 - Detailed Breakdown of the 2021-22 Revenue Budget

| | MTFP Budget £'000 | Adjustments £'000 | Proposed Carry Forwards £'000 | Revised 21-22 Budget £'000 |
|--------------------------------------|-------------------------|----------------------|--|-------------------------------------|
| Grant Income | | | | |
| Revenue Gainshare | -8,000.0 | - | - | -8,000.0 |
| Mayoral Capacity Fund | -1,000.0 | - | - | -1,000.0 |
| Skills Advisory Panel Grant | -75.0 | - | - | -75.0 |
| Enterprise Zone receipts | -1,208.8 | - | - | -1,208.8 |
| Careers Enterprise Company Funding | -125.0 | - | - | -125.0 |
| Adult Education Budget | -12,097.6 | - | - | -12,097.6 |
| Growth Hub Grants | -246.0 | - | - | -246.0 |
| LEP Core Funding | -500.0 | - | - | -500.0 |
| Transport Levy | -13,039.7 | - | - | -13,039.7 |
| ERDF - Growth Service Grant | -1,300.0 | - | - | -1,300.0 |
| ESF Growth Service Grant | -600.0 | - | - | -600.0 |
| GSE Energy Hub Core funding | - | -1,025.0 | - | -1,025.0 |
| Visitor Economy and R&R Grant income | - | - | -7.6 | -7.6 |
| Total Grant Income | -38,192.0 | -1,025.0 | -7.6 | -39,224.6 |
| Mayor's Office | | | | |
| Mayor's Allowance | 95.6 | - | - | 95.6 |
| Mayor's Conference Attendance | 10.0 | - | 5.0 | 15.0 |
| Mayor's Office Expenses | 40.0 | - | - | 40.0 |
| Mayor's Office Accommodation | 77.4 | - | - | 77.4 |
| Mayor's Office Staff | 259.5 | - | - | 259.5 |
| Total Mayor's Office | 482.5 | - | 5.0 | 487.5 |

| | MTFP Budget £'000 | Adjustments £'000 | Proposed Carry Forwards £'000 | Revised 21-22 Budget £'000 |
|---|-------------------------|----------------------|--|-------------------------------------|
| Corporate Services | | | | |
| Combined Authority Gross Staffing Costs | | | | |
| Business and Skills | 1,323.3 | - | - | 1,323.3 |
| Chief Executive | 309.3 | - | - | 309.3 |
| Corporate Services | 2,031.2 | - | - | 2,031.2 |
| Delivery and Strategy | 1,218.1 | 421.0 | - | 1,639.1 |
| Housing | 569.2 | - | - | 569.2 |
| Total CA Gross Staffing Costs | 5,451.1 | 421.0 | - | 5,872.1 |
| Other Employee Costs | | | | |
| Travel | 80.00 | - | - | 80.0 |
| Training | 90.00 | - | - | 90.0 |
| Change Management Reserve | 157.00 | - | - | 157.0 |
| Total Other Employee Costs | 327.0 | - | - | 327.0 |
| Externally Commissioned Support Services | | | | |
| External Legal Counsel | 65.00 | - | - | 65.0 |
| Finance Service | 74.00 | - | - | 74.0 |
| Democratic Services | 95.00 | - | - | 95.0 |
| Payroll | 4.00 | - | - | 4.0 |
| HR | 13.00 | - | 5.0 | 18.0 |
| Procurement | 8.00 | - | - | 8.0 |
| ICT external support | 48.00 | - | - | 48.0 |
| Total Externally Commissioned Support Services | 307.0 | - | 5.0 | 312.0 |

| | MTFP Budget £'000 | Adjustments £'000 | Proposed Carry Forwards £'000 | Revised 21-22 Budget £'000 |
|---|-------------------------|----------------------|--|-------------------------------------|
| Corporate Overheads | | | | |
| Accommodation Costs | 300.0 | - | - | 300.0 |
| Software Licences, Mobile Phones cost | 101.6 | - | - | 101.6 |
| Communications | 42.1 | - | - | 42.1 |
| Website Development | 10.0 | - | 5.0 | 15.0 |
| Recruitment Costs | 88.0 | - | - | 88.0 |
| Insurance | 35.0 | - | - | 35.0 |
| Audit Costs | 132.0 | - | - | 132.0 |
| Office running costs | 31.2 | - | - | 31.2 |
| Corporate Subscriptions | 35.5 | - | - | 35.5 |
| Total Corporate Overheads | 775.4 | - | 5.0 | 780.4 |
| Governance Costs | | | | |
| Committee/Business Board Allowances | 144.0 | - | - | 144.0 |
| Election Costs | 1,040.0 | - | - | 1,040.0 |
| Total Governance Costs | 1,184.0 | - | - | 1,184.0 |
| Other Corporate Budgets | | | | |
| Corporate Response Fund | 145.0 | - | - | 145.0 |
| Contribution to the A14 Upgrade | 96.0 | - | - | 96.0 |
| Interest Receivable on Investments | -231.0 | - | - | -231.0 |
| Total Other Corporate Budgets | 10.00 | - | - | 10.00 |
| Recharges to Ringfence Funded Projects | | | | |
| Internally Recharged Grant Funded Staff | -1,378.0 | -421.0 | - | -1,799.0 |
| Externally Recharged Staff | -709.0 | - | - | -709.0 |
| Total Recharges to Ringfence Funded Projects | -2,087.0 | -421.0 | - | -2,508.0 |
| Total Corporate Services Expenditure | 5,967.5 | - | 10.0 | 5,977.5 |

| <u>Business and Skills</u> | MTFP Budget £'000 | Adjustments £'000 | Proposed Carry Forwards £'000 | Revised 21-22 Budget £'000 |
|---|----------------------------------|------------------------------|--|---|
| - | | | | |
| AEB Devolution Programme | 10,449.0 | 918.6 | - | 11,367.6 |
| AEB High Value Courses | 88.0 | 148.6 | - | 236.6 |
| AEB Innovation Fund - Revenue | 500.0 | - | - | 500.0 |
| AEB Level 3 Courses | - | 808.8 | - | 808.8 |
| AEB National Retraining Scheme | - | - | 39.5 | 39.5 |
| AEB Programme Costs | 367.0 | 75.1 | - | 442.1 |
| AEB Sector Based Work Academies | 86.0 | 147.2 | - | 233.2 |
| Careers and Enterprise Company (CEC) | 50.0 | - | - | 50.0 |
| Economic Rapid Response Fund | 150.0 | - | - | 150.0 |
| Enterprise Zone Investment | 50.0 | - | - | 50.0 |
| Growth Co Services | 2,630.0 | | 501.7 | 3,131.7 |
| GSE Energy Hub | - | 620.0 | - | 620.0 |
| GSE Green Homes Grant Sourcing Activity | - | 814.4 | 80.5 | 894.9 |
| GSE Green Homes Grant Sourcing Strategy | - | - | 69.3 | 69.3 |
| GSE Rural Community Energy Fund (RCEF) | - | 735.0 | - | 735.0 |
| Health and Care Sector Work Academy | 232.0 | - | 2,799.0 | 3,031.0 |
| Insight and Evaluation Programme | 75.0 | - | 7.5 | 82.5 |
| Local Growth Fund Costs | 530.0 | - | -158.8 | 371.2 |
| Market Town and Cities Strategy | 100.0 | - | 20.9 | 120.9 |
| Marketing and Promotion of Services | 90.0 | - | 7.8 | 97.8 |
| Shared Prosperity Fund Evidence Base & Pilot Fund | 100.0 | - | - | 100.0 |
| Skills Advisory Panel (SAP) (DfE) | 75.0 | - | 37.3 | 112.3 |
| Skills Rapid Response Fund | 100.0 | - | 15.2 | 115.2 |
| St Neots Masterplan | 83.0 | - | 136.4 | 219.4 |
| Trade and Investment Programme | - | - | 32.5 | 32.5 |
| Visitor Economy and R&R Grants | - | - | 7.6 | 7.6 |
| Total Business and Skills | 15,755.0 | 4,267.7 | 3,596.4 | 23,619.1 |

| Delivery and Strategy | MTFP Budget | Adjustments | Proposed Carry forward | Revised 21-22 Budget |
|---|--------------------|--------------------|-------------------------------|-----------------------------|
| A141 Huntingdon SOBC | - | 114.0 | - | 114.0 |
| Bus Review Implementation | - | - | 1,742.4 | 1,742.4 |
| Bus Service Subsidisation | - | - | 187.0 | 187.0 |
| CAM Innovation Company | - | - | 656.5 | 656.5 |
| Climate Change | - | - | 59.7 | 59.7 |
| COVID Bus Service Support Grant | - | - | - | - |
| Land Commission | - | - | 40.0 | 40.0 |
| Local Transport Plan | - | 200.0 | - | 200.0 |
| Monitoring and Evaluation Framework | 150.0 | - | - | 150.0 |
| Non-Statutory Spatial Framework (Phase 2) | - | - | 56.7 | 56.7 |
| Transport CPCA Bus Operation | 13,039.7 | -13,039.7 | - | - |
| Public Transport: Team and Overheads | - | 465.0 | - | 465.0 |
| Public Transport: Supported Bus Services | - | 3,003.0 | - | 3,003.0 |
| Public Transport: TRTPI, Infrastructure & Information | - | 209.0 | - | 209.0 |
| Public Transport: Concessionary fares | - | 9,129.0 | - | 9,129.0 |
| Public Transport: Quality Partnership | - | 41.0 | - | 41.0 |
| Public Transport: Contact Centre | - | 234.0 | - | 234.0 |
| Public Transport: S106 supported bus costs | - | 259.0 | - | 259.0 |
| St Ives (SOBC) | - | 137.0 | - | 137.0 |
| Total Delivery and Strategy | 13,189.7 | 751.3 | 2,742.3 | 16,683.3 |

| | | | | |
|----------------------|----------|--------------|--------------|--------------|
| Housing | | | | |
| CLT and £100k Homes | - | 100.0 | - | 100.0 |
| Garden Villages | - | - | 114.0 | 114.0 |
| Total Housing | - | 100.0 | 114.0 | 214.0 |

| | | | | |
|-------------------------------------|-----------------|----------------|----------------|-----------------|
| Total Workstream Expenditure | 28,944.7 | 5,119.0 | 6,452.7 | 40,516.4 |
|-------------------------------------|-----------------|----------------|----------------|-----------------|

| | | | | |
|----------------------------------|-----------------|----------------|----------------|-----------------|
| Total Revenue Expenditure | 35,394.7 | 5,119.0 | 6,467.7 | 46,981.4 |
|----------------------------------|-----------------|----------------|----------------|-----------------|

Local Highways Maintenance Capital Grant Allocation 2021/22

To: Cambridgeshire and Peterborough Combined Authority Board

Meeting Date: 30 June 2021

Public report: Public Report

Lead Member: Mayor Dr Nik Johnson

From: Jon Alsop, Chief Finance Officer

Key decision: Yes

Forward Plan ref: KD2021/018

Recommendations: The Combined Authority Board is consulted regarding,

- a) The Mayor's intention to allocate grants totalling £27,695,000 to Cambridgeshire County Council (CCC) and Peterborough City Council (PCC) in line with the Department for Transport formula for determining each council's share; and
- b) Subject to a), the Mayor is recommended to allocate the grants as set out below,

| | Total |
|-------------------------------|-------------|
| Cambridgeshire County Council | £21,955,000 |
| Peterborough City Council | £5,740,000 |
| Total | £27,695,000 |

Voting arrangements: No vote is required, allocation of Highways Grant funding is a Mayoral decision

1. Purpose

- 1.1 The Combined Authority has been notified by the Department of Transport of the capital funding allocations towards local transport for the 2021/22 financial year. The Mayor must consult the Combined Authority before making a Mayoral decision to allocate this funding to Cambridgeshire County Council and Peterborough City Council in line with the Department for Transport formula.
- 1.2 This funding includes the Integrated Transport Block, the Highways Maintenance Block Needs Element, Highway Maintenance Block Incentive Element, and the Pothole Fund.

2. Background

- 2.1 The Department for Transport issues the Highways Maintenance grants on an annual basis to the Combined Authority.
- 2.2 In accordance with the Cambridgeshire and Peterborough Combined Authority Order 2017, the Mayor is responsible for the payment of grants to Cambridgeshire County Council and Peterborough City Council to meet expenditure incurred by them as highways authorities. Before making that decision, he is required to consult the Combined Authority Board.

3. Grant Funding Allocation

- 3.1 The allocations of this funding, divided by grant stream, to the constituent councils, Cambridgeshire County Council (CCC) and Peterborough City Council (PCC) is set out below in line with the Department for Transport formula.

| £'000 | Pothole funding | Highway Maintenance Block needs | Highways Maintenance Block incentive | Integrated Transport Block | Total |
|-------------------------------|------------------------|--|---|-----------------------------------|--------------|
| Total allocation | £10,250 | £10,250 | £2,562 | £4,633 | £27,695 |
| Cambridgeshire County Council | £8,329 | £8,329 | £2,082 | £3,215 | £21,955 |
| Peterborough City Council | £1,921 | £1,921 | £480 | £1,418 | £5,740 |

- 3.2 The Combined Authority has discussed and agreed with officers of both Cambridgeshire County Council and Peterborough City Council the basis for the allocation of the funding.
- 3.3 The Incentive Fund scheme is to reward councils who demonstrate they are delivering value for money in carrying out cost effective improvements.

- 3.4 The Department for Transport provided a 30% of the Pothole fund, approximately £3,075,000, in advance enabling the Highway Authorities flexibility in planning pothole repairs.
- 3.5 The Chief Executive(s) and Chief Internal Auditor of the Combined Authority are required to sign and return a declaration to DfT by 30 September 2022 to provide an opinion that the conditions attached to the funding have been complied with.
- 3.6 A condition of the funding allocation to the Highways Authorities is for each of them to provide the necessary assurances in writing to the Combined Authority to enable the Chief Executive(s) and the Chief Internal Auditor to sign and return the declaration by the due date.

4. Financial Implications

- 4.1 There no additional financial implications beyond those set out above. All grant expenditure proposed is fully covered by the income received from the Department for Transport.

5. Legal Implications

- 5.1 The proposal is in line with appropriate Regulations including governance requirements in The Cambridgeshire and Peterborough Combined Authority Order 2017 on the basis that prior to any grant the Mayor must consult with the Combined Authority Board as set out in the Constitution.

6. Appendices

- 6.1 None

7. Background Papers

- 7.1 Formal Grant letter from the Department for Transport, dated, 22 April 2021.



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 4.1

East West Rail Consultation

| | |
|----------------------|---|
| To: | Cambridgeshire and Peterborough Combined Authority Board |
| Meeting Date: | 30 June 2021 |
| Public report: | Yes |
| Lead Member: | Mayor Dr Nik Johnson |
| From: | Paul Raynes, Director of Delivery and Strategy |
| Key decision: | No |
| Forward Plan ref: | n/a |
| Recommendations: | <p>The Combined Authority Board is recommended to:</p> <p>Agree a Combined Authority response to the East West Rail consultation.</p> |
| Voting arrangements: | A simple majority of members present and voting |

1. Purpose

- 1.1 The purpose of this report is to invite Members to shape the Combined Authority's response to the East West Rail consultation. The submission deadline is 30 June.

2. Background

- 2.1 East West Rail is a proposed new rail link that would connect Oxford, Milton Keynes, Bedford and Cambridge with the aim of boosting growth through the creation of jobs and supporting more affordable new homes locally. In addition, it also aims to help spread prosperity across the UK by supporting opportunities for economic growth in towns and cities outside London.
- 2.2 The scheme is being delivered in stages and trains are already running between Oxford and Bicester. East West Rail Ltd (EWR Ltd) aim to have trains running the full length of the line between Oxford and Cambridge by the end of the decade.

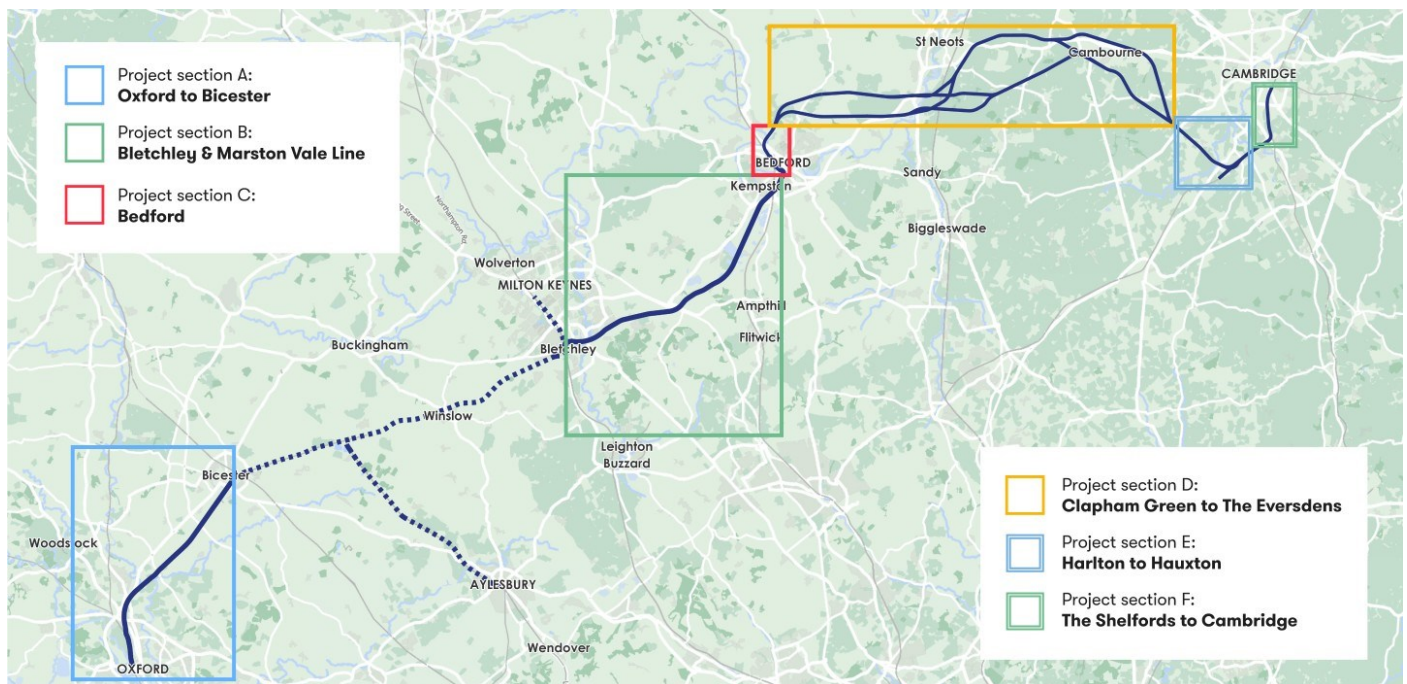


Figure 1: East West Rail Proposals (Source: EWR Consultation Material, 2021)

- 2.3 EWR Ltd's stated objective for the scheme are:

- Improve east-west public transport connectivity by providing rail links between key urban areas (current and anticipated) in the OxCam Arc;
- Stimulate economic growth, housing and employment through the provision of new, reliable and attractive inter-urban passenger train services;
- Meet initial forecast passenger demand;
- Consider and plan for future passenger demand, making provision where it is affordable;
- Contribute to improved journey times and inter-regional passenger connectivity;
- Maintain current capacity for rail freight and make appropriate provision for anticipated future growth; and

- Provide a sustainable and value for money transport solution.

2.4 The consultation sets a number of potential alignments, which are shown in the summary map at page 22 of the consultation document. EWR Ltd have outlined a preference for Alignments 1 and 9. Their justification is:

- Joined up infrastructure – benefit from a shared ‘travel corridor’ with the proposed A428 Black Cat to Caxton Gibbet Improvement Scheme, meaning they already cover a route used regularly to connect people to places;
- New housing and communities – more potential for new homes and communities in the area (particularly for Cambourne North compared to Cambourne South);
- Economic growth – alongside the development of new housing, a new station could bring economic growth to the community, creating more jobs and prosperity; and
- Value for money – expected to be less costly to deliver than other alignments.

2.5 In addition, EWR Ltd have proposed that the new railway between Bedford and Cambridge enters Cambridge from the south via the West Anglia Main Line. To accommodate this alignment, EWR Ltd would need to build a new railway junction to join the proposed new railway to the existing Shepreth Branch Royston line (the King’s Cross line), which then connects to the West Anglia Main Line at the Shepreth Branch Junction to the north east. Within the documentation, EWR Ltd state that the construction of the new junction would allow fast and reliable East West Rail services to run into Cambridge connecting communities and businesses across the Oxford to Cambridge Arc.

2.6 The consultation papers also outline that additional modifications are required to the existing network, including:

- Changes required at Cambridge station to help with the anticipated increase in passengers;
- Improvements or closure of a level crossing on Hauxton Road, between Little Shelford and Hauxton;
- Maintaining the existing two track railway of the Shepreth Branch Royston Line (the King’s Cross line) to Shepreth Branch Junction;
- An additional two tracks in some areas to create four tracks on the West Anglia Main Line between Shepreth Branch Junction and Cambridge station, and modification of Shepreth Branch Junction; and
- Additional platforms at Cambridge station and the opportunity to stop at the proposed Cambridge South station.

CPCA’s Response: Key Principles

2.7 As a key, strategic transport scheme for Cambridgeshire, Peterborough and OxCam Arc, the Combined Authority continue to be supportive of the East West Rail scheme. The CPCA’s Local Transport Plan (LTP) outlines the Combined Authority’s position stating that *“East West Rail, a new rail link from Cambridge to Bedford, Milton Keynes and Oxford, will transform public transport connectivity along the Oxford to Cambridge corridor, [and create] new journey opportunities”*.

- 2.8 The East West Rail scheme is a key component of the Combined Authority's overarching transport (rail) strategy. With the potential development of the freeport on the East Coast and as the scheme continues to develop, it is important to understand how the movement of rail freight will be proactively managed. The East West Rail scheme, Ely Area Capacity Enhancement and North London Line improvements are all critical in the effective management of freight.
- 2.9 To deliver a truly, sustainable rail scheme that is fully integrated and embedded within the region's transport network, local geographies and urban fabric, it is essential that a number of key overarching principles are adhered to.
- 2.10 To assist the government's and the Combined Authority's aspirations to address climate change through proactive measures, it is important that the East West Rail makes a contribution to achieving a net zero position. To deliver against this aspiration, the scheme needs to be electrified from day one of operation. This will reduce the subsequent cost of retrofitting the network in due course, whilst providing a sustainable form of connectivity thereby reducing the impacts on the environment.
- 2.11 As a result of its strong economy, the world-class education offer and good living environment, this part of Cambridgeshire has seen rapid growth in both employment and households (but also increases in house prices as supply has not kept up with demand). To cater for that growth, local councils in the area have plans in place for an additional 61,000 homes by 2031. East West Rail is critical to delivering sustainable transport to support the anticipated growth up to 2031 and beyond. One of the key, overarching objectives of the East West Rail scheme is to stimulate economic growth (housing and employment) through the provision of new, reliable and attractive inter-urban passenger train services. The scheme must therefore be a catalyst for growth and ensure that the region's growth potential is realised in the most sustainable manner possible.
- 2.12 Transport can impact both positively and negatively on health and health inequalities. It is important that EWR Ltd consider ways to maximise the health benefits for all the people of Cambridgeshire's through improving access to employment and services; providing opportunities to be physically active from the scheme's various interchanges; and positively contributing to positively to lively communities and a liveable environment. In addition, EWR Ltd must endeavour to minimise the adverse impact on the region's health by addressing concerns around poor air and noise quality, and community severance.
- 2.13 If planned and co-ordinated successfully, it is possible for housing, mineral extraction and infrastructure development to create large areas of new green space and rich wildlife habitats, that is good both for nature and residents of Cambridgeshire and Peterborough. Natural Cambridgeshire estimates that the planned housing growth over the next 30 years could provide another 2,000 hectares of land for nature. The doubling of nature is a critical part of responding to the climate challenge, with nature providing an essential role in our ability to mitigate and adapt to climate change. The East West Rail scheme should give due consideration to doubling nature within its construction, maintenance, and operational phases.
- 2.14 It is crucial that East West Rail is integrated into the overall transport network and offer seamless, high quality interchange with other modes. Due consideration needs to be given to provide connectivity and integration between East West Rail and the A428, the current

Bus Reform work of the Combined Authority in relation to the future framework for public transport, as well as the scheme's inter-relationship with the wider rail network. The LTP states that *"the Combined Authority will continue to work with the East West Rail Company, together with the DfT, to deliver the new railway and ensure that it best serves Huntingdonshire through interchange with existing East Coast Main Line services"*.

- 2.15 The Combined Authority is currently developing schemes within the East West Rail / A428 corridor and examining how connectivity can be improved along and through the corridor, with a particular focus on improving the public transport offer to the people of Cambridgeshire and Peterborough. Any improvements to the transport network need to fully integrate with the local public transport network and the A428 to ensure a seamless network is delivered with adverse impacts minimised wherever possible.
- 2.16 EWR Ltd need to take into account the emerging Local Plans thereby ensuring that the scheme will unlock and serve the growth potential through the provision of safe, high-quality, accessible and sustainable interchanges. These interchanges should provide step free access ideally located at either major attractors or generators of passengers and within 10 to 15 minutes' walk to key locations. This should ensure there is ease of access to major attractors and located at the optimum location for accessibility helps to reinforce the sustainable transport message.
- 2.17 EWR Ltd should clarify the evidence in support of its preference for the alignment of the proposed section between Clapham Green and Cambridge. Improving access to St Neots itself and the East Coast Mainline could provide a catalyst for regeneration, growth and investment in the area. Further consideration should be given as to whether the line could pass through the town with an assessment of the key challenges that this alignment may pose in relation to cost, engineering and the environment.
- 2.18 The Combined Authority request sight of the evidence to support the southerly approach to Cambridge, as an alternative northerly approach to the city could have been considered in addition to the southerly one outlined in the consultation. Sight of this evidence and detailed information would allow the Combined Authority and the people of Cambridgeshire to feedback on the options with the potential to finalise a preferred alignment chosen in due course.
- 2.19 The Combined Authority will continue to co-operate with EWR Ltd on the development of the scheme and providing a resolution to the issues outlined in this paper in a timely and effective manner.

3. Financial Implications

- 3.1 None at this point.

4. Legal Implications

- 4.1 None at this point.

5. Other Significant Implications

5.1 None.

6. Appendices

6.1 None.

7. Background Papers

7.1 [East West Rail consultation document](#)



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 4.2

Bus Services

To: Cambridgeshire and Peterborough Combined Authority Board

Meeting Date: 30 June 2021

Public report: Yes

Lead Member: Mayor Dr Nik Johnson

From: Paul Raynes, Director of Delivery and Strategy

Key decision: Yes

Forward Plan ref: KD2021/023

Recommendations: The Combined Authority Board is recommended to:

- a) Mandate officers to continue discussions on bus market reform with bus operators and other partners with the aim of progressing a franchising business case and developing a Bus Service Improvement Plan;
- b) Approve an increase of £100,000 in the bus reform budget to reflect the award of capacity funding by the Department for Transport; and
- c) Approve the creation of a £189,000 Covid Bus Service Support Grant budget and to authorise further grants received for this purpose to be included in this budget subject to such increases being reported to the Board in their regular budget update report.

Voting arrangements: Recommendation a) a simple majority of all Members present and voting.

Recommendations b), and c) - A vote in favour by at least two thirds of all Members (or their Substitute Members) appointed by the Constituent Councils, to include the Members appointed by

Cambridgeshire County Council or Peterborough City Council, or their Substitute Members.

1. Purpose

- 1.1. Bus market reform is one of the Combined Authority's key priorities. This report provides a summary of current work on bus market reform and sets out future opportunities to improve bus services to communities in Greater Cambridgeshire.

2. Background

- 2.1. The bus reform programme centres on the Combined Authority's statutory powers to franchise bus services or enter into statutory partnerships with bus operators. We already intervene in the bus market by giving direct support to 70 routes which operators are unable to run at a commercial profit, but which are judged to be socially necessary. Those routes account for about 10% of the total bus network and the direct subsidy is expected to cost taxpayers £3 million in 2021-22. This funding for supported services is awarded through public tender exercises. This is not the limit on public subsidy to the bus industry, though: operators are forecast to receive over £9 million through the reimbursement of concessionary fares, and an estimated £4-5 million in Bus Service Operators' Grant (BSOG).
- 2.2. In total, and in a normal pre-Covid year, public subsidy accounts for about a third of the total turnover of the bus industry in Greater Cambridgeshire – much more than the operators make in profits. Yet the Combined Authority can currently only use small fraction of that to influence operators' decisions. The DfT's BSOG grant provides per-mile payments which – with the current fleet of diesel buses – creates a financial incentive to produce carbon emissions, in conflict with both the government's and the Authority's objectives. It is unusual for taxpayers' money to be distributed so generously without a clear line of sight to the policy outcomes it is buying.
- 2.3. Franchising is one way to impose conditions on the bus industry in return for the subsidy it receives. Statutory Quality Partnerships and Enhanced Quality Partnerships are other methods. The Combined Authority agreed to begin the statutory decision-making process for a potential franchising arrangement in 2019, and issued the relevant statutory notice to do that on 15 May 2019. Work was begun on preparing the business case required under the Bus Services Act.
- 2.4. Since March 2020, the social restrictions needed to manage the Covid pandemic have reduced ridership drastically. At the trough, Greater Cambridge buses were carrying a fifth of normal passengers. Even now, following the Step 3 unlocking, passenger numbers across the area are down by about half compared to normal. Commercial operation has been impossible. The industry has been maintained by extra emergency government subsidies. Against that background of market disruption, work on the franchising business case was suspended.
- 2.5. The current position is this:
 - The final phase of Covid unlocking is in sight; this means it will be possible to proceed with a statutory business case based on visibility about the state of the bus market, even though recovery to any "new normal" will still take some time;
 - The government has said that it will only offer ongoing subsidy to the bus industry to support post-covid recovery where Transport Authorities and operators have agreed a Bus Service Improvement Plan; that plan must involve either a statutory partnership

arrangement, or franchising;

- The Mayor put a clear policy of bus market reform to the people of Greater Cambridgeshire which was endorsed at the ballot box in the recent election.

Next Steps

2.6. Bus Market Reform

Officers have continued to engage with senior officials at the Department for Transport (DfT), with local bus operators and other partners. This work has taken into account the government's National Bus Strategy (*Bus Back Better*). The government will make grant funding available to areas which commit to produce a Bus Service Improvement Plan (BSIP) by October 2021. The BSIP should describe the improvements the Transport Authority, bus operators and other partners plan to make from April 2022. The delivery arrangements for those improvements should be either a statutory Enhanced Partnership, or franchising. Capacity funding is available for Combined Authorities which commit to work on franchising. A Bus Operators Forum has been set up under independent chairmanship, bringing together all the bus companies operating in Greater Cambridgeshire, representatives of passenger groups and employers, and officers from the CA and highways authorities. Liaison is also taking place with the Greater Cambridge Partnership. The forum members have agreed to work cooperatively to develop the Bus Service Improvement Plan and assemble evidence for the statutory business case needed to evaluate franchising and enhanced partnership. This has included discussions about highways improvements and bus priority measures, as well as fare and service improvements which the operators might be asked to make. The Combined Authority has been awarded £100,000 of capacity funding to support this work; approval is sought to increase the Authority's bus reform budget line by that amount.

2.7 Zero Emission Buses

There are currently only two zero emission buses operating in Greater Cambridgeshire. It is a recommendation of the Independent Commission on Climate Change that the fleet should be decarbonised by 2030; this is in line with the net zero ambitions of the Local Transport Plan. The government invited expressions of interest by 21 May in a grant fund for introducing zero-emission buses over the next 18 months (the zero emission bus regional area fund, or ZEBRA). The Combined Authority, working in partnership with GCP, the Regional Energy Hub, councils, UKPN and bus operators, developed a submission to the fund which the government is now considering. This is a very strongly competed bidding process. The next step, if the EOI is accepted by the government, would be the development of a full business case during the summer.

2.8. Demand Responsive Transport

Two rounds of competitive tendering for a Demand Responsive Transport trial have been undertaken and a contract will be awarded imminently. The service will commence in early August on a six-month trial. This will be an app-based bus service akin to Uber, with booking of a bus journey being possible in real time either through on a smartphone or by telephoning a call centre which can make the booking. By adjusting the route and aggregating rides in real time, it is possible for a bus to serve several passengers making different point to point journeys in one trip. The service will run six days a week and operate in the western half of Huntingdonshire providing links to a large number of rural

communities as well as St Neots, and providing app-driven bus links to Huntingdon and Cambourne. This service is a trial of the technology, a trial of the public's enthusiasm for a very different type of bus service, and a test of the system's financial viability.

2.9 Supported services contracts

Local supported bus service contracts previously awarded by Cambridgeshire County Council and Peterborough City Council were novated to the CPCA on 1 April as part of the transfer of functions. Of these contracts, 44 expire at the end of July 2021. A procurement exercise is currently concluding to put replacement arrangements in place to enable continuity of service for passengers. The total value of these contracts is £2.1 million. These contracts are being let on a rolling basis, which allows flexibility around future bus market reform developments.

2.10 Covid Bus Services Support Grant

Covid Bus Service Support Grant (CBSSG) has been paid to bus operators in lieu of revenue foregone since the start of the first lockdown (17 March 2020). There are two kinds of CBSSG funding – one goes directly to the operators of commercial (unsupported) bus routes; and the other is paid to Local Transport Authorities (LTA) including the Combined Authority, to pass on to the operators of financially supported services.

At its August meeting the Combined Authority Board was informed of an increase of £440k in its 2020-21 Budget in light of the award of the latter kind of CBSSG. As the need for COVID support to bus operators has continued beyond the period covered by that allocation further tranches of grant have been awarded to the Combined Authority for continuing support.

At the end of 2020-21 the Combined Authority held a balance of £189k of CBSSG funds which were yet to be passed onto bus service operators. The Board are asked to approve the creation of a budget in 2021-22 in order that these funds can be passed on to the bus service operators; these funds are ringfenced therefore cannot be used for other purposes.

The Combined Authority is expecting at least one further tranche of CBSSG to be awarded by DfT this year and the Board are asked to approve the inclusion of future tranches of CBSSG in this budget, subject to these increases being reported via the regular Budget monitoring report.

4 Financial Implications

- 4.1 The table below sets out a summary of the financial impacts on the budget and Medium-Term Financial, both increases to the budget are fully funded by specific grants from the DfT and so have no wider impact on the Combined Authority's budgets.

| Financial change summary (£'000) | | | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
|----------------------------------|---------------------------------------|----------|---------|---------|---------|---------|
| Current MTFP | Bus Review Implementation | Approved | -* | - | - | - |
| | | STA | - | - | - | - |
| | | | | | | |
| Change Requested | Bus Review Implementation | Approved | 100 | - | - | - |
| | | STA | - | - | - | - |
| | Covid Bus Service Support Grant (new) | Approved | 189 | - | - | - |
| | | STA | - | - | - | - |
| | | | | | | |
| Revised MTFP | Bus Review Implementation | Approved | 100* | - | - | - |
| | | STA | - | - | - | - |
| | Covid Bus Service Support Grant (new) | Approved | 189 | - | - | - |
| | | STA | - | - | - | - |

*The Bus Review Implementation budget has an underspend of £1,742k in 2020-21, which the Combined Authority Board is being asked to carry forward into 2021-22 at its meeting on the 30th June.

- 4.2 The submission of the ZEBRA EoI has no direct financial implications to the Combined Authority however the submitted project included local financial contributions. If the EoI is successful, the Board will be presented with a Business Plan in line with the Assurance Framework which will include a request for a contribution to the project.

5. Legal Implications

- 5.1 Demand Responsive Transport procurement is being carried out under Chapter 17, Paragraph 3.6: Delegated Authority Chapter 3, Paragraph 11
New supported bus service contracts are awarded under Chapter 17, Paragraph 3.5 (non-Key) Delegated Authority

6. Appendices

- 6.1 None

7. Background Papers

[National Bus Strategy](#)

Statutory Notice on Franchising – [Notice-of-intention-to-consider-franchising-v0.1-2-May-19.pdf \(kinstacdn.com\)](#)



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 4.3

Climate Change

| | |
|----------------------|--|
| To: | Cambridgeshire and Peterborough Combined Authority Board |
| Meeting Date: | 30 June 2021 |
| Public report: | Yes |
| Lead Member: | Mayor Dr Nik Johnson |
| From: | Paul Raynes, Director of Delivery and Strategy |
| Key decision: | Yes |
| Forward Plan ref: | 2021/023 |
| Recommendations: | <p>The Combined Authority Board is recommended to:</p> <ul style="list-style-type: none">a) Agree the response to the Independent Commission on Climate initial recommendations as set out in Appendix 1; andb) Approve £50,000 from the allocated climate change budget for development of the Commission's final recommendations. |
| Voting arrangements: | A simple majority of all Members present and voting |

1. Purpose

- 1.1 To agree a response to the Initial Recommendations of the Cambridgeshire and Peterborough Independent Commission on Climate.
- 1.2 To approve the budget allocation to support the work of the Commission during 2021/22.

2. Background

- 2.1. The Combined Authority set up the Cambridgeshire and Peterborough Independent Commission on Climate, under the chairmanship of Baroness Brown, to examine the local causes and local impacts of climate change and to make recommendations on actions needed to meet the statutory target of net zero carbon emissions by 2050 in this area.
- 2.2. The Commission published its initial report on 15 March, covering transport, buildings, energy and peat, and also made a number of overarching recommendations. The Commission's recommendations were reported to the March Board meeting and the Board agreed to prepare a response. The Commission's report provides a local evidence base – including the results of public engagement with communities in Greater Cambridgeshire – and makes locally-tailored recommendations to underpin action on the local causes and impacts of climate change. Few areas are in this position.
- 2.3. The Commission found that emissions per person in the Combined Authority area were above average and have been reducing more slowly than nationally. The area also has specific vulnerabilities to the impact of a changing climate, especially concerning overheating, water supply and flood risk. Although residents with higher incomes on average generated higher emissions per head, residents on some of the lowest incomes had high emissions. In many cases those residents live or work in areas of higher climate risks. The Commission also found that at current rates the area would within 6-9 years exceed its share of the global emissions need to keep global temperatures below 2°C.

Key implications for the Combined Authority

- 2.4. The Commission's recommendations provide the opportunity for Cambridgeshire and Peterborough to endorse an urgent and effective collective approach to tackle climate change. This would be the first phase of an action plan. It can be further developed following receipt of the Commission's second report later in the year.
- 2.5. The second report will cover issues relating to business, and to "just transition" – the need to ensure that climate action does not disadvantage or stigmatise communities and individuals who already face challenges and would find it very hard to adapt their lifestyles to low-carbon norms. This will be particularly important for areas within Cambridgeshire and Peterborough where high car use is an inevitable feature of life, homes are often not built to high environmental standards, and average incomes are low. The Combined Authority will wish to pay close attention to this issue.
- 2.6. Of the Commission's 31 recommendations, 6 are aimed at government or its regulators and seek to give local partners the powers and funding they need to take effective action. The Combined Authority will press government to respond to those recommendations.

- 2.7. The remaining 25 recommendations, all call on the Combined Authority to take action or cover topics in which it has a contribution to make. Many are also addressed to the Combined Authority's member councils.
- 2.8. Appendix 1 sets out a proposed response to those recommendations. This response has been prepared by Combined Authority officers working with officers from member councils and has been discussed by the Growth Ambition Board, which is composed of Chief Executives and other senior officers from member councils. That reflects the fact that effective collaborative arrangements on the practical implementation and funding issues will be crucial. The aim of joint working is to identify the many areas where collective action can achieve more than organisations acting in isolation. The Climate Working Group established in response to recommendation 1, to be chaired by the Mayor, will oversee this collaboration, and will be supported by an action-focussed group at officer level.
- 2.9. It is recognised the constituent councils have their own climate strategies or local ambitions, and a range of ongoing activities. The response in Appendix 1 sets out the aspirations and actions for the Combined Authority. It does not override the ability of local areas to determine their own targets and climate policies taking into account their specific circumstances. The Commission was clear that circumstances did differ across the Combined Authority area, and so might the mitigation or adaptation actions needed. 13 of the recommendations refer to the role of councils.
- 2.10. The Combined Authority has already committed to activity that will progress the Commission's recommendations. An early review of the Local Transport Plan is being undertaken and includes a specific examination of the strategy for alternative fuelled vehicles and their infrastructure needs. This is complimented by the Bus Strategy Review that is looking to transform public transport provision. Other activity underway includes on skills, with the latest allocation of adult skill funding including support to enable the workforce to adapt to the growing needs of low carbon business activity and growth in retrofit/green construction.

The impact on communities and residents

- 2.11. The Commission highlighted that the impacts of a changing climate in Cambridgeshire and Peterborough, such as flooding or overheating, could fall disproportionately on those least able to respond. This could also be the case for the costs of mitigation and/or adaptation. The Commission is examining how mitigating and adapting to climate change can be achieved in a fair manner and will report its findings in its final report.

Significant Implications

3. Financial Implications

- 3.1. There is a budget allocation of £100,000 in the MTP for 2021/22 for the climate commission activity. £50,000 was approved at March Board for the peat research activity. Approval of the remaining £50,000 is required to support the development of the second phase of the Commission's report, due in autumn 2021. Further proposals for budget allocations needed to implement individual recommendations will be developed through the Climate Working Group and brought back to the Board in due course.

4. Legal Implications

4.1. None.

5. Other significant implications

- 5.1. There are significant and increasing social, economic and environmental risks to residents, business and quality of life in Cambridgeshire and Peterborough arising from a changing climate over the next 80 years (as set out in report on risks prepared by the University of Cambridge). Without mitigation of emissions, flood risk could increase by a factor of 10, with 1 in 10 homes in Cambridgeshire and Peterborough at risk of flooding, and 1 in 4 agricultural and industrial facilities. If globally temperatures are heading to a temperature rise closer to 3°C, by 2100 winter rainfall could be 50% higher and summer 60% lower. Summer temperatures could regularly reach 40°C. The extent of those risks depend on progress on reducing the emissions of greenhouse gases, but certain changes to climate are already happening and need to be adapted to.
- 5.2. The need to reduce the emission of greenhouse gases, and adapt to a climate with more extremes, will have significant implications for both the Combined Authority's operations and the area as a whole. How we work, travel, and the quality of our natural environment all need to be considered. For example, emissions from surface transport (road and rail) make up around 44% of CO₂ emissions in CPCA, a significantly higher share than in the UK (37%).
- 5.3. A changing climate provides not just risks but can also include opportunities through the growth or creation of new industries, new technologies or different agricultural growing conditions. The Commission highlighted that action on climate can also have a range of co-benefits – such as emissions reduction leading to improved air quality, the health and wellbeing aspects of improved green spaces, or reductions in fuel poverty through more efficient buildings. The Combined Authority and Business Board's programmes of activity will look to maximise those co-benefits and opportunities.

6. Appendices

6.1. Appendix 1 – Response to the Independent Cambridgeshire Commission on Climate.

7. Background Papers

- 7.1 Initial report, Cambridgeshire Peterborough Independent Commission on Climate, March 2021:
https://f.hubspotusercontent40.net/hubfs/6985942/CLIMATE%20COMMISSION%20REPORT_Final.pdf
- 7.2 Preliminary report on Risk, University of Cambridge.
https://f.hubspotusercontent40.net/hubfs/6985942/Preliminary%20report%20on%20climate%20risk%20in%20the%20Cams%20%20Peterborough%20%20region%202020-2099_final.pdf

Appendix 1

Response to the Initial Recommendations of the Commission on Climate

In this Appendix, each recommendation of the Independent Commission is listed, followed by the response for the Combined Authority (CPCA) and then detailed comments. Where there are two responses this reflects different opportunities to deliver against components of the recommendation.

Summary table

| Independent Commission's recommendation | Proposed response |
|---|---|
| Overarching recommendation 1 | Implementation in hand/route to implementation available |
| Overarching recommendation 2 | Route to implementation available |
| Overarching recommendation 3 | Route to implementation available (CPCA) / Further consideration needed (for Councils' operations) |
| Overarching recommendation 4 | Implementation in hand |
| Overarching recommendation 5 | Implementation in hand |
| Overarching recommendation 6 | Route to implementation available |
| Overarching recommendation 7 | Implementation in hand |
| Overarching recommendation 8 | Implementation in hand |
| Overarching recommendation 9 | Route to implementation available |
| Overarching recommendation 10 | Government to respond |
| Overarching recommendation 11 | Government to respond |
| Transport recommendation 1 | Route to implementation available |
| Transport recommendation 2 | Route to implementation available |
| Transport recommendation 3 | Implementation in hand |
| Transport recommendation 4 | Further consideration needed |
| Building recommendation 1 | Route to implementation available |
| Building recommendation 2 | Route to implementation available / Further consideration needed |
| Building recommendation 3 | Implementation in hand (CPCA) / Further consideration needed (for Councils' operations) |
| Building recommendation 4 | Route to implementation available |
| Building recommendation 5 | Route to implementation available |
| Building recommendation 6 | Route to implementation available |
| Energy recommendation 1 | Route to implementation available |
| Energy recommendation 2 | Route to implementation available |
| Energy recommendation 3 | Ofgem to respond |
| Energy recommendation 4 | Ofgem to respond |
| Energy recommendation 5 | Government to respond |
| Energy recommendation 6 | Government to respond |
| Peat recommendation 1 | Implementation in hand |
| Peat recommendation 2 | Route to implementation available |
| Peat recommendation 3 | Route to implementation available |
| Peat recommendation 4 | Route to implementation available |

OVERARCHING RECOMMENDATIONS

Overarching Recommendation 1.

The CPCA should create:

- A Climate Cabinet chaired by the Leader of the Combined Authority – including councils and key regional stakeholders
- A funded delivery team in CPCA to coordinate, champion and facilitate action
- A green investment team
- A climate action plan, including a finance plan, with agreed targets for emissions, actions and monitoring
- An independent monitor, maintaining the CPICC as an independent body to monitor and report on progress annually.

ACTION: Accept - Implementation in hand/route to implementation available.

COST: LOW / EMISSIONS IMPACT: HIGH

Detailed response:

The Combined Authority Board agreed March 2021 to the formation of a climate cabinet, to be named the Climate Working Group. [CPCA: underway: staff time].

This appendix is the basis of the Climate Action Plan. Following the second report of the Commission the Combined Authority to produce a consolidated Climate Action Plan, including setting out its targets for emissions [CPCA: underway/Nov 2021: staff time].

Review CPCA staff structure (aligned with the Corporate Business Plan) to ensure necessary capacity/capabilities to coordinate and facilitate action, and progress green investment opportunities [CPCA: July 2021: revenue costs tba].

Many local authorities are seeking to progress green investment, not just to meet climate targets but also as revenue generating opportunities. There may be opportunities for collaboration to maximise investment or reduce risks [CPCA/Councils: ongoing: investment tba].

The Combined Authority has made budgetary provision to support the work of the Commission in 21/22 and, subject to Board approval, in 22/23. [CPCA: future work programme review undertaken by October 2021: £200k provision currently made]

Overarching Recommendation 2.

A climate change assessment should be undertaken and taken into account for every CPCA and Council policy, development, procurement, action.

ACTION: Accept the CPCA assessment recommendation - Route to implementation available

COST: LOW / EMISSIONS IMPACT: MEDIUM

Detailed response:

The CPCA considers significant implications including climate in its Board reports when making policy decisions and approving spend. However, when decisions are not otherwise bounded by procurement regulations or formal appraisal mechanisms, there are a variety of approaches that can be taken. An action is to review these and make a recommendation to Board on any changes

to decision making procedures. The CPCA will therefore report on climate impacts for all new Board decisions; carbon impact to be reported in all Project Initiation Documents; carbon impacts to be assessed in business cases; and existing PIDs and business cases to be reviewed to ensure compliance [CPCA: July 2021: staff time]

Councils to consider this recommendation against their own procedures. For example, Peterborough City Council require carbon assessments, whilst South Cambs DC to require bidders for all contracts to provide details of their organisational carbon footprint and carbon reduction plans. The Climate Working Group will provide a forum to share best practice locally on assessments [Climate Working Group: autumn 2021: staff time], although it will be for individual councils to decide the exact approach to implementation.

Overarching Recommendation 3.

All CPCA and Council operations should be net zero by 2030, underpinned by a regional SBTi-type action plan.

ACTIONS: Accept the recommendation that CPCA operations should aim to be net zero by 2030 / Further consideration needed (for Councils' operations)

COST: HIGH / EMISSIONS IMPACT: HIGH

Detailed response:

The Commission recommends that a target of 2030 be adopted for CPCA operations to be net zero. It is recommended that this target is adopted by the CPCA as the aspirational target against which to frame the action plan. Note that the CPCA currently has a very small operational footprint for direct emissions. However, the commissioning of public transport services provides indirect emissions, and this could be affected by the bus reform proposals. Achieving the 2030 target would therefore need to be kept informed by an ongoing science-based targets review.

(CPCA: autumn 2021: staff time, operational changes tba)

The CPCA cannot commit individual councils to a 2030 operational target, as that needs to be considered and implemented by them locally. However, Peterborough City has already committed to that target, and others are reviewing their targets.

Overarching Recommendation 4.

The CPCA should rapidly assess the current sources and availability of funding for green opportunities (such as Green bonds or other instruments to accelerate housing retrofit, nature based solutions and peat restoration) and develop an ambitious funding plan.

ACTION: Accept - Implementation in hand

COST: MEDIUM / EMISSIONS IMPACT: HIGH

Detailed response:

The CPCA is responding to green funding opportunities, such as the Zero Emissions Buses grant scheme. The Climate Action Plan provides an opportunity to bring together emerging work on retrofit, nature-based solutions, water infrastructure etc to set out an overall funding plan; discussions will be undertaken with providers of green finance and opportunities to deploy green finance in support of policy priorities will be considered on a case by case basis [CPCA / Climate Working Group: autumn 2021/ongoing: staff time]

Overarching Recommendation 5

The CPCA should develop and lead a plan for engagement with local people and businesses. This should cover the need for action and provide information on options and the choices that have to be made at local level.

ACTION: Accept - Implementation in hand

COST: LOW / EMISSIONS IMPACT: MEDIUM/H

Detailed response:

The CPCA is developing its plan for promoting the specific advice of the Climate Commission (contained in its Initial Report) aimed at residents and businesses. The Climate Working Group will also want to consider how information can be made widely available (for example South Cambridgeshire DC have a Zero Carbon Communities programme that provides grants for community carbon reduction projects, networking opportunities, training, workshops and e-bulletins). The CPCA is working with the Climate Commission to support it as it develops the chapter and detailed recommendations on Engagement for its second report in the autumn [CPCA / Climate Working Group: ongoing/autumn 2021; staff time].

Overarching Recommendation 6

The CPCA and its constituent LAs should adopt a leadership role in accelerating the achievement of the Doubling Nature ambition, specifically to create or to conserve habitats such as woodland, grassland or wetlands that can store or absorb carbon; and setting an example on land that they own or control.

ACTION: Accept – Route to implementation available

COST: MEDIUM / EMISSIONS IMPACT: MEDIUM

Detailed response:

The Doubling Nature ambition and vision of Natural Cambridgeshire has been endorsed by the Combined Authority Board. Work is underway to examine how the new biodiversity net gain system might operate in the area. The County Council's Joint Administration have set out that they want to use the county farms estate and other landholdings to set examples. However, more mechanisms are needed to leverage significant funding into nature-based solutions. Natural Cambridgeshire is considering a Fund that might attract public and private sector investment. The Future Parks Accelerator is looking at the future funding of parks and open spaces.

Specific activity needs to be developed and costed to deliver against that ambition (Climate Working Group/Natural Cambridgeshire: July 2021: costs tba).

All future CPCA business cases and Project Initiation Documents will include the doubling nature ambition where appropriate.

Overarching Recommendation 7

The CPCA should review training and upskilling plans to ensure that these are designed to support the scale and nature of the required transition and maximise high quality job opportunities in the region.

ACTION: Accept - Implementation in hand

COST: LOW / EMISSIONS IMPACT: HIGH

Detailed response:

Target objective of the CPCA's Business and Skills team activity (CPCA; costs - within committed annual Adult Skills budget and University of Peterborough project). The Energy Hub also has an objective to develop a skills base and supply chain for home energy improvement to service the Greater South East demand for home energy improvements.

Overarching Recommendation 8

The CPCA should commission work to understand the fitness of the innovation ecosystem across the region to support the emerging net-zero-aligned agritech and nascent clean tech sectors:

- Mapping the elements and processes that are in place that enable the region's success in biotech and information technology sectors in taking ideas to full commercially viable delivery, including:
 - generation and communication of ideas
 - the role of multiple paths of funding across the innovation process from different types of funders and investors
 - company evolution and scale up (including simple organic growth)
 - the roles of universities, networks, technical consultancies, institutional investors, regional and national policy and the regulatory environment
- Understanding the differences in all of the above amongst the sectors, and indeed the wide spectrum within the clean tech sector
- Articulating the gaps that exist within the regional innovation ecosystem that could impair the success of net-zero-aligned agritech and cleantech sectors, and making recommendations for filling them to unlock the potential of the subsectors in which the region has or can develop world leading know how and businesses.

ACTION: Accept - Implementation in hand

COST: MEDIUM / EMISSIONS IMPACT: MEDIUM

Detailed response:

The Business Board has a responsibility to keep the industrial strategy under review and is supporting the implementation of the Local Economic Recovery Strategy. It is currently engaging with the Commission on the Business recommendations/chapter of the next Commission report. [Business Board: July 2021: staff time]

The Business Board is providing investment to create a Net-Zero technologies cluster in Peterborough to generate new technologies for zero carbon air, land and sea transport systems (CPCA; £50m committed). The CPCA Business Board is also providing investment into a Rural Growth & Diversification Programme to help firms and farmers in the Fens to diversify into new products, services and business models (CPCA; £10m committed)

Overarching Recommendation 9

The CPCA should actively broker, and where appropriate, invest in, the creation of demonstration projects for the decarbonisation of the built environment, both in residential and commercial buildings. These demonstrators will require working with businesses, developers, estate owners, universities, and the finance sector across the region. This should take a portfolio approach so that, ideally, there is a demonstrator for each distinct category of estate/built environment with significant presence in the region. The balance between the scale, number and type of project, and the funding and expertise available, should be driven by the objective to develop locally relevant know-how, learning, business models, and awareness.

ACTION: Accept - Route to implementation available

COST: MEDIUM / EMISSIONS IMPACT: MEDIUM

Detailed response:

The Climate Working Group to consider joint activities and gaps. CPCA to review its Affordable Housing programme for scope to deliver demonstrator projects. [Climate Working Group/CPCA: autumn 2021; costs are project dependent]

Overarching Recommendations 10

Central Government should provide greater clarity about how costs in the transition will be met, including increased devolved funding for local authorities, and over what time periods and under what terms and conditions.

ACTION: Accept - Requires government response.

The Combined Authority will engage with central government, including through the work of the OxCam Arc, in advance of the 2021 Comprehensive Spending Review, in order to ensure that the government understands local transition costs and how it could be funding them.

COST: LOW / EMISSIONS IMPACT: HIGH

Overarching Recommendations 11

Provide increased powers for local authorities to require higher standards [in developments].

ACTION: Accept - Requires government response

The Combined Authority will engage with central government to ensure the urgent need for these powers is understood.

COST: LOW / EMISSIONS IMPACT: HIGH

TRANSPORT RECOMMENDATIONS

Transport recommendation 1

A complete phase-out of the use of cars running on fossil fuels by 2050 within CPCA

- The CPCA, and constituent authorities, should by 2022 develop a plan for the rollout of charging infrastructure, with an initial focus on bringing the lowest district levels of provision up towards those of the best, and providing a right to charge to residents, workers and visitors
- All new residential and non-residential developments with parking provision (and those undergoing extensive refurbishment) should be equipped with charging points. [see Building Recommendations]

ACTION: Accept to recommendation to plan for charging infrastructure - Route to implementation available

COST: HIGH / EMISSIONS IMPACT: HIGH

Detailed response:

The Combined Authority Board has committed budget to the production of an Alternative Fuelled Vehicle Strategy in 21/22, as part of the refresh of the Local Transport Plan (CPCA: 21/22: £200k committed). This will include consideration of implications for the charging infrastructure. There are some local pilot projects to support additional charging infrastructure. Power network providers to be involved in Climate Working Group activity – see Energy recommendations.

Transport recommendation 2

2. All buses and taxis operated within the CPCA area, and Council owned and contracted vehicles, should be zero emission by 2030. Each Council should make its own commitments, reflecting the make-up and age of existing vehicles, but we recommend the following dates:

- The bus fleet on routes subsidised or franchised by the CPCA should be zero emission by 2025, and the authority should work to facilitate such a shift on all routes by 2030
- Target 30% of taxis to be zero emission by 2025 and 100% by 2030, achieved through license conditions
- Council fleet to be 100% zero emission by 2030, with procurement rules used immediately to promote EV uptake.

ACTION: Accept the CPCA recommendations - Route to implementation available

COST: HIGH / EMISSIONS IMPACT: HIGH

Detailed response:

To be tested via the Alternative Vehicle Fuel Strategy. This will include the identification of alternative fuel opportunities for a number of different transport mode: freight (including last mile connectivity); buses (including Park and Ride infrastructure); taxis; highways maintenance fleet; vans; bikes and cars (including car clubs). (CPCA - see Transport Rec 1).

Government produced its National Bus Strategy for England in March 2021. Future public funding for bus services is based on the CPCA working with bus operators to establish either an Enhanced Partnership or to introduce franchising. This provides opportunity to consider the zero emission options, but needs to be financially viable and provide value for money. Positive discussions have started with bus operators in the area (CPCA; costs to be explored depending on model).

Bid being submitted to the government's Zero Emission Buses Regional Area scheme. The bid would be the start of a rolling programme of replacement electric buses (CPCA/government, indicative total bid £5-10m). This would involve ceasing the purchase of diesel buses from this year.

For taxis, stage 1 will be to review existing provision, to inform the Alternative Fuelled Vehicle Strategy (AFVS) and Councils future reviews of licencing policies. AFVS to take into account availability of charging infrastructure, suitability of vehicles, DfT Guidance on taxi licensing and impact of Covid-19 (CPCA/Councils; cost - staff time/AFVS committed) . Cambridge City has enabled 30 electric taxi through incentives and policy requirement as vehicles come up for relicensing.

The CPCA cannot mandate how Councils adapt their fleet. As the Commission highlights for councils' fleet there needs to be assessment of lifecycle costs of existing fleet, cost of replacements and availability/suitability of specialist fleet vehicles (e.g. waste collection). To be informed by the trial projects currently underway. SDCD plan to replace all fleet vehicles with electric or hydrogen at the end of their working life, which will be before 2030; to be powered by solar pv on-site or nearby.

Transport recommendation 3

3. Reduction in car miles driven by 15% to 2030 relative to baseline:
- Major new developments (>1000 homes) should be connected to neighbouring towns and transport hubs through shared, public transport and/or safe cycling routes
 - 100% of homes and businesses to have access to superfast broadband by 2023
 - CPCA to undertake a trial of electric on-demand buses to increase accessibility and connectivity
 - Development and implementation of the Strategic Bus Review to prioritise affordability and reliability of services
 - CPCA to work with major employers, employment hubs and Liftshare to encourage car-sharing, public transport, walking and cycling for commuting, and Councils to take a lead in respect of their own employees
 - CPCA, with relevant authorities, to explore options to improve cycling infrastructure both within urban areas, and to encourage the use of e-bikes for longer trips to and from market towns and cities
 - Alternatives to road investment to be prioritised for appraisal and investment – from active travel and public transport options, to opportunities for light rail and bus rapid transit or options to enhance rail connections.

ACTION: Accept - Implementation underway

COST: HIGH / EMISSIONS IMPACT: HIGH

Detailed response:

The LTP already has an emphasis on providing good quality public transport, walking and cycling to encourage mode shift. Local Plan policies already set this guidance for future development (Councils); Alignment with LTP schemes, other public transport and cycling schemes (CPCA); and City Deal programme (GCP). CPCA has submitted an EOI to DfT for electric bus funding. CPCA is undertaking an on-demand bus trial; although the trial does not utilise electric vehicles, that will form part of the planning for deployment following the trial.

Combined with commercial provision, the superfast broadband rollout has reached over 98% of homes and businesses, which is above the national average, with plans to reach over 99% coverage in 2021 (Connecting Cambridgeshire, £4.3m committed via CPCA since 2018).

Transport recommendation 4

Diesel vans and trucks to be excluded from urban centres by 2030 and local zero emission options pursued:

- At least 3 freight consolidation centres to be established outside of major urban areas with onward zero emission deliveries
- Home deliveries should only be made by zero emission vehicles, including cargo bikes, by 2030
- UK Power Networks to develop tools and fast-track services to assist companies wishing to convert fleets of vans and trucks to electric to rapidly ascertain grid connection upgrade requirements and costs for charging
- CPCA to undertake a trial of electrification of short-haul freight from farm to warehouse.

ACTION: Further consideration needed

COST: MEDIUM / EMISSIONS IMPACT: MEDIUM

Detailed response:

The Highway authorities, working with councils and CPCA, would need to consult on and consider any measures to exclude vehicles from town centres. Councils also have an existing requirement to regular review Air Quality. Cambridge is the only town centre with a designated Air Quality Management Area due to air pollution and GCP has consulted on proposals to reduce that air pollution, which include options on restricting access. At this stage it is therefore premature to conclude what restrictions, if any, should apply to the range of town centres across the CPCA area. However, this issue should be considered in the review of the LTP and AFVS work, which will provide the future evidence base on implications for different city and town centres (CPCA, Councils, GCP).

GCP has a freight consolidation project as part of its City access strategy. Private operators would need to take the lead on home delivery vehicles, as enforcement is limited to clean air zones that could not apply across the entirety of the CPCA area. Positive encouragement via the review of LTP/AFVS; Review of Councils Air Quality Management Plans and Clean Air Zones; (Climate

Working Group/Councils/private operators). Phasing out of vehicle sales via national policy likely to influence the change.

The CPCA and Business Board to consider opportunities for farm freight trial. [CPCA, summer 2021; cost tba]

BUILDING RECOMMENDATIONS

Building recommendation 1

The CPCA and constituent authorities should support local area energy planning that identifies heat zones for buildings (e.g. suitability for heat pumps or district heating) and retrofit priorities.

- Develop local energy plans, working with stakeholders, to have a key role in preparing for the decarbonisation of heat in buildings: identify which heat and energy efficiency options and national policies apply in particular areas; consider zoning areas for specific heating solutions; are the basis for communications to build community understanding.

ACTION: Accept - Route to implementation available

COST: LOW / EMISSIONS IMPACT: MEDIUM

Detailed response:

Many aspirations around delivering lower emissions (travel and heat) rely on the electricity supply system. Serious concerns that capacity is constrained in the CPCA area, and the regulated system for upgrading is costly, time consuming, and fails to anticipate pace of growth. Individual areas have undertaken energy infrastructure studies to inform Local Plans or individual development proposals. It is recommended that the costs and benefits of a CPCA-wide study be scoped - this can inform the LTP. (CPCA/GSEEH/UKPN, costs tba).

Building recommendation 2

All new buildings are net zero ready by 2023 at latest and designed for a changing climate.

- Adopt a net zero ready standard for new homes (requiring “world-leading” energy efficiency and low-carbon heating in new homes) by 2023, and adopt a similar standard for non-domestic buildings;
- All new residential and non-residential developments with parking provision should be equipped with charging points;
- All planning applications to require over-heating calculations and mitigation measures, and testing against climate projections to 2050;
- New buildings should meet tighter water efficiency standards of 110l/person/day, and below this when building regulations allow;
- All new build must have effective ventilation in use and safeguard indoor air quality;
- The CPCA and constituent authorities should consider developing new build guidance to address embodied emissions (for example, a template for embodied emissions similar to the GLA), with targets strengthening over time].

ACTION: Route to Implementation / Further consideration needed

COST: MEDIUM / EMISSIONS IMPACT: HIGH

Detailed response:

Government has consulted on a Future Homes standard (that would change Building Regulations). Local Plan planning policies are restricted in how far they can affect energy and water efficiency within buildings – in addition the timetable for Local Plan reviews is such that, even if started now they would deliver new policies after 2023 - so the short term response needs to be to call on government to accelerate its response to the Future Homes standard. (CPCA; cost n/a). The Commission's current work on a just transition will inform what the impact on development viability might be, and suggest funding approaches to promote higher standards.

The revised NPPF advises that local parking standards for residential and non-residential development should consider the need to ensure “adequate provision of spaces for charging plug-in and other ultra-low emission vehicles. In the medium term Government expected to introduce national charge-point requirements through revisions to Building Regulations. The government also proposes that, from 2025, existing non-residential buildings with more than 20 car parking spaces will require at least one charge-point. This will be introduced through separate legislation, not building regulations. Various exemptions are being considered, including for residential buildings where there are exceptionally high electricity grid connection costs, listed buildings, and for SMEs. These issues to be picked up in the AFVS [CPCA; see Transport Rec 1]

Overheating in buildings will become a more frequent issue in the CPCA area, and the Combined Authority will support the Climate Working Group in developing a response.

Building recommendation 3

New developments must be considered within a spatial strategy that prioritises sustainable development, low emissions and low risks from climate change.

- New developments to be sited to minimise emissions implications, including through making them attractive for walking and cycling, and access to wider transport infrastructure;
- All new build must have access to green space and nature;
- Developers must identify biodiversity assets and potential to enhance these as part of the development and future management of the site.

ACTION: Accept - Implementation underway

COST: LOW / EMISSIONS IMPACT: MEDIUM

Detailed response:

See comments on Building recommendation 2 about Local Plans. The Future Parks Accelerator project is looking at the future of parks and managed greenspace [Cambs CC lead; ongoing:

Lottery funded]. Report produced by Vivid Economics on greenspace, FPA commissioning follow-up report to provide more local data and map extra eco-systems services. This will include applying the Defra biodiversity metric to public open space. In addition the Planning Policy Forum is reviewing the benefits of a combined approach to implement net biodiversity gain (CPCA/Councils: July: cost - staff time)

Building recommendation 4

All existing buildings achieve high energy efficiency standards, and are heated from low-carbon sources

- Every building should, starting by 2025 with those below EPC “C”, have a renovation plan (digital green passport, extended to include water efficiency, cooling measures and property level flood resilience measures where appropriate), setting out a clear pathway to full decarbonisation;
- Home retrofit will need to be rolled out across the building stock, incorporating [passive] cooling measures as well as energy efficiency, water efficiency and heat decarbonisation. The CPCA should take a lead in encouraging home-owners to move towards net zero, including by finding innovative ways to encourage behaviour change;
- The CPCA and constituent authorities should prioritise achievement of net zero emissions for social housing. Digital green passports could be piloted in social housing first;
- Electric charging points required for buildings with parking provision undergoing extensive renovation;
- Make full use, in the short-term to 2021-22, of Green Homes Grant funding, especially in relation to “no regrets” energy efficiency improvements, and in the medium-term of successor funding schemes available from central Government;

ACTION: Accept - Route to implementation available

COST: HIGH / EMISSIONS IMPACT: HIGH

Detailed response:

The CPCA will review the standards applied to buildings it is funding.

The CPCA also hosts the Greater South East Energy Hub. Investment of £25m into home energy efficiency improvements over the next 2 years, through the expansion of the Energy Hub activity with the commitment to secure funding for £100m for 2022-25, impacting 20,000 homes by 2025 (GSEEH). Roll out of the ‘renovation plan’ would be dependent on private sector owners, and government policy promoting large-scale adoption. A project to install energy efficiency measures to park homes in South Cambs and East Cambs is soon to be carried out with funding from the GHG LAD1b scheme.

Examples of council action include Cambridge City investing £2.5 million in energy efficiency improvements to Council homes with poor energy efficiency ratings (predominantly Energy Performance Certificate D to G rated stock) from 2020/21 to 2022/23; and Fenland Council’s Social Housing Decarbonisation Fund project being delivered by Clarion and its partners by 31 March 2022. Clarion is providing match-funding for 50% of the total projects costs. Separately, the Council has budgeted £100,000 to support solid wall insulation measures.

Building recommendation 5

Performance is actively monitored and standards fully enforced

- Performance measurement must reflect real-world energy use;
- Resources for enforcement of new build standards and minimum private rented standards must be prioritised.

ACTION: Accept - Route to implementation available

COST: MEDIUM / EMISSIONS IMPACT: LOW

Detailed response:

A variety of private sector landlord support schemes existing in the area. Individual councils to consider their approach and funding to enforcement/private rented schemes as part of service review/budget setting (Councils; cost tba)

Building recommendation 6

CPCA and local authority own estate is net zero by 2030 at the latest.

- Public sector estate should by 2025 have a plan to achieve best practice energy use;
- Energy use and emissions on public sector estate should be monitored and reported.

ACTION: Accept the CPCA estate recommendations - Route to implementation available

COST: HIGH / EMISSIONS IMPACT: HIGH

Detailed response:

The CPCA has minimal estate but will consider the implications for future buildings it funds.

The CPCA cannot mandate a target for Councils estate. There are a variety of targets for authorities estates across the area. For example, CPCA has not set a target for buildings/estate (of which it has minimal stock); Peterborough City Council has a 2030 target, and switched to a renewable energy tariff for electricity from 1st October 2020; and the County Council Joint Administration are reviewing the Council's Sustainability Strategy with an aim to move the target towards 2030. Note the Council house owning authorities will face funding challenges to enable retrofitting over that timetable, and historic buildings offer specific challenges in terms of retrofitting.

ENERGY RECOMMENDATIONS

Energy recommendation 1

Develop a local area energy plan, in close collaboration with interested stakeholders, including distribution companies, consumers and large energy users.

ACTION: Accept - Route to implementation available

COST: LOW / EMISSIONS IMPACT: MEDIUM

Detailed response:

As response to Building Recommendation 1. Many aspirations around delivering lower emissions (travel and heat) rely on the electricity supply system. Serious concerns that capacity is constrained in the CPCA area, and the regulated system for upgrading is costly, time consuming, and fails to anticipate pace of growth. Individual areas have undertaken energy infrastructure studies to inform Local Plans or individual development proposals. It is recommended that the costs and benefits of a CPCA-wide study be scoped - this can inform the LTP.
(CPCA/GSEEH/UKPN, costs tba)

Energy recommendation 2

To the extent than there is interest in options for hydrogen production within CPCA, prioritise consideration of potential for hydrogen production from surplus generation.

ACTION: Accept - Route to implementation available

COST: LOW / EMISSIONS IMPACT: MEDIUM

Detailed response:

The CA will work with partners to investigate local opportunities, including via council-owned renewables. 'Green' hydrogen is most efficiently made where there is an ample supply of water, heat and surplus electricity. Large industrial areas tend to offer this at scale, but there may be local opportunities in the CPCA area.

Energy recommendation 3

Urgently develop and make proposals on distribution network investment ahead of need.

ACTION: Accept – Ofgem to respond

Detailed response:

This recommendation is for Ofgem to respond to. The Climate Working Group should explore with OfGem and UKPN opportunities to make system more responsive to speed of growth, with future investment to support the national economic (and as we have seen recently demonstrated so starkly recently, health) role that the CPCA area plays in life sciences, tech innovation, and food production.

Energy recommendation 4

Urgently provide clarity on revised arrangements for network access (connection charges) which enable local decarbonisation projects.

ACTION: Accept – Ofgem to respond

Detailed response:

This recommendation is for OfGem to respond to. The Combined Authority will engage with OfGem and Whitehall departments to highlight the importance of this recommendation.

Energy recommendation 5

Advise areas on where hydrogen is likely to be available in the gas grid as soon as possible.

ACTION: Accept – Government to respond

Detailed response:

This recommendation for government to respond to. The Combined Authority will engage with government to highlight the importance of this recommendation.

Energy recommendation 6

Look to streamline, simplify and provide longer-term horizons for schemes funding local energy projects.

ACTION: Accept – Government to respond

Detailed response:

This recommendation is for government to respond to. The Combined Authority will engage with government to highlight the importance of this recommendation.

PEATLAND RECOMMENDATIONS

Peatland recommendation 1

The CPCA should establish and provide funding, of the order of £50,000 a year, to support the operation of a CPICC Fenland Peat Committee, initially for a period of 5 years, with a remit to inform and develop 'whole farm' land use policies aimed at achieving climate change mitigation and biodiversity enhancement in the Fens, and to help establish an agreed set of numbers for GHG emissions for deep, shallow and wasted peat soils.

ACTION: Accept – Implementation in hand

COST: LOW / EMISSIONS IMPACT: MEDIUM

Detailed response:

The Combined Authority Board is funding a Fenland Peat Committee, which is organising research activity.

Peatland recommendation 2

Up-front funding should be sought, from CPCA, Defra, NERC and other sources, to support the work of the Fenland Peat Committee but also more widely, for:

- on the ground research to fill in the current gaps in the scientific evidence
- development of best practice guidance
- provision of farming advisors to support farmers in the transition.

ACTION: Accept - Route to implementation available

COST: LOW / EMISSIONS IMPACT: MEDIUM

Detailed response:

Peat Committee reviewing opportunities to attract additional funding (Peat Committee). It is also bringing together the Defra funding research and local research.

Peatland recommendation 3

Cambridgeshire County Council and Peterborough City Council should work to develop the role of County farms as leaders and exemplars in the transition.

ACTION: Accept - Route to implementation available

COST: LOW / EMISSIONS IMPACT: MEDIUM

Detailed response:

Both authorities keep their farm estates under review as tenancies get renewed. Cambridgeshire County Council's Joint Administration's agreement (May 2021) sets out the policy ambition for the county farms estate to play its part in the climate agenda. Peterborough City is working with one of its tenant farmers who is trailing exemplar farming practice.

Peatland recommendation 4

The CPCA should establish a process to consult on and develop a vision and strategy for the Fens, which takes account of economic impact and goes beyond the single issue of peat

emissions, taking a leadership role at the forefront of national action. This will need strong engagement with local communities, particularly farming.

ACTION: Accept - Route to implementation available

COST: LOW / EMISSIONS IMPACT: MEDIUM

Detailed response:

The Commission on Climate identified the significant impacts climate change would have on the Fens, through flood risk, changes to growing conditions, release of greenhouse gases, and the challenges facing lower income households. It noted that as well as the individual Councils' corporate strategies, the CPCA's Local Industrial Strategy and Local Economic Recovery Strategy, there are a variety of policy initiatives relating to the Fens (such as the governments Lowland Peat Taskforce, Food and Farming in the Fens by the NFU, work on water supply etc). It recommended that the Combined Authority provide a convening role to provide a holistic view of peat, water and flooding across the Combined Authority area. It is important that the CPCA add value to any discussion, rather than duplicate effort. The scope of any vision work should therefore be informed and co-designed by Councils in the areas affected (Councils/CPCA; costs tba).



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 4.4

Market Towns Programme Investment Prospectus – Approval of Fifth Tranche of Recommended Projects and Change Request for Huntingdonshire Funding Timeline Extension

To: Cambridgeshire and Peterborough Combined Authority Board

Meeting Date: 30 June 2021

Public report: Yes

This report contains two appendices which are exempt from publication under Part 1 of Schedule 12A of the Local Government Act 1972, as amended, in that it would not be in the public interest for this information to be disclosed (information relating to the financial or business affairs of any particular person (including the authority holding that information)). The public interest in maintaining the exemption outweighs the public interest in publishing the appendices.

Lead Member: Mayor Dr Nik Johnson

From: John T Hill, Director of Business & Skills

Key Decision: Yes

Forward Plan ref: KD 2021/019

Recommendations: The Combined Authority Board is recommended to:

- a) Approve project proposals received under the Market Towns Programme and in response to town centre Covid-19 recovery from Fenland District Council to the sum of £1,071,021; and
- b) Approve the request received from Huntingdonshire District Council to extend the funding timeline to March 2023 for the remaining £802,150 allocated to the towns of Huntingdon and St Ives.

Voting arrangements: A simple majority of all Members

1. Purpose

- 1.1 To seek Combined Authority (CA) Board approval of the fifth tranche of project proposals received from Fenland District Council under the Cambridgeshire and Peterborough Combined Authority (CPCA) Market Towns Programme, and to seek approval of a change request received from Huntingdonshire District Council to extend funding timelines for the towns of Huntingdon and St Ives.

2. Background

- 2.1 The Combined Authority is providing capital investment to mobilise each town masterplan and to act as a funding catalyst to securing additional investment. A total of £10m Combined Authority capital was allocated to support the delivery and implementation of approved Market Town Masterplans (in addition to £3.1m of funding already allocated to St Neots). The 10 market town masterplans are from St Ives, Huntingdon, Ramsey, Wisbech, March, Chatteris, Whittlesey, Ely, Soham and Littleport.
- 2.2 Combined Authority funding is provisionally shared across these 10 market towns, with district authority leads able to bid for up to £1m of capital funding for each town. Proposals have been invited to support the mobilisation of each Masterplan and against activities which address the needs and those interventions identified as required to drive targeted growth and regeneration of each town.
- 2.3 All proposals are independently appraised where the strategic need, economic and commercial case is assessed against an agreed set of appraisal metrics. Appraised applications are scored based on programme criteria set and must achieve a minimum pass mark to be recommended for CA Board approval.
- 2.4 To date, there have been four funding calls under the CPCA Market Towns Programme (September 2020, November 2020, January 2021 and March 2021) resulting in 42 projects being approved by the CA Board, awarding a total of £9,795,327 in grant funding (and bringing in an additional £11,315,444 of match investment).

3. June 2021 Funding Call

- 3.1 The following 2 bids in the June 2021 funding call, have been independently assessed and are recommended for approval. The proposal summary matrix is included as Exempt Appendix 1 which sets out the assessment report and appraisal recommendations:

| PROJECT NAME | DESCRIPTION | CPCA GRANT AMOUNT | MATCH FUNDING |
|-------------------------------|---|-------------------|---|
| Fenland | | | |
| Community Hub at Wisbech Park | To support the development of a new community hub facility within Wisbech Park to help widen the community appeal of the park, encourage more events and attract new users. | £299,200 | £255,000 (Cambridgeshire County Council/Wisbech TC) |

| PROJECT NAME | DESCRIPTION | CPCA GRANT AMOUNT | MATCH FUNDING |
|--|---|-------------------|------------------------|
| Chatteris Museum & Community Space | To support the development of a new museum and community space for the town of Chatteris. | £771,821 | £34,851 (Chatteris TC) |
| Total funding requested (June 21) | | £1,071,021 | £289,851 |

- 3.2 All Market Towns funding is to be fully allocated and the FINAL tranche of project proposals for approval by the CA Board in July 2021. The total funding awarded to date and remaining budget allocations against each town is as follows:

| Town | Total Funding Approved (to date from allocation) | CA Board - June 21 | Remaining Allocation (July 21) |
|------------|--|--------------------|--------------------------------|
| St Ives | £620,125 | | £379,875 |
| Huntingdon | £577,725 | | £422,275 |
| Ramsey | £1,000,000 | | £0 |
| Wisbech | £700,800 | £299,200 | £0 |
| March | £1,000,000 | | £0 |
| Whittlesey | £1,000,000 | | £0 |
| Chatteris | £228,179 | £771,821 | £0 |
| Ely | £656,000 | | £344,000 |
| Soham | £600,000 | | £400,000 |
| Littleport | | | £1,000,000 |
| St Neots | | | £3,100,000 |
| | £6,382,829 | £1,071,021 | £5,646,150 |

4. Huntingdonshire Project Change Request

- 4.1 Huntingdonshire District Council have requested that the remaining CPCA Market Town Funds (£802,150) are ringfenced to allow for a set of firm proposals to CA Board in Q4 (2021/22) and thereafter extending final project expenditure to March 31st 2023. The project change request report received is included as Exempt Appendix 2.

- 4.2 The reprofiling of this expenditure will:

- Allow the completion of the master-planning / feasibility / business cases to be undertaken to fully test the sustainability of these longer-term projects. We are confident that the current £300k allocation (£100k per each of the three towns) for such studies will provide robust reports that include costed long term regeneration projects.
- Provide greater insight into potential projects by taking the learning from most recent evidence (GHD reports and master planning/feasibility work as set out above) and consultation exercises to inform future regeneration plans for the towns of Ramsey, St

Ives and Huntingdon.

Significant Implications

5. Financial Implications

- 5.1 Approval is requested for £1,071,021.
- 5.2 There are Combined Authority funds approved in the MTFP budget of £500k for 2020/21, with an additional £9.5m CPCA capital allocated in 2020/21 and 2021/22. Payments to fund approved projects will be subject to the conditions as set out in the assessment report being met and signed funding agreement in place.

6. Legal Implications

- 6.1 None

7. Other Significant Implications

- 7.1 The Market Towns Programme is a substantial commitment being made between the Combined Authority and the local areas, with scope for significant impacts on the growth of the local sub-economies. Successful delivery will have positive benefits to residents, community groups, and businesses and workers within the CPCA area.

8. Appendices

- 8.1 Appendix 1 (Exempt) – Project Assessment Summary Report (June 2021)
- 8.2 Appendix 2 (Exempt) – Project Change Request Report (Huntingdonshire District Council)

9. Background Papers

- 9.1 None



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 4.5

Authority to Spend for the Greater South East Energy Hub

| | |
|----------------------|---|
| To: | Cambridgeshire and Peterborough Combined Authority Board |
| Meeting Date: | 30 June 2021 |
| Public report: | Yes |
| Lead Member: | Mayor Dr Nik Johnson |
| From: | Alan Downton, Interim SRO |
| Key decision: | Yes |
| Forward Plan ref: | KD2021/035 |
| Recommendations: | <p>The Combined Authority Board is recommended to:</p> <ul style="list-style-type: none">a) Note the BEIS grant funding of £1,372,289 for public sector decarbonisation program;b) Delegate authority to the Director of Business and Skills in consultation with Chief Finance Officer and Monitoring Officer, to recruit 6 fixed term contracted employees for the Greater South East Energy Hub (GSEEH);c) Delegate authority to the Director of Business and Skills, in consultation with the Chief Finance Officer and Monitoring Officer to enter into contracts with consultants for the purpose of the Public Sector Decarbonisation Skills Funding and COP26;d) Approve an increase in the core Energy Hub budget, CX0072 of £270k; ande) Give permission to the Greater South East Energy Hub to bid into the Sustainable Warmth Competition being run by BEIS. |
| Voting arrangements: | A simple majority of all Members present and voting |

1. Purpose

- 1.1 BEIS Issued the Combined Authority a Public Sector Decarbonisation Skills Funding of £1,372,289. The anticipated budgets for an 18-month program, of which £870,000 is for circa 6 staff on fixed term contracts within the Greater South East Energy Hub (GSEEH). In addition, oncosts of £502,289 for the strategic program design consultancy and technical framework consultants.
- 1.2 BEIS have approached the Combined Authority requesting support for the delivery of events for the 26th UN Climate Change Conference of the Parties (COP26) in Glasgow on 1 – 12 November 2021.
- 1.3 BEIS have informed the Greater South East Energy Hub and the 5 other national energy hubs of a Sustainable Warmth competition being launched immediately to bid into a further fund worth £350m, c.£70m potentially for the GSEEH.

2. Background

- 2.1 On 24th March 21 the Greater South East Energy Hub business plan was presented at the Combined Authority meeting. The decarbonisation grant was awarded after this date and therefore requires approval by the board.
- 2.2 The purpose of the public sector decarbonisation skills funding grant is to provide funding to the Local Energy Hub towards expenditure on staff with skills and expertise that will be used to help public sector organisations to identify and deliver building energy efficiency and decarbonisation measures with a focus on reducing direct emissions; or to develop net zero organisational plans in the public sector. External consultancy will also be required, procurement will be via a framework or Dynamic Purchasing System (DPS) if available, alternatively a procurement will be undertaken by CPCA.

2.2.1 Proposed activities of funded staff:

- Provide support in identifying and delivering low-carbon opportunities to public sector organisations.
- Develop net-zero organisational plans that identify pathways to reduce emissions in line with the UK's net zero target and embed low-carbon principles into public sector asset management, maintenance and procurement.
- Develop investment grade proposals that the public sector can take forwards to gain internal approvals, secure budget for or make an application to current and future government funding opportunities, including in particular to the Public Sector Decarbonisation Scheme.
- Develop and deliver any proposals that have either stalled or abandoned due to lack of project management and delivery capacity to take the project through to completion.
- Maximise the use of resources made available through other government low-carbon initiatives such as Modern Energy Partners, applying the toolkits and expert advice

available to the public sector to consistently develop decarbonisation plans for public sector campus-style sites.

2.3 BEIS are funding the Energy Hubs to support the delivery of events for the 26th UN Climate Change Conference of the Parties (COP26) in Glasgow on 1 – 12 November 2021.

The anticipated funding to be in the region of £270K, the funding is for:

- Zero Carbon Tour – Race to Zero 31st August – 10th September: 3 flagship events in GSE (£20K funding per event - £20K match funding, venue, staff etc). Locations Cambridge, Oxford, Brighton
- Green Zone Events – COP fortnight November with £60K minimum for 2 events
- £20K storytelling and £30K management costs

This will be confirmed by BEIS imminently and the request is for the Greater South East Energy Hub use funding from core funds to commence delivery and an MoU will be issued in September 21 for the COP26 funding.

On receipt of a letter from BEIS and the slide deck, then the GSEEH with the Combined Authority's communications team, can start to develop the events and commence engagement with stakeholders, partners, community groups and businesses. External consultancy may be procured to provide additional capacity or specific services.

2.4 The Sustainable Warmth Competition is a funding opportunity being launched by BEIS to bring together two fuel poverty schemes:

- I. LAD Phase 3: In March 2021, Government announced £200m for low-income households heated by mains gas through a third phase of Local Authority Delivery (LAD) funding. This funding builds on Phase 1 and 2 of LAD, with the majority of eligibility rules staying consistent with the earlier phases with the most prominent change refining the scope to gas fuelled homes only.
- II. HUG Phase 1: £150m available to support for low-income households off the gas grid through the Home Upgrade Grant (HUG) Phase The primary purpose of the funding is to raise the energy efficiency rating of low income and low EPC rated homes, those with E, F or G being prioritised (band Ds will be limited), on the gas grid and off the gas grid and support economic resilience and a green recovery.
- III. The new £200m phase of LAD and the initial £150m HUG scheme will be running simultaneously, with delivery expected from early 2022 through to March 2023.
- IV. The fund is open to direct application by Local Authorities, consortia bids and consortia led by the Energy Hubs.
- V. The GSEEH are offering to act as lead authority on behalf of local authorities who do not wish to bid directly. The Hub will prepare and submit the bid and utilise the delivery model we have developed for LAD2, contracting with the

procured Managing Agents as our delivery partners for the respective areas. Additional services provided will include, project manager resource allocated to participating authorities, data licensing, data analytics, SME local supply chain development, framework management, PAS2035 compliance, capacity and capability building.

- VI. For those LAs who wish to bid directly but who do not have an appropriate procurement or specifications for PAS2035 compliance works, both the Managing Agent Framework and Dynamic Purchasing system is available to all LAs in our region.
- VII. The bid has to be submitted by 04th August 2021 and resource is available within the GSEEH and the Combined Authority to develop this and submit it

Significant Implications

3. Financial Implications

- 3.1 The acceptance of and approval to spend the Decarbonisation Skills Funding will create a budget line within the MTFP, and this will therefore allow for monitoring of the spend against funds received.
- 3.2 Point 2.3 involves spending at risk without written confirmation from BEIS of the funding. The MoU is due by September 2021 and it is not envisaged that the £270k will have been spent by that time, therefore, the risk will be lower than mentioned. Given the international profile of this event, it is considered very low risk that the funding will not be received from BEIS.

4. Legal Implications

- 4.1 The recommendations accord with the powers of the Combined Authority as set out at Part 4 Article 11 of the Cambridgeshire and Peterborough Combined Authority Order 2017 (SI 2017/251).

5. Other Significant Implications

- 5.1 None.

6. Appendices

- 6.1 Appendix 1 - BEIS Pre-Launch Sustainable Warmth Competition Presentation

7. Background Papers

- 7.1 [GSEEH Report & Business Plan - Combined Authority Board 24th March 2021 \(Item 3.5\)](#)

Sustainable Warmth Competition

Scheme Updates

- LAD Phase 1a - £74million delivery until August 2021
 - Extended delivery
 - PAS 2030:2019 transition extended
- LAD Phase 1b - £126m delivery until September 2021
 - PAS 2030:2019 transition extended
- LAD Phase 2 - £300m delivery until December 2021
 - PAS 2035/2030:2019 only
- SHDF Demonstrator - £62m delivery until December 2021

| | Q2 20 (Jul-Sep) | Q3 20 (Oct-Dec) | Q4 21 (Jan-Mar) | Q1 21 (Apr-Jun) | Q2 21 (Jul-Sep) | Q3 21 (Oct-Dec) | Q4 22 (Jan-Mar) | Q1 22 (Apr-Jun) | Q2 22 (Jul-Sep) | Q3 22 (Oct-Dec) | Q4 23 (Jan-Mar) |
|--|---|-----------------------------|--|---|---|-----------------------------------|--|--------------------------|--|-----------------|-----------------|
| | 2020 | | 2021 | | | | 2022 | | | 2023 | |
| GHG vouchers | Applications close 31 March 21 - delivery run off tbc | | | | | | | | | | |
| LAD Phase 1a (c£74m across 55 projects) | Competition ends August | Allocate Funding | Delivery starts Dec 20 and ends Aug 21 | | | | | | | | |
| LAD Phase 1b (c£126m across 81 projects) | | Competition ends December | Allocate Funding | Delivery starts Dec 20 and ends Sept 21 | | | | | | | |
| LAD Phase 2 (£200m across Local Energy Hubs) | | Sourcing Strategy Delivered | Allocate Funding | Delivery starts Dec 20 and ends Dec 21 | | | | | | | |
| Sustainable Warmth Fund (LAD 3 £200m & HUG1 £150m) | | | | Competition ends August | | Allocate Funding | Delivery starts Dec 21 and ends March 2023 | | | | |
| SHDF Wave 1 (£160m) | | | | Procuring scheme administrator | Procuring scheme administrator/competition launch | Competition ends/allocate funding | Money transferred/pre-delivery phase/early delivery | Delivery ends March 2023 | | | |
| HUG Main Scheme | | | | | | | Mobilisation (including procuring outsourced Scheme Manager) | Allocate Funding | Delivery starts Autumn 22 and ends June 2025 -->>> | | |

NOTE: Timelines may change. HUG Main Scheme delivery subject to future fiscal events.

The Sustainable Warmth Competition

The 'Sustainable Warmth Competition' is a funding opportunity being launched to bring together two fuel poverty schemes:

- 1. LAD Phase 3:** In March 2021, Government announced £200m for low-income households heated by mains gas through a third phase of Local Authority Delivery (LAD) funding. This funding builds on Phase 1 and 2 of LAD, with the majority of eligibility rules staying consistent with the earlier phases – with the most prominent change refining the scope to gas fuelled homes only.
- 2. HUG Phase 1:** £150m available to support for low-income households off the gas grid through the Home Upgrade Grant (HUG) Phase 1.

The primary purpose of the funding is to raise the energy efficiency rating of low-income and low EPC rated homes, those with E, F or G being prioritised (band Ds will be limited), on the gas grid and off the gas grid and support economic resilience and a green recovery.

Single Competition

We want to make applying for funding as straight forward as possible for Local Authorities and ensure that the schemes efficiently complement each other:

- The **new £200m phase of LAD and the initial £150m HUG** scheme will be running simultaneously, with delivery expected from early 2022 through to March 2023.
- The competition will cover both **off-gas (HUG1) and on-gas (LAD3) properties**, where the household is on a low-income and likely to be in fuel poverty. We will retain the focus of upgrading the worst-performing homes with energy efficiency installations and low carbon heating, as such projects that support **E, F and G rated homes will be prioritised** and upgrades to band D rated homes will be limited.
- This £350m funding opportunity will be **launched in June**. The competition will be comprised of single competition guidance for Local Authorities and a single application form covering both schemes.
- This combined approach will continue through the delivery, with one monthly reporting pack covering both schemes.

Eligibility Criteria

Scope of the scheme

| | |
|----------------|---|
| Funding Limits | <ul style="list-style-type: none">All applications are subject to a minimum bid value of £250,000; there is no maximum. |
| Applicants | <ul style="list-style-type: none">All Local Authorities or Local Energy Hubs in England. Consortium proposals with a nominated lead Local Authority coordinating delivery across multiple LAs or regions are welcomed, including building on LAD P2 led by LA Hubs. |
| Households | <ul style="list-style-type: none">Low-income households with a combined annual income less than £30,000 gross income.Retaining LAD1B flexibility to account for regional variation and household composition. |
| Homes | <ul style="list-style-type: none">EPC D, E, F and G rated homes. Band D will be capped at 30% across on and off the gas grid housing stock.Domestic dwellings only – primary focus will be to upgrade privately owned housing.Social housing permitted as part of mixed tenure upgrades. Bids focused on social housing encouraged to apply to SHDF. |
| Measures | <ul style="list-style-type: none">Any energy efficiency and heating measures compatible with the Standard Assessment Procedure (SAP).Includes energy efficiency measures (such as wall, loft, and underfloor insulation) and low carbon heating technologies.Fossil fuel heating systems are excluded from these schemes. |
| Contractors | <ul style="list-style-type: none">Trustmark registered and where applicable MCS certified.Installers must be compliant with PAS2030:2019. |

Cost Expectations - On Gas Grid Homes

LAD3: homes on the gas grid - retain LAD average cost caps.

- Owner occupied homes: maximum subsidy £10,000
- Rented properties (either with a private landlord or social landlord): maximum subsidy will be £5,000 with the landlord funding one third of the overall costs.

For clarity, a table setting out the subsidy and contributions expected for all on-gas grid upgrades for rented properties has been set out below:

| LAD Funding | Minimum Landlord Contribution | Total Cost |
|-------------|-------------------------------|------------|
| £1,000 | £500 | £1,500 |
| £2,000 | £1,000 | £3,000 |
| £3,000 | £1,500 | £4,500 |
| £4,000 | £2,000 | £6,000 |
| £5,000 | £2,500 | £7,500 |

Indicative Cost Caps shown - final cost caps will be confirmed when the competition is launched.

Cost Expectations – Off Gas Grid Homes

HUG1: Off the gas grid homes

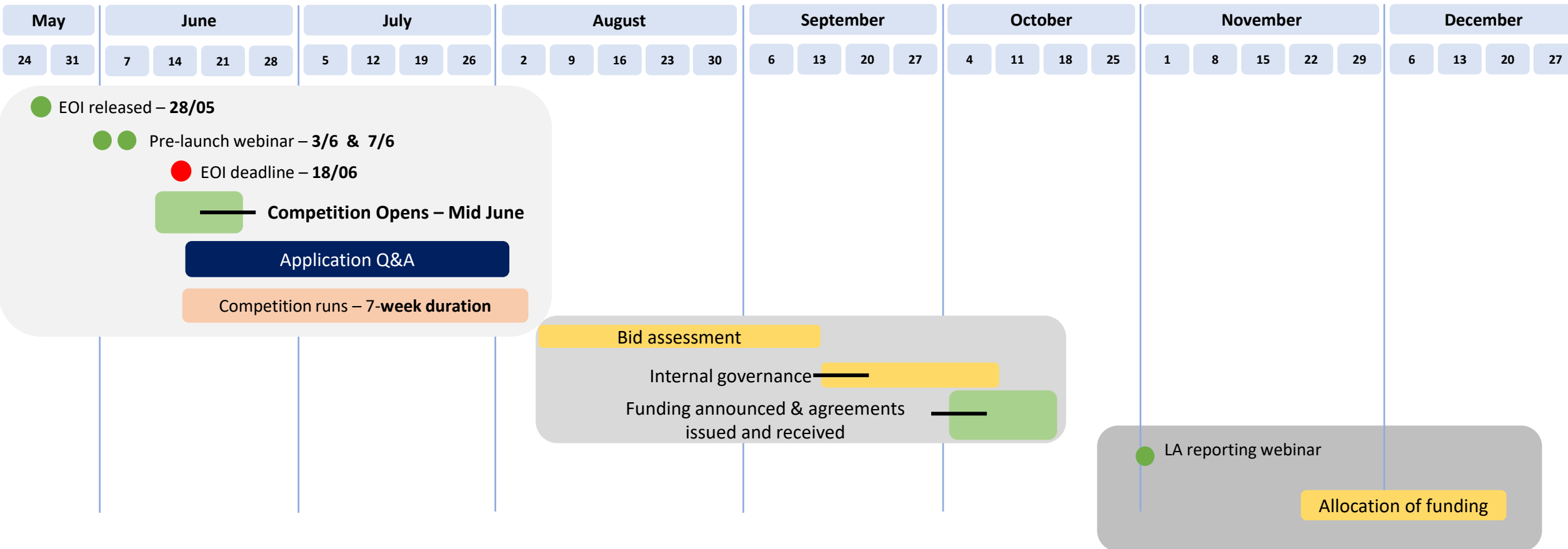
- Average cost caps of upgrades will be on a sliding scale according to the starting EPC band and fuel type.
- Cost caps designed to enable energy efficiency and low carbon heating.
- For rented properties (private landlord), the landlord will be required to fund one third of the cost of upgrades.

| | F&G | E | D |
|-------------------------|---------|---------|---------|
| Electric | £20,000 | £15,000 | £10,000 |
| Oil/coal/LPG/solid fuel | £25,000 | £20,000 | £15,000 |
| Park homes | £15,000 | | |

Indicative Cost Caps shown - final cost caps will be confirmed when the competition is launched.

Sustainable Warmth Competition Timeline

- EOI stage
- Assessment stage
- Allocation stage



* Project Delivery January 2022 → March 2023

The Social Housing Decarbonisation Fund

- The 2019 Conservative Manifesto includes a proposal for a **£3.8bn Social Housing Decarbonisation Fund (SHDF)** over a 10-year period, to improve the energy performance of social rented homes (subject to future spending reviews).
- The 2020 Summer Economic Update announced the £50m Demonstrator (*increased to £62m*) fund to deliver innovative retrofit projects for social housing, demonstrating a targeted performance level and cost reduction.
- The Government has announced around a further £160m for the first wave of the SHDF in financial year 2021/22, delivering up to March 2023.



SHDF Wave 1 Indicative Timeline *(subject to change)*



- The SHDF is designed to upgrade social housing stock. Local Authorities seeking to upgrade their own social housing stock, or work in partnership with Housing Associations to upgrade social housing are encouraged to apply for the SHDF as limits on the allowable proportion of social housing as part of mixed tenure area-based upgrades will be implemented in HUG1 and LAD3.



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 4.6

Careers Hub

| | |
|-------------------|---|
| To: | Cambridgeshire and Peterborough Combined Authority Board |
| Meeting Date: | 30 June 2021 |
| Public report: | Yes |
| Lead Member: | Mayor Dr Nik Johnson |
| From: | John T Hill, Director of Business and Skills |
| Key decision: | No |
| Forward Plan ref: | n/a |
| Recommendations: | <p>The Combined Authority Board is recommended on receipt of the funding agreement to:</p> <ul style="list-style-type: none">a) Approve the acceptance of the section 31 Local Authority Act 1972 Act grant paid by the Careers and Enterprise Company Limited on behalf of the Department for Education to the CPCA. The grant is £172,100 for the academic year of 2021/22;b) Delegate to the Director of Business and Skills, in consultation with the Deputy Section 73 Officer and the Monitoring Officer, authority to pay the section 31 grant to Growth Co;c) Delegate authority to the Director of Business and Skills to vary the Contract between Cambridgeshire and Peterborough Business Growth Company (Growth Co) and Gateley Economic Growth Services Limited ("Gateleys") to now include the provision by Gateleys of a Careers Hub Service; and |

- d) Approve the TUPE transfer of one member of CPCA staff to Gareth Preece Consulting which is a sub-contractor of Gateleys, the consortium lead contracted to deliver Growth Works.

Voting arrangements: A simple majority of all Members present and voting.

1. Purpose

- 1.1 To inform the Combined Authority Board of the successful award of a grant offer to deliver a Careers Hub for Cambridgeshire and Peterborough from the Careers Enterprise Company (CEC) Limited, a subsidiary of the Department for Education (DfE). This paper outlines the key considerations for taking this forward.
- 1.2 To request that the Combined Authority Board accept the funding and to extend the existing contract with Gateley Economic Growth Services Limited ("Gateleys") for the delivery of the Business Growth Service in accordance with the DfE Grant Funding Agreement.
- 1.3 At the time of publication the Official Grant Funding Agreement had not been issued. The recommendations sought in this report are upon receipt of the funding agreement, to avoid delay in the delivery of a Careers Hub for Cambridgeshire and Peterborough.

2. Background

- 2.1 The CPCA has held a contract with the CEC for the delivery of the Enterprise Advisor Network (EAN) since 2018. The EAN - supported by Enterprise Coordinators – creates connections between local businesses and schools and colleges in the region to support careers education and to provide young people access to a wide range of employer engagements and activities.
- 2.2 A Careers Hub offers a more focused service with a greater level of funding. Hubs work with a group of between 20 and 40 secondary schools and colleges in a dedicated area. Collectively they deliver the Gatsby Benchmarks collaborating with business partners, the public, education, and voluntary sectors.
- 2.3 Careers Hubs have access to additional support and funding to help them meet the eight Gatsby Benchmarks of excellent careers education. This includes:
 - A 'Strategic Hub Lead' to help coordinate activity and build networks
 - Access to bursaries for individual schools and colleges to train Careers Leaders
 - Central Hub Fund of equivalent to £800 per school or college
- 2.4 As part of the Careers Hub we will actively encourage employers to become Cornerstone Employers. Cornerstone Employers act as champions to encourage new businesses in the area to get involved in supporting schools and colleges, as well as encouraging their own staff to become volunteer Enterprise Advisers.
- 2.5 Data from the first wave of Careers Hubs shows that schools and colleges outperformed the national average of all aspects of careers education.

- 2.6 Careers Hubs exist in 32 Local Enterprise Partnership (LEP) areas and it is the ambition of the Careers and Enterprise Company to roll out hubs nationally in all 38 Local Enterprise Partnership (LAP) areas.
- 2.7 A competitive bid was submitted in February 2021 by the CPCA for the Cambridgeshire and Peterborough area to form a Careers Hub.
- 2.8 30 schools and colleges, including four Special Educational Needs and Disabilities (SEND) schools, and one Alternative Provision (AP) provider of a total of 72 schools and colleges from across the region have been identified to join this Careers Hub for the academic year of 2021/22. All eligible secondary schools and colleges in the region were asked to complete an expression of interest as a part of the application process.
- 2.9 It is the intention that the Combined Authority will apply for a second Careers Hub in the next academic year, so that all 72 schools and colleges in the CPCA area will be able to join a Careers Hub. The CEC advised the Combined Authority to take a staged approach implementing the lessons learned from year one.

Staffing - TUPE

- 3.0 Currently the Senior Enterprise Advisor is employed by The Combined Authority as a condition of the funding; this post is 100% funded to cover the Opportunity Area. This funding will be reduced to 50% upon commencement of the Careers Hub.
- 3.1 All other Enterprise Advisors are employed or contracted by Gareth Preece Consulting, part of the Gately Consortium who deliver Growth Works with Skills.
- 3.2 It is proposed that the identified post is TUPE'd to Gareth Preece Consulting in-line with other Enterprise Advisor roles.
- 3.4 It is proposed that the TUPE process will conclude by September 2021.
- 3.5 The current CEC contract forms a part of the wider Growth Works With Skills contract. To allow for delivery of the Careers Hub, the contract (Business Growth Service Agreement) between Growth Co and Gateleys will need to be varied to reflect the changes.

Significant Implications

4. Financial Implications

- 4.1 The Grant Funding from the CEC for the academic year of 2021/22 is £172,100. This is an increase from the funding received in 2020/21 by £47,100.
- 4.2 The funding allocated is to support the following job roles:
- 3x Enterprise Coordinators
 - 1x Senior Enterprise Coordinator

- 1x Strategic Hub Lead

The Strategic Hub Lead is fully funded by the CEC. The four other roles require a 50% match.

- 4.3 In previous years the Senior Enterprise Coordinator was fully funding by the CEC, as the role was attached to the Opportunity Area. This funding will stop at the end of the 20/21 academic year and be replaced by the new grant as outlined above, therefore requiring additional funds from the Combined Authority to fund 50% of this role for the period Sept 2021 to March 2022
- 4.4 Currently the Senior Enterprise Coordinator is employed by the Combined Authority.
- 4.5 The Enterprise Coordinator roles are currently employed or contracted by Gareth Preece Consulting, part of the Gately Consortium delivering Growth Works with Skills.
- 4.6 The Strategic Hub Lead is a new role and will be employed by the CPCA as per the conditions of funding.
- 4.7 It has been identified that an additional £22.5k is required this financial year. This will be resourced from existing Business & Skills budgets until March 2022. Approval will be sought for the additional budget requirements to be funded via Medium Term Financial Plan from April 2022.

5. Legal Implications

- 5.1 None

6. Appendices

- 6.1 None

7.1 Background papers

- 7.2 None.



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 4.7

European Regional Development Funding (ERDF) Growth Coaching Grants – Partner Agreement

To: Cambridgeshire and Peterborough Combined Authority Board

Meeting Date: 30 June 2021

Public report: Yes

Lead Member: Mayor Dr Nik Johnson

From: Alan Downton, Interim SRO Growth Works

Key decision: No

Forward Plan ref: n/a

Recommendations:

The Combined Authority Board is recommended to:

- a) Approve option 2 as set out in this report to have a direct Partner Agreement between the Combined Authority and YTKO (consortium member delivering the Growth Work Contract);
- b) Approve the draft Partner Agreement included as Appendix 1; and
- c) Delegate authority to the Director of Business & Skills, in conjunction with the Monitoring Officer to make the necessary changes to the existing Growth Works contract between the Cambridgeshire and Peterborough Business Growth Company (Growth Co) and Gateley Economic Growth Services (GEG) using a contracted change control process.

Voting arrangements: A simple majority of all Members present and voting

1. Purpose

- 1.1 To appraise the board of an issue raised by the Ministry for Housing, Communities and Local Government (MHCLG) in respect to European Regional Development Fund (ERDF) grant awarded to the Growth Works service (Business Growth Service).
- 1.2 To appraise the board on the options analysis to overcome the issue and to approve the recommended option (2).

2. Background

- 2.1 As part of the Combined Authority Growth Works Service, the Combined Authority has secured a grant from the European Regional Development Fund (ERDF) Programme for £3,067,640 of which £3,000,000 is for ERDF Revenue Grants to Small to Medium-sized Enterprises (SMEs). The remaining £67,640 is a contribution towards staff costs of overseeing this programme within Combined Authority and the Cambridgeshire and Peterborough Business Growth Company Limited (Growth Co), a subsidiary of the Combined Authority. The ERDF funding is matched at 50% which gives a total project value of £6,135,280. The ERDF Grant is confirmed via a signed Funding Agreement with the MHCLG dated 6th January 2021.
- 2.2 As part of the initial compliance process MHCLG carried out at a 'Project Inception Visit' on 11th March 2021. During the meeting MHCLG raised concerns that the project structure would not be compliant with ERDF rules (note that the issue was not raised during the long project appraisal and approval process which commenced in March 2020). Confirmation of the issue was received from MHCLG in an email dated 16th March 2021.

The problem identified by MHCLG is that payment of the Grants by YTKO, who are part of the consortia contracted to deliver Growth Works would not be compliant with ERDF rules because under the proposed structure YTKO would not be the ERDF applicant or a designated delivery partner in the grant funding agreement. Paragraph 5.3 (e) of the Funding Agreement states:

‘that Eligible Expenditure has been defrayed (that is that Eligible Expenditure has been incurred and that payment has been made by the Grant Recipient or a Delivery Partner) in respect of any Eligible Expenditure to which a Grant Claim relates;’

YTKO are a sub-contractor of Gateley Economic Growth Services (GEG) who are contracted to deliver the Growth Coaching element of the Growth Works Service. The commercial contract between the Combined Authority and GEG does not form part of the ERDF project since payment for delivery of Growth Coaching services is not part-funded by ERDF. Therefore, MHCLG see YTKO as external to the ERDF project and not capable of the defrayal of ERDF grants under the terms of the Funding Agreement.

- 2.3 Two possible solutions are available:
 - 2.3.1 Option 1 – The Combined Authority pay the ERDF Grants to SMEs

As project applicant, payment of grants to SMEs directly by the Combined Authority would constitute eligible expenditure for ERDF purposes. However, the Combined Authority has not allocated resource for payment of these grants and such a process would separate grant payments from the Growth Coaching services contracted through GEG and delivered by YTKO. Note that YTKO also have considerable experience in the delivery of compliant ERDF grant schemes. This option would potentially cost the Combined Authority an additional £60k per annum, as YTKO are undertaking this as part of the commercial negotiations, at nil cost as part of the Growth Work contract, under the wider Growth Coaching service. This workload or cost is not in the Cambridgeshire and Peterborough Business Growth Company business plan.

2.3.2 Option 2 – The Combined Authority designate YTKO as a project ‘delivery partner’ confirmed by a direct Partner Agreement. **Recommended**

This is the solution suggested by MHCLG. As the delivery of Growth Coaching Services to SMEs is included in the commercial contract and is not part funded by ERDF there is no need to change this relationship. However, under a separate ERDF Grants Partner Agreement between the Combined Authority and YTKO, the ERDF grant payments themselves would be paid to SMEs directly by YTKO and would be eligible expenditure under ERDF rules. This would allow SME grant payments defrayed by YTKO to be included in ERDF claims to MHCLG.

Note that MHCLG have advised that the Partner Agreement must be between the Combined Authority as the ERDF applicant and YTKO. It cannot be between Growth Co and YTKO. The grant recipient (Combined Authority) cannot delegate responsibility for managing one delivery partner to another.

2.4 Should option 2 above be approved there will need to be some consequential variations to the GEG Growth Works contract, as there are references to the payment of ERDF grants which would need to be removed. The creation of a direct Partner Agreement between the Combined Authority and YTKO has already been discussed and approved by YTKO’s lawyers.

In practical terms the arrangement proposed in solution (2) makes no difference to project delivery or costs. It was always envisaged that YTKO, as a sub-contractor to GEG, would manage delivery of the ERDF grants and make grant payments to SMEs. This will not change but it is necessary to redefine the relationship between the Combined Authority and YTKO as proposed to meet ERDF requirements.

2.5 The Board are asked to approve option 2 as set out above including the draft Partner Agreement, which is a standard agreement used within the Combined Authority for ERDF grants and has been signed off by the Combined Authority monitoring team. The Partner Agreement is in Appendix 1.

Significant Implications

3. Financial Implications

3.1 There are no direct financial implications arising from this paper, as the budget for the programme has already been agreed by the CA Board previously. This paper is purely concerned with the administrative processes surrounding the payment of the grant funding.

4. Legal Implications

4.1 None

5. Other Significant Implications

5.1 None.

6. Appendices

6.1 Appendix 1 – Draft ERDF Standard Partner Agreement

7. Background Papers

7.1 None

DATED **XX** APRIL 2021

**Cambridgeshire and Peterborough Combined
Authority**

-and-

YTKO Limited

**ERDF Growth Coaching/ROAR Grants
PARTNER AGREEMENT**

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THIS Agreement is dated **XX** April 2021.

PARTIES

1. **Cambridgeshire and Peterborough Combined Authority a statutory local authority** and having its registered office at 72 Market Street Ely, Cambridgeshire, CB7 4LS (**Grant Recipient**); and
2. **YTKO Limited** a private limited company number 01392147 (Delivery Partner) having its registered office at Nicholas House, River Front, Enfield, Middlesex, EN1 3FG.

BACKGROUND

- A** The Grant Recipient submitted the Application ('Application') on behalf of the Delivery Partners named in the Application to the Secretary of State for Housing, Communities and Local Government (the Secretary of State) to undertake the Activities set out under Schedule 5 of this Agreement.
- B** The Application proposes to deliver ERDF funding announced for the ERDF Growth Coaching/ROAR Grants project in the LEP area of Greater Cambridgeshire, Greater Peterborough.
- C** The Parties agree to deliver the Targets and Activities as set out under in this Agreement.

IT IS AGREED THAT:

1 DEFINITIONS

In this Funding Agreement the following words and phrases shall have the following meanings:

"Agreed Activity End Date" means the date specified in the Project Specific Conditions and being the date that all the Project Activities shall be finished and complete.

"Agreed Financial Completion Date" means the date specified as such in the Project Specific Conditions and being the date that all the expenditure eligible for grant will have been defrayed.

"Agreed Project Practical Completion Date" means the date specified as such in the Project Specific Conditions and being the date by which the Targets shall be achieved.

"Application" means the application for Grant (and any annexures thereto) which is contained in Schedule 5 of this Agreement.

"Audit" means an audit/monitoring verification carried out pursuant to Articles 125 and 127 of Regulation 1303 by the Secretary of State in its role as 'managing authority' or the Government Internal Audit Agency in its role as 'audit authority', or any audit by the European Commission, European Court of Auditors or, where relevant, the National Audit Office.

“Change” means in relation to the Project as defined in the Application any of the following changes (in accordance with clause 9): -

- (a) a change in the Ownership, Control and Nature of Business of the Grant Recipient;
- (b) a change in the nature or purpose of the Project or in the delivery of the Project, as set out in the Application;
- (c) any change to the Eligible Expenditure;
- (d) any change to the Expenditure Profile;
- (e) any change to any of the Key Milestone Dates;
- (f) any change to any of the Targets.

“Completion” means completion of the Project Activities to the satisfaction of the Secretary of State.

“Conditions” means the terms and conditions upon which the Grant is payable as contained in clauses 1 to 27 of the main body of this Funding Agreement and the Project Specific Conditions at Schedule 1.

Completed Project” means a Project that has been physically completed or fully implemented and in respect of which all related payments have been made by the Grant Recipient and the corresponding public contribution has been paid to the Grant Recipient.

“Confidential Information” means all Personal Data and any information, however it is conveyed, that relates to the business, affairs, developments, trade secrets, know-how, personnel, and suppliers of the owner of the Confidential Information, including all intellectual property rights, together with all information derived from any of the above, and any other information clearly designated as being confidential (whether or not it is marked "confidential") or which ought reasonably be considered to be confidential.

“Contracting Authority” means any contracting authority as defined in Regulation 3 of the Public Contracts Regulations 2006 or Regulation 2 of the Public Contracts Regulations 2015 (as amended) other than the Secretary of State.

“Correction” means an amount to be repaid or withheld from the Grant payable as determined following the finding of an Irregularity and calculated, where relevant, by reference to the published guidelines on flat-rate corrections, for example as set out in the National European Structural and Investment Funds Procurement Requirements and the Guidelines for Determining Financial Corrections

“Crown Body” means any Secretary of State, office or agency of the Crown.

“Data” means:-

- (a) the data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, and which are: (i) supplied to the Grant

Recipient by or on behalf of the Secretary of State; or (ii) which the Grant Recipient is required to generate, process, store or transmit pursuant to this Funding Agreement; or

- (b) any Personal Data for which the Secretary of State, the Grant Recipient or the Delivery Partner is the Data Controller.

"Data Controller" shall have the same meaning as set out in the Data Protection Legislation

"Data Loss Event" means any event that results, or may result, in unauthorised access to Personal Data held by the Processor under this Agreement, and/or actual or potential loss and/or destruction of Personal Data in breach of this Agreement, including any Personal Data Breach.

Data Protection Legislation" means: (i) the General Data Protection Regulation (Regulation (EU) 2016/679), the Law Enforcement Directive (Directive (EU) 2016/680) and any applicable national implementing Laws as amended from time to time (ii) the Data Protection Act 2018 to the extent that it relates to processing of personal data and privacy; (iii) all applicable Law about the processing of personal data and privacy including where applicable the guidance and codes of practice issued by the Information Commissioner as may be in force from time to time.

"Data Protection Impact Assessment" means: an assessment by the Controller of the impact of the envisaged processing on the protection of Personal Data.

"Data Subject" shall have the same meaning as set out in the Data Protection Legislation

"Data Subject Request" means a request made by, or on behalf of, a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation to access their Personal Data.

"Delivery Partner" means a third party that (in collaboration with the Grant Recipient) shall deliver the Project, itself defray expenditure to be claimed and carry out the Project Activities in accordance with clause 4 and which third party is not intended by either party to be providing services or works under a contract for services or works.

"Disposal" means the disposal, sale, transfer or the grant of any estate or interest in any Asset and includes any contract for a disposal and **"Dispose"** shall be construed accordingly.

"Eligibility Rules" means the rules governing eligibility of expenditure for payment of European Regional Development Fund contained in:

- (a) Regulation 1301;
- (b) Regulation 1303; and
- (c) The National European Regional Development Fund Eligibility Rules.

"Eligible Capital Expenditure" means the expenditure set out in the profile at Schedule 2.

"Eligible Expenditure" means expenditure in relation to this Project that complies in all respects with the Eligibility Rules.

“Eligible Revenue Expenditure” means the expenditure set out in the profile at Schedule 2.

“Environmental Information Regulations” means the Environmental Information Regulations 2004 (SI No 2004/3391) together with any guidance and/or codes of practice issued by the ‘Information Commissioner’ (as referred to therein) or relevant Government Department in relation to these regulations.

“Event of Default” means an event or circumstance as defined by clause 11.1.

“Expenditure” means either capital expenditure or revenue Expenditure (as appropriate in the context).

“Expenditure Profile” means the information provided by the Delivery Partner detailing the spend forecast for the carrying out of the Project Activities and defrayal of expenditure including the Start Date and the Agreed Financial Completion Date contained in Schedule 2 of this Agreement.

“Financial Year” means the calendar year.

“Final Payment Date” means the date of the final payment of Grant to the Grant Recipient.

“Funding Agreement” means the agreement including the Schedules with the Grant Recipient and the Secretary of State.

“Grant” means the grant of European Regional Development Fund payable pursuant to this Funding Agreement up to the Maximum Sum as set out in the Application.

“Grant Claim” means a claim for Grant using the Secretary of State’s System on line facility.

“Delivery Partner Equipment” means the hardware, computer and telecoms devices and equipment made available by the Delivery Partner or its sub-contractors (but not hired, leased or loaned from the Secretary of State) for the provision of the Project Activities.

“Delivery Partner Personnel” means all employees, agents, consultants and contractors of the Delivery Partner and/or of any sub-contractor.

“Delivery Partner Software” means software which is owned by or licensed to the Delivery Partner, including software which is or will be used by the Delivery Partner for the purposes of complying with its obligations pursuant to this Funding Agreement.

“Delivery Partner System” means the information and communications technology system used by the Delivery Partner in performing its obligations under this Funding Agreement including the Delivery Partner Software, Delivery Partner Equipment and related cabling (but excluding the Grant Recipient System).

“Guidelines for Determining Financial Corrections” means the Guidelines for determining financial corrections to be made to expenditure co financed by the Structural and Investment Funds from time to time in force and notified to the Delivery Partner by the Grant Recipient and which (those subsisting on the date of this Agreement) are:-

- Commission Decision C(2013) 9527 19.12.2013 on the setting out and approval of the guidelines for determining financial corrections to be made by the Commission to expenditure financed by the Union under shared management for non-compliance with the rules on public procurement.

“Information Communications and Technology Environment” means the Grant Recipient System and Delivery Partner System.

“Information” has the meaning given in the Freedom of Information Act 2000.

“Information Commissioner” has the meaning given in the Freedom of Information Act 2000.

“Instalment Period” means the period referred to in the Project Specific Conditions.

“Intellectual Property Right” means all patents, know-how, registered trade marks, registered designs, utility models, applications and rights to apply for any of the foregoing unregistered design rights, unregistered trade marks, rights to prevent passing off for unfair competition and copyright, database rights, topography rights and any other rights in any invention discovery or process in each case in the United Kingdom and all other countries in the world and together with all renewals and extensions.

“Interpretative Communication” means the Commission Interpretative Communication on the Community law applicable to contract awards not or not fully subject to the provisions of the Public Procurement Directives (2006/C 179/02)

“Irregularity” means any breach of European Union law, or of national law relating to its application resulting from an act or omission by the Parties (and/or its agents and subcontractors), which has, or would have, the effect of prejudicing the budget of the European Union by charging an unjustified item of expenditure to the budget of the European Union.

“Key Milestone Dates” means those milestones to achieve the Project which are contained in the Project Specific Conditions.

“Law” means any applicable law, statute, bye-law, regulation, order, regulatory policy, guidance or industry code, rule of court or directives or requirements of any Regulatory Body, delegated or subordinate legislation or notice of any Regulatory Body.

“Losses” means all costs, charges, fees, expenses, fines and losses (including, loss of profit, loss of reputation) and all interest penalties and legal and other professional costs and expenses.

“Malicious Software” means any software program or code intended to destroy, interfere with, corrupt, or cause undesired effects on program files, data or other information, executable code or application software macros, whether or not its operation is immediate or delayed, and whether the malicious software is introduced wilfully, negligently or without knowledge of its existence.

“Material Breach” means a breach of this Funding Agreement (including an anticipatory breach) which is not minimal or trivial in its consequences as further set out in clause 12.

“Maximum Sum” means the maximum amount of Grant to be provided by the Secretary of State for the support of the Project and includes the Capital Maximum Sum and the Revenue Maximum Sum.

“National European Regional Development Fund Document Retention Guidance” means the guidance published from time to time by the Secretary of State and contained on the Website, the version subsisting at the date of this Funding Agreement being ESIF-GN-1-008 ERDF Document Retention Guidance v1 (published February 2016).

“National European Regional Development Fund Eligibility Rules” means the National Eligibility Rules published from time to time by the Secretary of State and contained on the Website, the version subsisting at the date of this Funding Agreement being ESIF-GN-1-012 National ERDF Eligibility Rules v1 (published 20 March 2015).

“National European Regional Development Fund Publicity Guidance” means the guidance on publicity and the branding guidelines for European Regional Development Fund published from time to time by the Secretary of State on the Website, the version subsisting at the date of this Funding Agreement being ESIF-GN-1-005 ESIF Branding and Publicity Requirements v8 (published 1 August 2019).

“National European Regional Development Fund State Aid Law Guidance” means the guidance published from time to time by the Secretary of State and contained on the Website, the version subsisting at the date of this Funding Agreement being ESIF- GN-1-006 ERDF State Aid Law Guidance v4 (published 20 October 2020).

“National European Structural and Investment Fund Procurement Requirements” means the requirements published from time to time by the Secretary of State and contained on the Website, the version subsisting at the date of this Funding Agreement being ESIF-GN-1-001 ESIF national Procurement Requirements v7 (published 15 September 2020).

“National Rules” means the national rules set out in [chapter 6] of the National European Structural Investment Funds Procurement Requirements as published from time to time.

“Not Eligible” means expenditure that is not Eligible Expenditure.

“Operational Programme” means the Operational Programme for England the Commission of the European Union (‘European Commission’) has adopted setting out its contribution to the Union strategy for smart, sustainable and inclusive growth and the achievement of economic, social and territorial cohesion with the Secretary of State as the managing authority for the Operational Programme pursuant to Article 123(1) of Regulation 1303; and Article 125(3)(c) of Regulation 1303, setting out the conditions for support for the operation concerned and the specific requirements concerning the products or services to be delivered under the operation, the financing plan and the time-limit for execution.

“Ownership, Control and Nature of Business” shall be construed in accordance with section 840 of the Income and Corporation Taxes Act 1988 and section 1162 of the Companies Act 2006 and for the avoidance of doubt shall include an evaluation of dominant influence and shadow directorships in the Grant Recipient from time to time.

“Parties” means the Grant Recipient and Delivery Partner.

“Personal Data” shall have the same meaning as set out in the Data Protection Legislation.

“Process” has the meaning given to it under the Data Protection Legislation.

“Procurement Law” includes, but is not restricted to EC Directives 2004/18/EC, 2004/17/EC and 2007/66/EC, the Public Contracts Regulations 2006 (SI No 5/2006), as amended, Directive 2014/24/EU the Public Contracts Regulations 2015 and the Utilities Contracts Regulations 2006 (SI No 6/2006), as amended, and includes the Interpretative Communication, the Consolidated Versions of the Treaty on European Union and the Treaty on the Functioning of the European Union’.

“Project” means the project fully described in the Application.

“Project Activities” means all the activities to be carried out and implemented in the Project and described in the Application and this Funding Agreement and anything incidental thereto.

“Project Specific Conditions” means those conditions which are specific to the Project and are contained in Schedule 1.

“Project Specific Eligible Expenditure” means Eligible Expenditure which is specific to this Project and is contained in Schedule 2.

“Public Sector Financial Assistance” includes all funding received or receivable by the Grant Recipient and the Delivery Partner from public sector bodies including for this purpose funding from the European Commission, government bodies (whether national or local) or bodies in receipt of lottery funds from the National Lottery Distribution Fund pursuant to the National Lotteries Acts 1993 and 1998.

“Regulation 480” means Commission Delegated Regulation (EU) No 480/2014 of 3 March 2014 supplementing Regulation 1303.

“Regulation 821” means Commission Implementing Regulation (EU) No 821/2014 of 28 July 2014 supplementing Regulation 1303.

“Regulation 1301” means Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December 2013, on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal, as amended.

“Regulation 1303” means Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 which sets out common provisions on the Structural and Investment Funds, as amended.

“Regulatory Bodies” means those government departments and regulatory, statutory and other entities, committees and bodies which, whether under statute, rules, regulations, codes of practice or otherwise, are entitled to regulate, investigate, or influence the matters dealt with in this Funding Agreement or any other affairs of the Secretary of State and "Regulatory Body" shall be construed accordingly.

“Revenue Maximum Sum” means the maximum amount of Grant payable in respect of Eligible Revenue Expenditure as is specified in the Project Specific Conditions.

“Secretary of State System” means the Secretary of State’s computing environment (consisting of hardware, software and/or telecommunications networks or

equipment) used by the Secretary of State, the Grant Recipient or the Delivery Partner in connection with this Agreement which is owned by or licensed to the Secretary of State by a third party and which interfaces with the Grant Recipient System and/or the Delivery Partner System or which is necessary for the Secretary of State to comply with the terms of the Funding Agreement with the Grant Recipient.

"Small to Medium Sized Enterprise" or "SME" means a small to medium sized enterprise as set out in the 'General Block Exemption Regulation' (Commission Regulation (EU) No 651/2014).

"Start Date" is the date specified as such in the Project Specific Conditions being the earliest date that the expenditure incurred by the Delivery Partner in relation to the Project can be Eligible Expenditure.

"State Aid Law" means the law embodied in Articles 107 -109 of Section 2, Title VII, of the Common Rules on Competition, Taxation and Approximation of Laws-Consolidated Versions of the Treaty on European Union and the Treaty on the Functioning of the European Union.

"Structural and Investment Funds" means together the European Regional Development Fund (ERDF) and the European Social Fund (ESF).

"Sub-processor" means any third Party appointed to process Personal Data related to this Agreement on behalf of the Grant Recipient

"Structural and Investment Funds Regulations" means Regulation 1301, Regulation 1303 and any delegated acts or implementing acts adopted under those Regulations.

"Targets" means the outputs and results identified and detailed in the milestone table contained in the Project Specific Conditions and those specified in Schedule 3.

"Third Party Software" means software which is owned or licensed by any third party which is or will be used by the Delivery Partner for the purposes of this Agreement.

"Transaction List" means the transaction checklist relevant to a particular Grant Claim as determined by the Secretary of State.

"Useful Economic Life" means the period of years following the Final Payment Date that any Asset shall be used for the Approved Use as set out in Schedule 1.

"Website" means the national website for European Regional Development Fund Programme in England: <https://www.gov.uk/european-growth-funding>.

"Working Day" means any day from Monday to Friday (inclusive) which is not Christmas Day, Good Friday or a statutory bank holiday in England.

2 INTERPRETATION

In this Funding Agreement:

2.1 reference to any statute or legislation shall include any statutory extension or modification, amendment or re-enactment of such statutes and include all instruments, orders, bye-laws and regulations for the time being made, issued or given thereunder or deriving validity therefrom, and all other legislation of the European Union that is directly applicable to the United Kingdom;

- 2.2** reference to any clause, sub-clause, paragraph, sub-paragraph or schedule without further designation shall be construed as a reference to the clause, sub-clause, paragraph, sub-paragraph or schedule to this Funding Agreement so numbered;
- 2.3** reference to 'this Funding Agreement' includes any variations made from time to time pursuant to these terms;
- 2.4** reference to "Published" by the Secretary of State shall include an electronic version contained on the Website;
- 2.5** reference to "including" shall be construed so as not to limit the generality of any words or expressions in connection with which it is used;
- 2.6** reference to "determined" or "determine" means, unless the contrary is indicated a determination made at the discretion of the person making it;
- 2.7** where the consent approval or agreement of the Secretary of State required pursuant to the terms of this Funding Agreement, it shall not be construed as having been given unless provided in writing;
- 2.8** words importing one gender shall include both genders and the singular shall include the plural and vice versa;
- 2.9** the Guidelines for Determining Financial Corrections and the National European Regional Development Fund Eligibility Rules shall have the same force and effect as if expressly set out in the body of this Funding Agreement;
- 2.10** the headings in this Funding Agreement shall not affect its interpretation;
- 2.11** In the event of a conflict between the following elements comprising this Funding Agreement the priority shall prevail in the following descending order;
- (a) The conditions set out at Schedule 1 ("Project Specific Conditions")
 - (b) The conditions set out in the main body of this Funding Agreement
 - (c) The Application

3 GRANT

In consideration of the Parties' respective obligations contained in this Agreement the Grant will only be paid in respect of Eligible Expenditure.

3.1 Eligible Expenditure excludes: -

- (a) payments made by the Delivery Partner that are Not Eligible;
- (b) payments that are the subject of an Irregularity or a suspected Irregularity.

3.2 Subject to entering into this Agreement Eligible Expenditure that has been defrayed on or after the Start Date may be claimed pursuant to this Agreement. For the avoidance of doubt, the reference to Grant and the provisions of this Agreement shall apply to all claims and Expenditure beginning on the Start Date. If the Agreement is not entered into for any reason, there shall be no expectation of Grant

and any expenditure incurred in that case shall be entirely for the account and at the risk of the Delivery Partner.

4 THE APPLICATION AND ACCEPTANCE OF GRANT TERMS

4.1 The Delivery Partner agrees that:

- (a) no disclaimer of liability for the contents of the Application affects the Secretary of State's right to recover any sum under this Agreement; and
- (b) there is reserved to the Secretary of State (notwithstanding clause 26.2) any rights of action or remedies for any mistake, negligent misstatement, misrepresentation or error of judgment made in the Application upon which the Secretary of State has relied in agreeing to provide Grant to the Grant Recipient, submitted on the Delivery Partner's behalf.

4.2 The Delivery Partner accepts and agrees to all the terms having made full and proper enquiry before giving the warranties contained in this Agreement.

The Delivery Partner acknowledges that the Grant has been offered to it to carry out the Project Activities specified within the Application and schedules to this agreement, and achieve the Targets within the time limits set out in this Agreement and the Key Milestone Dates set out in the table contained in the Project Specific Conditions.

5 GRANT CLAIMS

5.1 Amount of Grant payable

- (a) The total amount of Grant paid to the Grant Recipient shall not exceed the Maximum Sum.

5.2 Conditions Precedent to the payment of Grant

The Secretary of State will not make the first payment of Grant and/or any subsequent payment of Grant to the Grant Recipient unless all of the following preconditions have been complied with:-

- (a) the relevant Grant Claim is made on the Secretary of State System online facility;
- (b) the expenditure is Eligible Expenditure;
- (c) The Grant Recipient has satisfied the Secretary of State that the Grant Recipient has all funding needed to pay for expenditure in relation to the Project which is Not Eligible Expenditure;
- (d) that Eligible Expenditure has been defrayed (that is that Eligible Expenditure has been incurred and that payment has been made by the Grant Recipient or a Delivery Partner) in respect of any Eligible Expenditure to which a Grant Claim relates; and
- (e) the Conditions have been fully complied with provided that the Secretary of State may waive in whole or in part any Condition/s without prejudicing the Secretary of State's right to require subsequent fulfilment of such Condition/s;

provided, always that the payment of a Grant Claim shall not operate as a waiver of any of the obligations in this clause 5.3 or exclude the right for the Secretary of State to exercise any of its rights under this Funding Agreement.

5.3 Grant Claims Procedure

- (a) The Grant Recipient shall make all Grant Claims in arrears, for each Instalment Period.
- (b) The Grant Recipient shall provide a forecast of the amount of Grant to be claimed for an Instalment Period in accordance with paragraph (c) by the 7th Working Day of the month following the end of the Instalment Period for which the Grant Claim will be made.
- (c) Except for the final Grant Claim, each Grant Claim is to be submitted by the 20th Working Day of the month following the end of the Instalment Period for which the Grant Claim is made.
- (d) The first Grant Claim made at the end of the first Instalment Period shall relate to all Eligible Expenditure incurred and paid by the Grant Recipient from the Start Date. Subsequent Grant Claims shall relate to all Eligible Expenditure incurred and paid by the Grant Recipient in an Instalment Period.
- (e) Each Grant Claim is to be submitted using the Secretary of States on line facility. Each Grant Claim shall include accounting documents of verifiable value (which shall include the Transaction List) in such format and detail as may be acceptable to the Secretary of State relating to the amount claimed in such Grant Claim.
- (f) The Secretary of State will normally pay a Grant Claim within 40 Working Days of receipt, but this is subject to:
 - (i) The Grant Recipient submitting a forecast in accordance with paragraph (b) above;
 - (ii) The Grant Claim being submitted by the deadline referred to in paragraph (c) above; and
 - (iii) The Grant Recipient satisfactorily meeting any request for further particulars about the Eligible Expenditure specified in the Grant Claim or any other details provided for in the Grant Claim.
- (g) The time for payment of the Grant Claim shall not be of the essence. The Grant Recipient shall have no liability to the Delivery Partner for any Losses caused by a delay in the payment of a Grant Claim howsoever arising.
- (h) The Delivery Partner must notify the Grant Recipient promptly if at any time it becomes aware that it is unable to provide defrayal evidence for the Grant Claim in accordance with the Expenditure Profile.
- (i) A progress report in respect of the Project must be submitted with each Grant Claim, and at such other times as the Grant Recipient may notify to the Delivery Partner.

- (j) By submitting defrayal evidence and evidence to support delivery of targets for the Grant Claim, the Delivery Partner warrants to the Grant Recipient that there is no Event of Default or Material Breach subsisting by reference to the facts and circumstances existing on each such date.

5.4 Retention of Grant

Without prejudice to any other provision of this Funding Agreement the Secretary of State will retain 10% of the Grant which shall not be released unless and until the following events have occurred: -

- (a) completion of the Project Activities;
- (b) the Secretary of State has received, and is satisfied with, the final monitoring report following the final monitoring visit;
- (c) all outstanding audit issues are resolved; and

that the release of the retention shall not operate as an acknowledgement or waiver and shall not preclude the Secretary of State from exercising any of its rights under this Agreement.

6 THE EXPENDITURE PROFILE

- 6.1** If in any Financial Year (the "relevant year") there is a shortfall in the amount of Eligible Expenditure by reference to the amount planned in the Expenditure Profile, the Secretary of State will be under no obligation to pay Grant for any additional Eligible Expenditure in the following year or any later Financial Year.
- 6.2** If in any Financial Year (the "relevant year") there is an overspend in the amount of Eligible Expenditure by reference to the amount planned in the Expenditure Profile, the Secretary of State will be under no obligation to pay Grant in the following year or any later Financial Year which was overspent in any relevant year.

7 DECOMMITMENT OF EUROPEAN REGIONAL DEVELOPMENT FUND RESOURCES

The Delivery Partner acknowledges that the financial consequences that flow from a departure from the Expenditure Profile in any Financial Year could include the loss of European Regional Development Fund resources allocated for the Operational Programme (if in that year there is under-spending for the Operational Programme as a whole).

- 7.1** If during any Financial Year of the Operational Programme the Secretary of State is reasonably satisfied that there will be a shortfall in Eligible Expenditure and that the Grant Recipient will be unable to make up that shortfall then, the Secretary of State may reduce the Grant allocated for the Project and use the amount of the reduction for any other purpose of the Operational Programme. The amount to be re-allocated under these circumstances is determinable by the Secretary of State but may not exceed the amount of the anticipated shortfall in Eligible Expenditure.
- 7.2** Where the right reserved in clause 7.1 arises under circumstances that also entitle the Secretary of State to exercise the rights reserved in clause 11, the right reserved

to the Secretary of State in clause 7.2 is exercisable in addition and without prejudice to the exercise of the rights reserved to the Secretary of State in clause 11.

8 CHANGES TO THE PROJECT

8.1 All Changes must be approved by the Secretary of State prior to the relevant Change being deemed to be effective. The Grant Recipient shall request the Change on a Project Change Request Form. The Secretary of State shall either agree to the change request or reject the change request within 60 days of the date of the Project Change Request Form.

8.2 Until such time as a Change is made in accordance with this clause, the parties shall, unless otherwise agreed in writing, continue to perform this Funding Agreement in compliance with its terms before such Change.

9 LEGISLATION, ESIF PROCUREMENT REQUIREMENTS, AND STATE AID LAW

9.1 General

- (a) The Delivery Partner must comply and secure compliance with the Structural and Investment Funds Regulations and the Delivery Partner hereby warrants that it shall not act or omit to act in any way that may cause the Grant Recipient or the Secretary of State to breach the Structural and Investment Funds Regulations.
- (b) Further to clause 9.1(a) the Grant Recipient shall ensure that in accordance with Article 6 of Regulation 1303, the Project complies with applicable European Union law and the national law relating to its application.

9.2 State Aid Law

- (a) The Delivery Partner has undertaken its own independent assessment of the compatibility of the Project with State Aid Law and confirms to the Grant Recipient that the Project is structured so it is compliant with State Aid Law. Where the Grant Recipient has provided its views on any aspect of State Aid Law, the Delivery Partner confirms that it has considered this information alongside all other sources of State Aid Law available at the time of entering into this Agreement (including regulations and decisions published on the European Commission website) in undertaking its own assessment of the Project's compliance.
- (b) The Delivery Partner shall procure and maintain the necessary expertise and resources to deliver the Project in accordance with the State Aid Law for the full term of the Project. The Delivery Partner agrees to maintain appropriate records of compliance with the State Aid Law and agrees to take all reasonable steps to assist the Grant Recipient to comply with State Aid Law requirements and respond to any investigation(s) instigated by the European Commission into the Project or by the European Court of Auditors.
- (c) A finding of State Aid non-compliance in respect of the Project by the European Commission or a Court of competent jurisdiction may lead to Grant Recipient and the Delivery Partner being ordered to repay the Grant with interest in accordance with the European Commission's reference rates.

9.3 ESIF Procurement Requirements

(a) The Delivery Partner warrants that it will provide full details of all contracts for goods, works or services which will form part of the Project and for which it will claim reimbursement to the Grant Recipient.

(b) Provided that where, having regard to the Interpretative Communication, the contract awards do not have a sufficient connection with the functioning of the Internal Market, the Delivery Partner warrants that it has complied with or shall comply with clause 9.4 below.

9.4 National Rules

Where:

- (a) the Delivery Partner is not a 'contracting authority' subject to Procurement Law in relation to the Project; or
- (b) it is a contracting authority and the contract award does not have a sufficient connection to the 'Internal Market'

the Delivery Partner warrants that:

- (i) In relation to any contracts listed at Annex 3(a) of the Application, it has ensured that its processes met with the National Rules published at the date of the Application; and
- (ii) In relation to any contracts listed at Annex 3(b) of the Application, it shall comply with the relevant version of the National Rules published at the date of commencement of the procurement process.

It is the Delivery Partner's sole responsibility to ensure compliance with the Regulations.

10 PUBLICITY

10.1 The Delivery Partner shall at all times comply with: -

- (a) Articles 115 and Annex XII of Regulation 1303; and
- (b) Chapter II and Annex II of Regulation 821.

10.2 The Secretary of State has published the National European Regional Development Fund Publicity Guidance to assist the Delivery Partner to comply with the Regulations referred to in the paragraph above. This guidance is not compulsory and does not have to be followed as a condition of this Funding Agreement. It is the Grant Recipient's sole responsibility to ensure compliance with the Regulations.

10.3 The obligations in this clause shall continue after this Agreement is terminated.

10.4 The Delivery Partner hereby gives consent to the Secretary of State to publicise in the press or any other medium the Grant and the details of the Project using any information gathered from the Application or the monitoring of the Project Activities.

11 EVENTS OF DEFAULT, MATERIAL BREACH AND RIGHTS RESERVED FOR BREACH OF THE FUNDING AGREEMENT

11.1 Events of Default

An Event of Default is the occurrence of any of the following:-

- (a) the Delivery Partner fails to comply with the Conditions;
- (b) the Project Activities are not commenced by the date which is 3 months after the Start Date;
- (c) the expenditure is not claimed in line with the Expenditure Profile;
- (d) Completion of the Project Activities has not been achieved by the Agreed Activity End Date;
- (e) a Change is made to the Project without the prior written approval of the Secretary of State, as required by clause 8;
- (f) the European Commission or a European Court requires any Grant paid to be recovered by reason of a breach of State Aid Law;
- (g) the Delivery Partner fails to comply with the provisions of the exemption or scheme (referred to in the Project Specific Conditions) under State Aid Law that applies to the Project and the Grant;
- (h) any report or certificate made by the Delivery Partner's auditor or reporting accountant is unsatisfactory (where, for example, the report or certificate refers to a fundamental uncertainty or disagreement, or contains a material qualification, or states that the auditor or accountant is unable to form an opinion about any item, or reports that any amount is not correctly stated in the accounts or records examined);
- (i) the Delivery Partner owes any sum to the Grant Recipient under an agreement for the financial support of any other Project or activities;
- (j) if the Delivery Partner is a Small to Medium Sized Enterprise, but it ceases to be a Small to Medium Sized Enterprise, and it is a requirement arising out of State Aid Law that the Delivery Partner remains as a Small to Medium Sized Enterprise;
- (k) an encumbrancer takes possession or a receiver or administrative receiver or manager or sequestrator is appointed of the whole or any part of the undertaking assets rights or revenues of the Delivery Partner or a distress or other process is levied or enforced upon any of the assets rights or revenues of the Delivery Partner and any such action is not lifted or discharged within 10 Working Days;
- (l) a petition is presented (other than a petition which, in the opinion of the Grant Recipient, is frivolous or vexatious and which is withdrawn or stayed within 10 Working Days) to, or any order is made by, any competent court for the appointment of an administrator in relation to the Delivery Partner;
- (m) the Grant Recipient is, or is adjudicated or found to be, insolvent or stops or suspends payment of its debts or is (or is deemed to be) unable to or admits inability to pay its debts as they fall due or proposes or enters into any composition or other arrangement for the benefit of its creditors generally or proceedings are commenced in relation to the Grant Recipient under any law regulation or procedure relating to reconstruction or adjustment of debts;

- (n) any petition is presented by any person (other than a petition which, in the opinion of the Grant Recipient, is frivolous or vexatious and which is withdrawn or stayed within 10 Working Days) or any order is made by any competent court or any resolution is passed by the Delivery Partner for its winding-up or dissolution or for the appointment of a liquidator of the Delivery Partner.
- (o) any Irregularity on the part of the Delivery Partner has been identified in connection with the Project, or the European Commission or any other Regulatory Body otherwise requires the Grant Recipient to recover any amount paid under this Agreement.

11.2 Material Breach

A Material Breach is a breach of this Funding Agreement as defined in clause 11.1 above including but not limited to the occurrence of any of the following: -

- (a) any information given or representation made in the Application or in any correspondence, report or other document submitted to the Secretary of State relating to this Project or under this Agreement is found to be incorrect or incomplete to an extent which the Secretary of State considers to be material;
- (b) any fraud has been committed by the Delivery Partner and/or its employees in connection with the Project;
- (c) a breach of the warranties by the Delivery Partner contained in and given pursuant to this Agreement;
- (d) the Delivery Partner fails to materially comply with the Conditions;
- (e) the activities carried out by the Delivery Partner are distinct or different from the description set out in the Application having regard also to the intended function of the Project Activities and the end beneficiaries of the Project.

11.3 Rights reserved for the Secretary of State in relation to an Event of Default

Where, the Secretary of State determines that an Event of Default or a Material Breach has or may have occurred the Grant Recipient shall take any one or more of the following actions:

- (a) suspend the payment of Grant for such period as the Secretary of State shall determine; and/or
- (b) reduce the Maximum Sum in which case the payment of Grant shall thereafter be made in accordance with the reduction; and/or
- (c) cease to make payments of Grant to the Delivery Partner under this Agreement and (in addition) require the Delivery Partner to repay to the Grant Recipient the whole or any part of the amount of Grant previously paid to the Delivery Partner; and/or
- (d) terminate this Agreement.

11.4 Opportunity for the Delivery Partner to remedy an Event of Default

- (a) If the Grant Recipient gives written notice to the Delivery Partner pursuant to clause 11.3(a) to suspend payment of Grant, such notice shall specify the relevant Event of Default and give the Delivery Partner an opportunity to rectify the relevant Event of Default within such period as the Secretary of State shall determine to be reasonable and as shall be set out in such written notice (or such extended period as the Secretary of State shall thereafter determine).
- (b) The written notice referred to in clause 11.4(a) above may include a requirement for the Delivery Partner to provide specified information to Grant Recipient to assist the Secretary of State to determine whether the default has been rectified to his satisfaction.
- (c) Where the rectification of the default requires a Change the procedure under clause 8 shall be followed.
- (d) The Secretary of State shall not by reason of the occurrence of an Event of Default which is, in the opinion of the Secretary of State, capable of remedy, exercise its rights under either clause 11.3(c) or clause 11.3(d) unless the Delivery Partner has failed to rectify the default pursuant to clause 11.4(a) within such period referred to in clause 11.4(a) to the satisfaction of the Grant Recipient.

11.5 Continued rights of actions or remedies of the Grant Recipient

The exercise by the Grant Recipient of its rights under this Agreement shall be without prejudice to any other right of action or remedy of the Secretary of State in respect of any breach by the Delivery Partner.

11.6 Cessation of entitlement to Grant

If the Secretary of State exercises their right under clause 11.3(c) the Secretary of State shall give written notice to the Grant Recipient that the Secretary of State is ceasing to make payment of Grant and from the date of such notice the Secretary of State shall cease to be under any obligation to pay any amount of Grant to the Grant Recipient under the Funding Agreement. The Grant Recipient shall immediately notify the Delivery Partner of the cessation of the payment of the Grant.

11.7 Liability to meet demand for repayment of Grant and Covenant to Pay

- (a) Where the Grant Recipient requires the Delivery Partner to repay any amount of Grant, the Delivery Partners shall repay the amount concerned within 20 Working Days of receiving the demand for repayment. The liability to meet such a demand shall be enforceable as a contractual debt.
- (b) Where the Grant Recipient makes a determination to recover any amount of Grant, it may recover the amount concerned by withholding or deducting the amount from any sum due from the Grant Recipient to the Delivery Partner under this Agreement or under any agreement for the support of any other agreement with the Grant Recipient.
- (c) The Grant Recipient may require interest to be paid on any amount repayable by the Delivery Partner in accordance with the rates published in the Official Journal of the European Union from time to time.

11.8 Reduction in grant for underperformance

- (a) This clause applies where the Grant Recipient determines that the Delivery Partner has underperformed against the Targets to such a degree that a reduction in Grant may be made in accordance with the underperformance weightings and methodology set out in Schedule 4.
- (b) Where this clause applies, the Grant Recipient shall give written notice to the Delivery Partner specifying the Targets it has underperformed against and giving the Delivery Partner an opportunity to rectify that underperformance within such period as the Grant Recipient shall determine to be reasonable and as shall be set out in such written notice (or such extended period as the Grant Recipient shall thereafter determine).
- (c) The written notice referred to in the paragraph above may include a requirement for the Delivery Partner to provide specified information to the Grant Recipient to assist the Grant Recipient to determine whether that underperformance has been rectified to its satisfaction.
- (d) Where the rectification of the underperformance requires a Change, the procedure under clause 8 shall be followed.
- (e) Where the Delivery Partner fails to rectify the underperformance to the Grant Recipient's satisfaction within the specified time period, the Grant Recipient may by written notice to the Delivery Partner, reduce the amount of Grant allocated to the Project by an amount calculated in accordance with the underperformance weightings and methodology set out in Schedule 4.
- (f) Where the amount of Grant is reduced under this clause, the Grant Recipient shall either require the Delivery Partner to repay to the Grant Recipient the whole or any part of the amount of Grant previously paid to the Delivery Partner and/or shall offset it from a future Grant Claim, as appropriate.

11.9 Corrections

- (a) Notwithstanding any other provision in this Agreement the Grant Recipient may impose a Correction. If a Correction is imposed a notice will be sent to the Delivery Partner setting out the Irregularity that the Grant Recipient considers has occurred together with the level of Correction imposed having regard to any applicable guidelines and/or the value of the Grant Claim to the extent that the Irregularity applies to it.
- (b) If a Correction is imposed the Delivery Partner shall either pay the amount or agree to the Correction being offset from a future Grant Claim as the case may be. The Grant Recipient shall be at liberty to offset an amount of Grant in anticipation of a Correction pending the final outcome of any discussions or representations made by the Grant Recipient and/ or the Delivery Partner in respect of the Correction.
- (c) The Delivery Partner shall be at liberty to make representations in writing to the Grant Recipient setting out the reasons it considers that the Correction should be adjusted together with evidence in sufficient detail to enable the Grant Recipient to reconsider the requirement for the Correction provided always that the Secretary of State's decision shall be final and binding.

11.10 Exclusion of liability

- (a) Neither party shall be liable to the other party (so far as permitted by law) for indirect special or consequential loss or damage in connection with this Agreement which shall include, without limitation, any loss of or damage to profit, revenue, contracts, anticipated savings, goodwill or business opportunities whether direct or indirect.
- (b) Each party shall at all times take all reasonable steps to minimise and mitigate any loss or damage for which the relevant party is entitled to bring a claim against the other party pursuant to this Agreement.
- (c) With respect to other claims so far as permitted by law the Grant Recipient shall under no circumstances whatever be liable to the Delivery Partner whether in contract, tort (including negligence), breach of statutory duty, or otherwise for any Losses arising under or in connection with this Agreement that would exceed the amount of the Maximum Sum less any amount of Grant Paid.
- (d) Any clause limiting the Delivery Partner's liability does not apply in relation to a Correction that is applied in accordance with the terms of this Agreement.

12 ASSIGNMENT OR CHARGING OF THE FUNDING AGREEMENT

- 12.1** The Delivery Partner acknowledges that the Grant Recipient may not, without the prior written consent of the Secretary of State, assign its rights under the Funding Agreement or charge the benefit of the Funding Agreement or novate the rights and liabilities of the Funding Agreement to a third party.

13 MONITORING PROGRESS, REPORTING AND NOTIFICATIONS

13.1 Submission of progress reports

- (a) The Delivery Partner must send to the Grant Recipient, at such intervals as the Grant Recipient shall notify in writing to the Delivery Partner, a report on progress made towards the achievement of the Targets. Without prejudice to any provision of any of this Agreement conferring a remedy for failure to achieve any of the Targets, this obligation shall subsist until the Targets have been achieved.
- (b) The Delivery Partner must provide such additional information in such format as the Grant Recipient may at any time require. This includes information about the progress of the Project Activities, the achievement of the Targets and any other information required to enable the Grant Recipient to meet its reporting obligations and other obligations under State Aid Law and the Structural and Investment Funds Regulations.
- (c) The Grant Recipient warrants the accuracy of the reports and information it gives pursuant to this clause 13 and further warrants that it has diligently made full and proper enquiry of the subject matter pertaining to the reports and information given.

13.2 Notification by the Delivery Partner to the Grant Recipient

The Delivery Partner shall notify the Grant Recipient in writing: -

- (a) as soon as practicable thereafter firstly in the event of any Change in the information on costs (whether actual or estimated) of carrying out the Project Activities contained in the Application and secondly of any event which materially affects the continued accuracy of such information;
- (b) as soon as practicable thereafter, in the event of the receipt of any other Public Sector Financial Assistance or guarantees of other Public Sector Financial Assistance or other funding obtained by the Grant Recipient in relation to the Project, or an offer of the same, in respect of any aspect of the Project or the Project Activities (or any part of it or them);
- (c) as soon as practicable thereafter, of any event which might adversely affect the carrying out and/or Completion of the Project Activities or any part of them;
- (d) as soon as practicable thereafter, of any event which might adversely affect the delivery of the Project by the Agreed Activity End Date; and
- (e) forthwith, on the occurrence of an Event of Default.

13.3 Records

- (a) The Delivery Partner shall provide Grant Recipient with such information and documentation as the Grant Recipient may require in connection with the Project from the date of the Application to the date on which the Delivery Partner has fulfilled all of its obligations under this Agreement.
- (a) The Delivery Partner shall comply with and assist the Grant Recipient and the Secretary of State to comply with the requirements for an audit trail under the Structural and Investment Funds Regulations including (but not limited to) the detailed minimum requirements under Article 25 of Regulation 480.
- (b) The Delivery Partner must keep a record of all Eligible Expenditure, all quotes, tenders and procurement practices, all financial contributions made towards the Project and all income generated by the Project.
- (c) The Delivery Partner will provide to the Grant Recipient such information as is available as to the number of persons employed in connection with the Project and such other information as may be requested by the Secretary of State as to the benefits derived from the provision of funding for the Project.
- (d) The Delivery Partner must comply with the requirements of the Secretary of State regarding the keeping of records available on the Secretary of State Website.

13.4 Retention of documents

- (a) Without prejudice to any other provision of this Agreement and the Grant Recipient's and Delivery Partner's obligations pursuant to State Aid Law, the Delivery Partner will ensure that all documents relating to the Project and its implementation and financing are retained for a two year period from 31 December following the submission of the accounts to the European Commission in which the final expenditure for the Completed Project is included, in order that these may be made available to the European Commission and European Court of Auditors upon request in accordance with Article 140 of Regulation 1303.

- (b) The Grant Recipient shall notify the Delivery Partner of the start date of the two-year period referred to in the paragraph above.

In addition to the obligation under paragraph (a) above, the Delivery Partner shall ensure that all documents relating to the Project and its implementation and financing are retained as necessary in order to demonstrate compliance with any applicable State Aid law, the Structural and Investment Funds Regulations and the obligations under this Funding Agreement. The Secretary of State has published the National European Development Fund Document Retention Guidance in order to assist the Grant Recipient and Delivery Partner to determine how long documents should be retained for in order to demonstrate compliance.

- (c) The Delivery Partner will make available to the Grant Recipient the documents relating to the Project and its implementation and financing if and when required to do so by the Secretary of State, the European Court of Auditors, the European Commission auditors, the National Audit Office (and also their respective auditors).
- (d) The documents referred to in this clause shall be kept and made available either in the form of the originals or certified true copies of the originals or on commonly accepted data carriers including electronic versions of original documents or documents existing in electronic version only. The National European Development Fund Document Retention Guidance provides guidance on commonly accepted data carriers and the procedure for certifying conformity with original documents.
- (e) Where documents exist in electronic form only, the computer systems used shall meet accepted security standards which ensure that the documents held meet with national legal requirements and can be relied upon for audit purposes. The equipment and software used to store the documents shall be retained and kept functional for a two-year period from 31 December following the submission of the accounts in which the final expenditure for the Completed Project is included.

13.5 Conflicts of interest and financial irregularities

- (a) The Partner and all officers, employees and other persons engaged or consulted by the Delivery Partner in connection with the Project shall not be in a position where there is a conflict of interest. The Delivery Partner is required to have formal procedures obliging all such persons to declare any actual or potential personal or financial interest in any matter concerning the Project, and to be excluded from any discussion or decision-making relating to the matter concerned. Any such conflicts must be reported to the Grant Recipient in writing.
- (b) If the Delivery Partner has any grounds for suspecting any financial impropriety in the use of any amount paid under this Agreement, it must notify the Grant Recipient immediately, explain what steps are being taken to investigate the suspicion, and keep the Grant Recipient informed about the progress of the investigation. For these purposes "financial impropriety" includes fraud or other impropriety; mismanagement; use of Grant for improper purposes; and failure to comply with requirements in the Structural and Investment Funds Regulations relating to the control and propriety of Project expenditure.

- (c) The Grant Recipient and/or the Secretary of State shall be entitled to interview employees of the Delivery Partner if fraud or other financial irregularity is suspected by the Grant Recipient on the part of the Delivery Partner, its employees or agents in connection with the Project.

14 ACCOUNTING RECORDS, SUPPORTING EVIDENCE AND AUDIT

- 14.1** The Delivery Partner shall maintain full and accurate accounts and documentary evidence for the Project on an open book basis and the Grant Recipient will and shall Procure that a Delivery Partner will permit the Secretary of State and persons authorised by the Secretary of State to inspect audit and take copies of all reports books accounting records and vouchers which the Secretary of State properly considers relevant to the Project.
- 14.2** The Delivery Partner shall maintain either a separate accounting system or an adequate accounting code for all transactions relating to the operation without prejudice to national accounting rules.
- 14.3** The Delivery Partner shall comply with the Secretary of State's audit monitoring and reporting requirements for grant recipients.
- 14.4** The Delivery Partner shall provide the Secretary of State with such other information as the Secretary of State may require in connection with the Project and the Project Activities.
- 14.5** The Delivery Partner shall cooperate fully and promptly with an Audit.
- 14.6** Where the Project has been selected for Audit and the Secretary of State requires information from the Delivery Partner in order to respond to findings made in the draft Audit report, the Secretary of State shall write to the Grant Recipient with a list of requested information which the Grant Recipient shall provide to the Delivery Partner.
- 14.7** The Delivery Partner shall provide the Grant Recipient with the requested information within 10 days of receiving the request unless permission for an extension of time is granted in writing by the Secretary of State.
- 14.8** The Delivery Partner acknowledges that failure to provide the requested information within the timeframe specified in clause 14.7 above may result in an Irregularity being found in relation to the Project which requires reimbursement to the budget of the European Union.
- 14.9** Without prejudice to any other provision of this Agreement, where the Grant Recipient has been notified that the Project has been selected for Audit and
 - (a) the Delivery Partner has previously failed to comply fully and promptly with an Audit; or
 - (b) an Irregularity has previously been found in relation to the Project,the Grant Recipient may, at his discretion, withhold payment to the Delivery Partner until a subsequent Audit has been completed to the Secretary of State's satisfaction.

15 CONFIDENTIALITY

15.1 Except to the extent set out in this clause 16 or where disclosure is expressly permitted elsewhere in this Agreement, each party shall: -

- (a) treat the other party's Confidential Information as confidential and safeguard it accordingly; and
- (b) not disclose the other party's Confidential Information to any other person without the owner's prior written consent.

15.2 Clause 15.1 shall not apply to the extent that:

- (a) such disclosure is a requirement of Law placed upon the party making the disclosure, including any requirements for disclosure under the Freedom of Information Act 2000, 'Code of Practice on Access to Government Information' or the Environmental Information Regulations;
- (b) such information was in the possession of the party making the disclosure without obligation of confidentiality prior to its disclosure by the information owner;
- (c) such information was obtained from a third party without obligation of confidentiality;
- (d) such information was already in the public domain at the time of disclosure otherwise than by a breach of this Agreement; or
- (e) it is independently developed without access to the other party's Confidential Information.

15.3 The Delivery Partner may only disclose the Grant Recipient's Confidential Information to the Delivery Partner Personnel who are directly involved in the Project and who need to know the information, and shall ensure that such Delivery Partner Personnel are aware of and shall comply with these obligations as to confidentiality.

15.4 The Delivery Partner shall not and shall procure that the Grant Recipient Personnel do not, use any of the Grant Recipient's Confidential Information received otherwise than for the purposes of this Agreement.

15.5 Nothing in this Funding Agreement shall prevent the Grant Recipient and the Secretary of State from disclosing the Delivery Partner's Confidential Information:

- (a) to any Crown Body or any other Contracting Authority. All Crown Bodies or Contracting Authorities receiving such Confidential Information shall be entitled to further disclose the Confidential Information to other Crown Bodies or other Contracting Authorities on the basis that the information is confidential and is not to be disclosed to a third party which is not part of any Crown Body or any Contracting Authority;
- (b) to any consultant, contractor or other person engaged by the Secretary of State;
- (c) (where such Confidential Information is contained in the Application, any Grant Claim or any progress report submitted in respect of the Project), to any member of a Local Enterprise Partnership European Structural and Investment Fund Sub Committee for the purpose of monitoring and evaluating the Project, subject to clause 16.7;

- (d) to a person receiving technical assistance in accordance with Regulation 1303 for the purpose of monitoring and evaluating the Project;
- (e) to enable the Secretary of State to meet its reporting obligations and other obligations under State Aid Law and the Structural and Investment Funds Regulations for the purpose of clause 14.1(b) of this Funding Agreement;
- (f) for the purpose of any Audit pursuant to clause 14 of this Agreement;
- (g) for the purpose of the examination and certification of the Secretary of State's accounts; or
- (h) for any examination pursuant to Section 6(1) or Section 7ZA of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Secretary of State has used its resources.

15.6 The Secretary of State shall use all reasonable endeavours to ensure that any Crown Body, government department, Contracting Authority, external auditor, employee, third party or Sub-contractor to whom the Delivery Partner's Confidential Information is disclosed pursuant to clause 15.5 is made aware of the Secretary of State's obligations of confidentiality.

15.7 The Secretary of State may agree not to disclose specified Confidential Information contained in the Application any Grant Claim or progress report to a member of the Local Enterprise Partnership European and Structural Investment Sub Committee where the Grant Recipient has requested in writing that such information be withheld, including where it is considered to be commercially sensitive.

15.8 Notwithstanding the foregoing the Delivery Partner hereby consents to the Grant Recipient and the Secretary of State using and disclosing (including to the press) any techniques, ideas or know-how gained during the performance of the Project Activities and/or Agreement. The Delivery Partner warrants to the Secretary of State that neither the Intellectual Property Rights nor any publication by the Secretary of State of the project related know-how will infringe, in whole or in part, any Intellectual Property Right of any other person and agrees to indemnify and hold the Secretary of State harmless against any and all claims, demands and proceedings arising directly or indirectly out of the Secretary of State's publication or use of the Project Related Know-how where this gives rise to or is alleged to give rise to an infringement of third party Intellectual Property Rights.

16 THE SECRETARY OF STATE DATA

16.1 The Delivery Partner shall not delete or remove any proprietary notices contained within or relating to the Secretary of State Data.

16.2 The Delivery Partner shall not store, copy, disclose, or use the Secretary of State Data except as necessary for the performance by the Grant Recipient of its obligations under this Funding Agreement or as otherwise expressly authorised in writing by the Secretary of State.

16.3 The Delivery Partner shall take responsibility for preserving the integrity of the Secretary of State Data and preventing the corruption or loss of the Secretary of State Data.

16.4 If at any time the Delivery Partner suspects or has reason to believe that the Secretary of State Data has or may become corrupted, lost or sufficiently degraded

in any way for any reason, then the Grant Recipient shall notify the Grant Recipient immediately.

17 DATA PROTECTION

17.1 With respect to the parties' rights and obligations under this Agreement, the parties agree that both the Grant Recipient and Delivery Partner are Data Controllers with independently determined purposes and means of processing Personal Data. The parties shall use the Personal Data for the following independent purposes:

- (a) The Secretary of State and Grant Recipient shall use the Personal Data for the purpose of assessing the Grant Recipient's compliance with its obligations under the Funding Agreement; and
- (b) The Grant Recipient and the Delivery Partner shall use the Personal Data for purpose of complying with its obligations under this Agreement.

17.2 The Grant Recipient and the Delivery Partner shall comply at all times with the Data Protection Legislation.

17.3 The Delivery Partner shall comply at all times with the Data Protection Legislation and shall not perform its obligations under this Funding Agreement in such a way as to cause the Grant Recipient and the Secretary of State to breach any of its applicable obligations under the Data Protection Legislation.

18 SECURITY REQUIREMENTS

18.1 The Delivery Partner shall, as an enduring obligation throughout the term of this Funding Agreement, use the latest versions of anti-virus definitions available from an industry accepted anti-virus software vendor to check for and delete Malicious Software from the Information Communications and Technology Environment.

18.2 Notwithstanding clause 18.1, if Malicious Software is found, the parties shall co-operate to reduce the effect of the Malicious Software and, particularly if Malicious Software causes loss of operational efficiency or loss or corruption of the Grant Recipient Data and Secretary of State Data, assist each other to mitigate any losses and to restore the Project Activities to their desired operating efficiency.

18.3 Any cost arising out of the actions of the parties taken in compliance with the provisions of clause 18.2 shall be borne by the parties as follows:

- (a) by the Delivery Partner where the Malicious Software originates from the Delivery Partner Software, the Third Party Software or the Grant Recipient Data and Secretary of State Data (whilst the Grant Recipient Data and Secretary of State Data was under the control of the Delivery Partner); and
- (b) by the Grant Recipient if the Malicious Software originates from the Grant Recipient Software or the Grant Recipient Data (whilst the Grant Recipient Data was under the control of the Grant Recipient).
- (c) by the Secretary of State if the Malicious Software originates from the Secretary of State Software or the Secretary of State Data (whilst the Secretary of State Data was under the control of the Secretary of State).

19 DELIVERY PARTNER WARRANTIES

The Delivery Partner warrants, represents and undertakes for the duration of the term of this Agreement that: -

- (a) it has and will continue to hold all necessary (if any) regulatory approvals from the Regulatory Bodies necessary to perform the Delivery Partner's obligations under this Agreement;
- (b) it has and will continue to have all necessary rights in and to the Delivery Partner Software or any Third Party Software and/or the Intellectual Property Rights, or any other materials made available by the Delivery Partner and/or the sub- contractors to the Grant Recipient necessary to perform the Delivery Partner's obligations under this Agreement;
- (c) in performing its obligations under this Agreement, all Software used by or on behalf of the Delivery Partner will:
 - (i) be currently supported versions of that Software; and
 - (ii) perform in all material respects in accordance with its specification,
- (d) as at the Start Date all statements and representations provided by the Delivery Partner in the Grant Recipient's Application are to the best of the Delivery Partner's knowledge, information and belief, true and accurate and that it will advise the Grant Recipient of any fact, matter or circumstance of which it may become aware which would render any such statement, representation to be false or misleading; and
- (e) it shall at all times comply with Law in carrying out its obligations under this Agreement;
- (f) it has the power and authority to execute, deliver and perform its obligations under this Agreement and no limit on its powers will be exceeded as a result of the acceptance of the Grant or any of the terms pursuant to this Agreement;
- (g) there has been no adverse change in the Delivery Partner's business, assets or financial condition since the submission of the Application to the Secretary of State and that the Application is true in all respects on the date of this Agreement;
- (h) no regulatory investigation by any United Kingdom or European Union authorities has been commenced or is pending in respect of the Project or the Delivery Partner, or if there has been a regulatory investigation, it has been concluded to the satisfaction of the Secretary of State.

20 NOTICES

20.1 Any notice demand or communication to be given or served under this Agreement shall be in writing.

20.2 Notices may be given, and are deemed received:

20.2.1 by hand: on receipt of a signature at the time of delivery;

20.2.2 by Royal Mail Recorded Signed For post: at 9.00 am on the second Business Day after posting;

20.2.3 by Royal Mail International Tracked & Signed or Royal Mail International Signed post: at 9.00 am on the fourth Business Day after posting; and

20.2.4 by fax: on receipt of a transmission report from the correct number confirming uninterrupted and error-free transmission; and

20.2.5 by email on receipt of a delivery or read receipt email from the correct address.

20.3 Notices shall be sent to:

ERDF APPLICANT: Cambridgeshire and Peterborough Combined Authority a statutory local authority and having its registered office at 72 Market Street Ely, Cambridgeshire, CB7 4LS (Grant Recipient)

DELIVERY PARTNER: YTKO Limited a private limited company number 01392147 (Delivery Partner) having its registered office at Nicholas House, River Front, Enfield, Middlesex, EN1 3FG.

VALUE ADDED TAX

20.4 The payment of the Grant by the Secretary of State under the Funding Agreement is believed to be outside the scope of Value Added Tax but if any Value Added Tax shall become chargeable all payments shall be deemed to be inclusive of all Value Added Tax and the Secretary of State shall not be obliged to pay any additional amount by way of Value Added Tax.

20.5 All sums or other consideration payable to or provided by the Grant Recipient and the Delivery Partner to the Secretary of State at any time shall be deemed to be exclusive of all Value Added Tax payable and where any such sums become payable or due or other consideration is provided the Grant Recipient and the Delivery Partner shall at the same time or as the case may be on demand by the Secretary of State in addition to such sums or other consideration pay to the Secretary of State all the Value Added Tax so payable upon the receipt of a valid Value Added Tax invoice.

21 GOOD FAITH AND COOPERATION

The Delivery Partner covenants with the Grant Recipient that: -

- (a) it shall at all times act with the utmost good faith towards the Grant Recipient and the Secretary of State and will at all times co-operate fully with the Grant Recipient and the Secretary of State;
- (b) it will comply with all the Secretary of State's reasonable requirements in relation to the Project from time to time; and
- (c) it will not do anything which will put the Secretary of State in breach of any of its obligations in relation to the Operational Programme.

22 INSURANCE

The Delivery Partner covenants with the Grant Recipient that it will ensure that it maintains at all times adequate insurance cover with an insurer of good repute to cover all claims and liabilities under this Agreement or any other claims or demands which may be brought or made against it by any person suffering any injury damage or loss in connection with the Project.

23 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not party to this Funding Agreement shall not have any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

24 JURISDICTION

This Agreement shall be governed by and construed in accordance with the law of England and each party submits to the exclusive jurisdiction of the English Courts.

25 MISCELLANEOUS

- 25.1** Nothing in this Agreement shall constitute a partnership or joint venture between the parties to this Agreement or constitute the Delivery Partner as the agent of the Grant Recipient or the Secretary of State for any purpose whatsoever.
- 25.2** The Delivery Partner acknowledges that a certificate by the Secretary of State as to any sum payable under the Funding Agreement to the Grant Recipient shall be (save in the case of manifest error) conclusive evidence of the matter to which it relates and shall contain reasonable details of the basis of determination.
- 25.3** If at any time any of the provisions of this Agreement become illegal, invalid or unenforceable in any respect under any law or regulation of any jurisdiction, neither the legality validity nor enforceability of the remaining provisions of this Agreement shall be in any way affected or impaired as a result.
- 25.4** No failure or delay on the part of the Grant Recipient in exercising any right or power and no course of dealing between the parties to this Agreement shall operate as a waiver nor shall any single or partial exercise of any right power or remedy of the Grant Recipient prevent any other or further or other exercise of it or the exercise of any other right power or remedy of the Grant Recipient. The rights and remedies available to the Grant Recipient under this Agreement are cumulative and are in addition to and not in substitution for any other rights or remedies which the Grant Recipient would otherwise have, however arising.
- 25.5** Nothing contained in or done under this Agreement and no consents given by the Grant Recipient shall prejudice the Grant Recipient's rights, powers or duties and/or obligations in the exercise of its functions or under any statutes, bye-laws, instruments orders or regulations.
- 25.6** Nothing in this Agreement nor any other document shall impose any obligation or liability on the Grant Recipient with respect to any actions of or obligations or liabilities assumed or incurred by the Delivery Partner or its agents, contractors or employees whether under contract, statute or otherwise.

- 25.7** Any approval by the Grant Recipient or any person on behalf of the Grant Recipient pursuant to this Agreement of any matter submitted by the Delivery Partner for approval shall not be deemed to be an acknowledgment by the Grant Recipient of the correctness or suitability of the contents of the subject of the approval or consent.
- 25.8** The fact that the Grant Recipient or the Grant Recipient representatives have supplied or received any documents or information or attended any meeting shall not in itself imply approval of any matters raised in any such document, information or meeting or relieve the Delivery Partner of any obligation or liability in respect of the Project Activities or otherwise.
- 25.9** Nothing in this Agreement shall affect the coming into force or the continuance in force of any provision of this Agreement which is expressly or by implication to come into force or continue in force upon termination or expiry of this Agreement.
- 25.10** This Agreement contains all the terms which the Grant Recipient has agreed in relation to the subject matter of this Agreement and supersedes any prior written or oral agreements representations or understandings between the Grant Recipient and the Delivery Partner.
- 25.11** No term of this Agreement is intended to confer a benefit on, or to be enforceable by, any person who is not a party to this Agreement.
- 25.12** Notwithstanding any other provisions of this Agreement, the Grant Recipient and the Secretary of State shall not be entitled to be reimbursed or to recover any monies that it has paid under this Agreement to the extent that it has already been compensated or reimbursed in respect of that same amount pursuant to this Agreement.

IN WITNESS whereof this Agreement has been signed on the day and year first before written.

FOR AND ON BEHALF OF THE GRANT RECIPIENT

Authorised Signatory:

Print Name:

FOR AND ON BEHALF OF THE DELIVERY PARTNER

Authorised Signatory:

Print Name:

SCHEDULE 1

THE PROJECT SPECIFIC CONDITIONS AND DELIVERY PARTNER TARGETS AND ACTIVITIES

1 Contact

ERDF Senior Programme Manager.

2. Instalment Periods

The Instalment Period will be quarterly. The first Instalment Period will start following the date on which the correctly executed Funding Agreement is received by the Contact named above.

Milestone Table

| | Milestone | Date |
|----|---|---------------------------------|
| a) | Start Date | 1 st January 2021 |
| b) | Agreed Financial Completion Date | 30 th September 2023 |
| c) | Agreed Activity End Date | 30 th June 2023 |
| d) | Agreed Project Practical Completion Date | 30 th September 2023 |
| e) | The date of the submission of the first Grant Claim | 20 th April 2021 |
| f) | The date of the submission of the final Grant Claim | 27 th October 2023 |

3. Delivery Partners

- 3.1 The Grant Recipient is acting as the lead beneficiary for a consortium where the Grant Recipient and Delivery Partners named in the Application will be making use of the Grant.

4. Methodology for determining Eligible Expenditure

- 4.1 For the avoidance of doubt, the methodology for determining the Eligible Expenditure of the Project is set out in the Eligibility Rules and Grant Claims shall be submitted in line with this methodology.
- 4.2 The Delivery Partner eligible expenditure for the purposes of this project will be eligible grant payments made to end-beneficiaries backed up by a compliant audit trail.

5. State Aid

- 5.1 The Delivery Partner has undertaken its own assessment of the compliance of the Project, as structured, and warrants to the Grant Recipient that it is State Aid Law

compliant because they will not receive any advantage from the Grant as this will flow through to the Project Beneficiaries.

- 5.2 In delivering the Project Activities the Delivery Partner confirms that it will not receive any economic advantage and will operate the Project on a not for profit basis. At the end of delivering the Project, the Delivery Partner will be required to account for any residual advantage they have obtained through the Grant.
- 5.3 The Delivery Partner agrees that it shall collect appropriate information to demonstrate that it has no economic advantage (which shall be supplied to the Grant Recipient upon request). To ensure the transparency, the Delivery Partner shall:
 - 5.3.1 ring-fence the Project's income and costs on a separate not-for-profit coding on its accounts from their other commercial activities in order to prevent cross-subsidy to any of their economic activities;
 - 5.3.2 benchmark their salary costs against market prices and demonstrate the staff they employ, and the number of staff are appropriate for the Project;
 - 5.3.3 ensure that it does not over-compensate the businesses that they are supporting and ensure that costs claimed are not above that incurred by an efficient operator providing the service.
- 5.4 The Delivery Partner warrants that any economic advantage will be provided to the Project beneficiaries within the framework of the 'De Minimis Regulations' (EC Reg 1407/2013 OJ L 352 of 24.12.2013) and agrees that it will meet the conditions set out below.
- 5.5 The Delivery Partner confirms that all staff who deliver such aid shall first read the De Minimis Regulations 1407/2013 to ensure that they understand the administrative requirements. Compliance with the De Minimis Regulations shall include:
 - 5.5.1 valuing the 'gross grant equivalent' of the aid provided to each SME;
 - 5.5.2 establishing how much aid the SME has received in the current and two previous financial years to ensure that the award of the aid shall not exceed the €200,000 threshold for the SME in that period;
 - 5.5.3 obtaining a prior declaration from the SME (signed by a person authorised to bind them) that the aid received shall not result in the SME exceeding its allowable €200,000 threshold as above; and
 - 5.5.4 providing a follow-up letter to each SME recording the gross grant equivalent value of aid provided under the De Minimis Regulations.
- 5.6 The Delivery Partner agrees not to provide aid to any person or sector excluded under the De Minimis Regulations and to retain all declarations until 2033 in order to establish that all the conditions laid down in Regulation 1407/2013 have been complied with.

6. ADDITIONAL PROVISIONS RELATING TO THE GRANT

- 6.1 The Grant Recipient will disperse grant payment to Delivery Partners once the Grant Recipient has received the Grant Payment from the Secretary of State.
- 6.2 The Delivery Partner shall assess whether a business is eligible for support within the project, with respect to the 4 key areas below:
- SME status
 - State aid
 - Sector Exclusions
 - Fit with the strategic aims of the project

In addition to looking at the 4 key areas mentioned above (headcount, turnover and balance sheet), it is also necessary to look at whether the business has access to additional finance and resource through 'linked or partner' enterprises will be looked at as part of SME eligibility.

Further information on the impact on SME status of Partner or Linked Enterprises can be found in the EU SME definition guide: [The revised User Guide to the SME definition](#).

The Delivery Partners will carry out the following activities:

- Prepare for agreement by the Grant recipient a set of ERDF branded forms and related documents to provide the necessary audit trail for inclusion of eligible grant expenditure in quarterly ERDF claims;
 - Receive, check and assess applications for grant from eligible businesses. Checks to cover the 4 key areas above;
 - Issue Grant Offer letters and grant application rejection letters to applicant businesses as appropriate;
 - Receive and check evidence of eligible expenditure by approved applicant businesses and deal with related queries;
 - When satisfactory evidence has been received to make payment of ERDF grant to successful applicant businesses;
 - To follow up and provide evidence of the achievement of ERDF Output targets using the agreed forms and process.
 - To record all payments of grant and provide evidence of defrayal of ERDF grant to the Grant Recipient for inclusion in ERDF quarterly claims.
- 6.3 The Delivery Partner will carry out defrayal checks to ensure that complete defrayal is present before the claim is paid out. The Grant Recipient will also complete Financial Transaction Lists; however, progress reports may need to be completed by the Delivery Partner prior to Claim Submission deadline.

SCHEDULE 2 EXPENDITURE PROFILES

COSTS PROFILE

Revenue

| | 2021 | | | | | 2022 | | | | | 2023 | | | | | |
|--------------------------|---------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------|-------------------|-----------------|---------------|-----------|-------------------|-------------------|
| Category | Q1 | Q2 | Q3 | Q4 | Total | Q1 | Q2 | Q3 | Q4 | Total | Q1 | Q2 | Q3 | Q4 | Total | Total |
| Other Revenue | £234 | £234 | £240,234 | £600,234 | £840,936 | £780,234 | £780,234 | £900,234 | £960,234 | £3,420,936 | £1,020,234 | £720,234 | £234 | | £1,740,702 | £6,002,574 |
| Salaries | £7,504 | £7,654 | £7,654 | £7,654 | £30,466 | £7,654 | £7,807 | £7,807 | £7,807 | £31,075 | £7,807 | £7,807 | £7,807 | | £23,421 | £84,962 |
| Flat Rate Indirect Costs | £1,126 | £1,148 | £1,148 | £1,148 | £4,570 | £1,148 | £1,171 | £1,171 | £1,171 | £4,661 | £1,171 | £1,171 | £1,171 | | £3,513 | £12,744 |
| Consultancy | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £35,000 | £0 | | £35,000 | £35,000 |
| Total | £8,864 | £9,036 | £249,036 | £609,036 | £875,972 | £789,036 | £789,212 | £909,212 | £969,212 | £3,456,672 | £1,029,212 | £764,212 | £9,212 | £0 | £1,802,636 | £6,135,280 |

| | | | | | | | | | | | | | | | | |
|----------------------|---------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------|-------------------|-----------------|---------------|-----------|-------------------|-------------------|
| Overall Total | £8,864 | £9,036 | £249,036 | £609,036 | £875,972 | £789,036 | £789,212 | £909,212 | £969,212 | £3,456,672 | £1,029,212 | £764,212 | £9,212 | £0 | £1,802,636 | £6,135,280 |
|----------------------|---------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------|-------------------|-----------------|---------------|-----------|-------------------|-------------------|

FUNDING PROFILE

| Category of Region | % Split |
|--------------------|---------|
| More Developed | 100% |

| LEPs | % Split |
|--|---------|
| Greater Cambridge & Greater Peterborough | 100% |

| Priority(s) | % Split |
|---|---------|
| 03 - Enhancing the Competitiveness of SMEs (ERDF) | 100% |
| | |

| Investment Priorities | % Split |
|---|---------|
| 3c - Supporting the creation and the extension of advanced capacities for product and service development | 50% |
| 3d - Supporting the capacity of SMEs to grow in regional, national and international markets, and to engage | 50% |

Revenue

Enter Pounds (£) only - do not include pence

| | Total | ERDF | Public | | Private | | Planned Income | Other | Intervention Rate |
|-------|------------|------------|-----------|---------|------------|---------|----------------|-------|-------------------|
| | | | Actual | In-Kind | Actual | In-Kind | | | |
| Q1 | £8,864 | £4,432.00 | £4,432.00 | | £0.00 | | | | 50.00% |
| Q2 | £9,036 | £4,518 | £4,518 | | £0 | | | | 50.00% |
| Q3 | £249,036 | £124,518 | £4,518 | | £120,000 | | | | 50.00% |
| Q4 | £609,036 | £304,518 | £4,518 | | £300,000 | | | | 50.00% |
| 2021 | £875,972 | £437,986 | £17,986 | £0 | £420,000 | £0 | £0 | £0 | 50.00% |
| Q1 | £789,036 | £394,518 | £4,518 | | £390,000 | | | | 50.00% |
| Q2 | £789,212 | £394,606 | £4,606 | | £390,000 | | | | 50.00% |
| Q3 | £909,212 | £454,606 | £4,606 | | £450,000 | | | | 50.00% |
| Q4 | £969,212 | £484,606 | £4,606 | | £480,000 | | | | 50.00% |
| 2022 | £3,456,672 | £1,728,336 | £18,336 | £0 | £1,710,000 | £0 | £0 | £0 | 50.00% |
| Q1 | £1,029,212 | £514,606 | £4,606 | | £510,000 | | | | 50.00% |
| Q2 | £764,212 | £382,106 | £22,106 | | £360,000 | | | | 50.00% |
| Q3 | £9,212 | £4,606 | £4,606 | | £0 | | | | 50.00% |
| 2023 | £1,802,636 | £901,318 | £31,318 | £0 | £870,000 | £0 | £0 | £0 | 50.00% |
| Total | £6,135,280 | £3,067,640 | £67,640 | £0 | £3,000,000 | £0 | £0 | £0 | 50.00% |

Total

| | Total | ERDF | Public | | Private | | Planned Income | Other | Intervention Rate |
|--|------------|------------|---------|---------|------------|---------|----------------|-------|-------------------|
| | | | Actual | In-Kind | Actual | In-Kind | | | |
| | £8,864 | £4,432 | £4,432 | £0 | £0 | £0 | £0 | £0 | 50.00% |
| | £9,036 | £4,518 | £4,518 | £0 | £0 | £0 | £0 | £0 | 50.00% |
| | £249,036 | £124,518 | £4,518 | £0 | £120,000 | £0 | £0 | £0 | 50.00% |
| | £609,036 | £304,518 | £4,518 | £0 | £300,000 | £0 | £0 | £0 | 50.00% |
| | £875,972 | £437,986 | £17,986 | £0 | £420,000 | £0 | £0 | £0 | 50.00% |
| | £789,036 | £394,518 | £4,518 | £0 | £390,000 | £0 | £0 | £0 | 50.00% |
| | £789,212 | £394,606 | £4,606 | £0 | £390,000 | £0 | £0 | £0 | 50.00% |
| | £909,212 | £454,606 | £4,606 | £0 | £450,000 | £0 | £0 | £0 | 50.00% |
| | £969,212 | £484,606 | £4,606 | £0 | £480,000 | £0 | £0 | £0 | 50.00% |
| | £3,456,672 | £1,728,336 | £18,336 | £0 | £1,710,000 | £0 | £0 | £0 | 50.00% |
| | £1,029,212 | £514,606 | £4,606 | £0 | £510,000 | £0 | £0 | £0 | 50.00% |
| | £764,212 | £382,106 | £22,106 | £0 | £360,000 | £0 | £0 | £0 | 50.00% |
| | £9,212 | £4,606 | £4,606 | £0 | £0 | £0 | £0 | £0 | 50.00% |
| | £1,802,636 | £901,318 | £31,318 | £0 | £870,000 | £0 | £0 | £0 | 50.00% |
| | £6,135,280 | £3,067,640 | £67,640 | £0 | £3,000,000 | £0 | £0 | £0 | 50.00% |

| | | | | | | | | | |
|---------|------------|------------|---------|----|------------|----|----|----|--------|
| Overall | £6,135,280 | £3,067,640 | £67,640 | £0 | £3,000,000 | £0 | £0 | £0 | 50.00% |
|---------|------------|------------|---------|----|------------|----|----|----|--------|

| | | | | | | | | |
|------------|------------|---------|----|------------|----|----|----|--------|
| £6,135,280 | £3,067,640 | £67,640 | £0 | £3,000,000 | £0 | £0 | £0 | 50.00% |
|------------|------------|---------|----|------------|----|----|----|--------|

FUNDING SOURCES

Revenue

| Organisation | Funding Type | Private/Public/Other | 2021 | 2022 | 2023 | Total |
|----------------------|-----------------|----------------------|-----------------|-------------------|-------------------|-------------------|
| ERDF | ERDF | Public | £437,986 | £1,728,336 | £901,318 | £3,067,640 |
| CPCA | Local Authority | Public | £17,986 | £18,336 | £31,318 | £67,640 |
| SME Grant recipients | Private Sector | Private | £420,000 | £1,710,000 | £870,000 | £3,000,000 |
| Total | | | £875,972 | £3,456,672 | £1,802,636 | £6,135,280 |

| | | | | | | |
|----------------------|--|--|-----------------|-------------------|-------------------|-------------------|
| Overall Total | | | £875,972 | £3,456,672 | £1,802,636 | £6,135,280 |
|----------------------|--|--|-----------------|-------------------|-------------------|-------------------|

SCHEDULE 3 TARGETS

| Category of Region | % Split |
|--------------------|---------|
| More Developed | 100% |

| LEPs | % Split |
|--|---------|
| Greater Cambridge & Greater Peterborough | 100% |

| Investment Priorities | % Split |
|--|---------|
| 3d - Supporting the capacity of SMEs to grow in regional, national | 75% |
| 3c - Supporting the creation and the extension of advanced | 25% |

| Outputs | ER/C/O/01 Number of enterprises receiving support, | | | | |
|---------|--|-------|-------|-------|-------|
| | Total | Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 |
| 2021 | 63 | | | 18 | 45 |
| 2022 | 256 | 58 | 59 | 67 | 72 |
| 2023 | 131 | 77 | 54 | | |
| Total | 450 | 135 | 113 | 85 | 117 |

| Outputs | ER/C/O/02 Number of enterprises receiving grants, | | | | |
|---------|---|-------|-------|-------|-------|
| | Total | Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 |
| 2021 | 63 | | | 18 | 45 |
| 2022 | 256 | 58 | 59 | 67 | 72 |
| 2023 | 131 | 77 | 54 | | |
| Total | 450 | 135 | 113 | 85 | 117 |

| Outputs | ER/C/O/06 Private investment matching public support to enterprises (grants), | | | | |
|---------|---|---------|---------|---------|---------|
| | Total | Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 |
| 2021 | 420,000 | | | 120,000 | 300,000 |
| 2022 | 1,710,000 | 390,000 | 390,000 | 450,000 | 480,000 |
| 2023 | 870,000 | 510,000 | 360,000 | | |
| Total | 3,000,000 | 900,000 | 750,000 | 570,000 | 780,000 |

| Outputs | ER/C/O/08 Employment increase in supported enterprises | | | | |
|---------|--|-------|-------|-------|-------|
| | Total | Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 |
| 2021 | 0 | | | | |
| 2022 | 203 | 30 | 43 | 55 | 75 |
| 2023 | 197 | 75 | 70 | 52 | |
| Total | 400 | 105 | 113 | 107 | 75 |

| Outputs | ER/C/O/29 Number of enterprises supported to introduce new to the firm products | | | | |
|---------|---|-------|-------|-------|-------|
| | Total | Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 |
| 2021 | 0 | | | | |
| 2022 | 22 | 5 | 5 | 6 | 6 |
| 2023 | 8 | 4 | 4 | | |
| Total | 30 | 9 | 9 | 6 | 6 |

| Outputs | | | | | |
|---------|-------|-------|-------|-------|-------|
| | Total | Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 |
| 2021 | 0 | | | | |
| 2022 | 0 | | | | |
| 2023 | 0 | | | | |
| Total | 0 | 0 | 0 | 0 | 0 |

SCHEDULE 4 UNDERPERFORMANCE METHODOLOGY

| Methodology for calculating penalty for operation underperformance | | | | | | |
|--|--|--|---|---|---|---|
| Methodology | | | | | | |
| | OUTPUTS TO BE INCLUDED IN THE CALCULATION (Up to 4 outputs to be selected according to Priority Axis and those contracted for this operation) | | OUTPUT 1 | OUTPUT 2 | OUTPUT 3 | OUTPUT 4 |
| | | | Output reference / ID | Output reference / ID | Output reference / ID | Output reference / ID |
| | | | Output description / Indicator | Output description / Indicator | Output description / Indicator | Output description / Indicator |
| | | | NB: will be Performance Framework output where contracted | | | |
| Basic Facts | Total Project Value (a) | £ value as per schedule 1 of FAL / details as per latest variation | | | | |
| | Contracted Target (b) | | Number contracted as per schedule 3 of FAL | Number contracted as per schedule 3 of FAL | Number contracted as per schedule 3 of FAL | Number contracted as per schedule 3 of FAL |
| | Evidenced / actual achievement (c) | | Number actually achieved at time of calculation | Number actually achieved at time of calculation | Number actually achieved at time of calculation | Number actually achieved at time of calculation |
| Calculated Variance | Variance (number) (d) | | (b) - (c) | (b) - (c) | (b) - (c) | (b) - (c) |
| | Variance (%) (e) | | (d) / (b) x 100 | (d) / (b) x 100 | (d) / (b) x 100 | (d) / (b) x 100 |
| Weighting | Up to 15% below target = normally deal with via project change process 16% and 25% below a weighting of 5% would normally be applied 26% and 50% below a weighting of 10% would normally be applied Over 50% below would normally result in a weighting of at least 15% (f) | (f) | identify weighting as appropriate (see e). B: Where a project has overachieved the variance (e) will appear as a negative figure. The corresponding % as a negative (using the criteria here) should be added as the weighting against the indicator. This allows for the overachievement to be taken into account in the calculation of the penalty. | identify weighting as appropriate (see e). B: Where a project has overachieved the variance (e) will appear as a negative figure. The corresponding % as a negative (using the criteria here) should be added as the weighting against the indicator. This allows for the overachievement to be taken into account in the calculation of the penalty. | identify weighting as appropriate (see e). B: Where a project has overachieved the variance (e) will appear as a negative figure. The corresponding % as a negative (using the criteria here) should be added as the weighting against the indicator. This allows for the overachievement to be taken into account in the calculation of the penalty. | identify weighting as appropriate (see e). B: Where a project has overachieved the variance (e) will appear as a negative figure. The corresponding % as a negative (using the criteria here) should be added as the weighting against the indicator. This allows for the overachievement to be taken into account in the calculation of the penalty. |
| | Indicator Value (£) (g) | | (a) * 0.55 | (a) * 0.15 | (a) * 0.15 | (a) * 0.15 |
| Penal / | Establish the value of the variance for each indicator as a proportion of the value of the operation. | | | | | |
| | Underperformance value (£) (h) | | (g) x (f) | (g) x (f) | (g) x (f) | (g) x (f) |
| | Potential Reduction Value (£) (i) | sum all (h)s | | | | |

SCHEDULE 5 APPLICATION



APPLICATION
Growth Coaching Ci



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 5.1

Implementation of the Revised Affordable Housing Programme

| | |
|----------------------|---|
| To: | Cambridgeshire and Peterborough Combined Authority Board |
| Meeting Date: | 30 June 2021 |
| Public report: | Yes |
| Lead Member: | Councillor L Herbert, Lead Member for Housing |
| From: | Roger Thompson, Director of Housing and Development |
| Key decision: | Yes |
| Forward Plan ref: | KD2021/022 |
| Recommendations: | <p>The Combined Authority Board is recommended to:</p> <p>Approve the proposals for the Affordable Housing Programme being discussed with the Ministry for Housing, Communities and Local Government (MHCLG).</p> |
| Voting arrangements: | A simple majority of all Members present and voting |

1. Purpose

1.1 The following proposals were considered at the Housing and Communities Committee meeting on 21 June 2021. Following discussion, the Committee agreed unanimously to recommend the proposals to the Combined Authority Board for approval.

1.2 The Committee report can be viewed via the link below:

[Housing and Communities Committee 21 June 2021 - Item 2.2 refers](#)

2. Considerations

2.1 The Combined Authority's Affordable Housing programme was running for five years from 1 April 2017 to 31 March 2022 with the ambition to deliver a minimum of 2,000 new affordable homes with £100m of funding.

2.2. The Ministry for Housing, Communities and Local Government (MHCLG) has determined that the programme in its current form ended with effect from 31 March 2021. MHCLG has offered a new programme of support for additional affordable housing for the period April 2021 to March 2022 with conditions that the CPCA has accepted. The CPCA's response to the conditions is listed below;

- CPCA will invest all returning capital from its portfolio of 5 loans to local SME developers into the proposed grant programme as that capital is re-paid to CPCA. It will be solely used to support grant schemes that will maximise additional starts of affordable housing by 31 March 2022 or as soon as possible thereafter. Where loan funding will not be returned in time to invest into schemes starting by 31st March 2022, CPCA will still use such funds to support additional affordable housing grant payments that will become due after March 2022.
- The schemes in the programme for 2021/22 will first be funded from the £55m already provided by MHCLG, except where funding is already out on loan and will not have been re-paid by 31st March 2022.
- CPCA will only request additional funding above the £55m already received for unfunded schemes that will both deliver additional starts by 31 March 2022 and be able to demonstrate and work to an intervention rate to be capped on any one scheme at a maximum average grant rate of £45,000 per unit.
- CPCA is prepared to provide evidence on a scheme by scheme basis as required by MHCLG of meeting the Homes England definition of Additionality, confirm the grant rate and start on site date in advance of payment being received from MHCLG.
- In order to manage the programme, CPCA has suggested a monthly or quarterly update with summary report, including an update of the programme cashflow projection showing and capturing the actuals against the projections and also updating the projections as the delivery of the various projects progress and capital is returned from the CPCA loan book. This will identify the amount of new money required by CPCA from MHCLG on a 'forward look' throughout the next 12 months to ensure that CPCA has access to adequate funds to meet its anticipated immediate

and medium term projected cash commitments between now, March 2022 and phased grant payments that will still be due for payment by CPCA beyond that date. The frequency of these meetings will be determined by MHCLG's requirements, although we see limited benefit in them being more frequent than monthly. Those reports and meeting minutes will act as milestones to ensure transparency supporting local and central accountability.

- For the avoidance of any doubt, upon the re-payment of the existing loan book, no money allocated to this affordable housing programme will be used for any future loans or revolving fund purposes.

- 2.3. The programme will continue to support a mixed portfolio of schemes including strategic sites and projects brought forward by housing associations, developers and Community housing organisations. The new programme only proposes the intended use of grant to enable the delivery of additional affordable housing.

Cambridge City Affordable Housing Programme

- 2.4. The CPCA's monitoring of the delivery of the Cambridge City Housing programme came to an end effective on the 31st March 2021. The monies still held by the CPCA for this programme totalling £9,791,394.94 have been transferred to Cambs City and any future monitoring will be undertaken direct by MHCLG.

Affordable Housing Programme Delivery

- 2.5. The 'original' Affordable Housing Programme that ended 31st March 2021 has 37 schemes with allocated funding, totalling 733 housing units started on site with 272 of those homes already completed (See Appendix 1)
- 2.6. Those schemes have £26.1m of grant committed to them and include the 5 loan schemes originally intended to be part of a revolving fund.
- 2.7. For the Affordable housing programme in its new form for the period April 2021 to March 2022, Housing committee has with the 3 schemes approved on 21st June 2021 now approved a total of 18 schemes delivering 1,189 units to be supported and financed with £47.9m of grant funding. We have requested confirmation from MHCLG that they are in agreement for those schemes to proceed.
- 2.8. The proposed programme for 2021/22 is in Appendix 2. MHCLG have indicated that they are prepared to recommend that the minister supports the continuation of all the schemes that the CPCA housing committee had approved before the 21st June 2021 meeting that were due to start in 2021/22, being the 770 units listed in the top part of the table requiring a further £30.966m. If that is all the Minister is prepared to support the total cost will be £57m, requiring only £2m of additional money above the £55m already received (excluding admin costs where we are requesting £420,000 pa on top, to enable delivery through the existing housing team resources).
- 2.9. There are 3 schemes totalling 419 units at a cost of £16.917m approved at 21st June 2021 housing committee that are also conditional upon MHCLG offering additional finance. We understand that MHCLG are going to report those schemes to the Minister without recommendation to see if he might be prepared to support. If he does, then the new money

required above £55m will be £18.995m (£2.078+£16.917).

- 2.10. MHCLG have said that at this time they are not prepared to recommend the 5 schemes listed as 'Further proposed pipeline 21/22' at the bottom of the schedule to the Minister, citing the fact that they do not like the Providers model on which 4 of the schemes are based. This has come as a surprise to the provider who say they have support and are requesting a discussion once the initial decision from the Minister on the other schemes is known. We have sought to reserve a position to continue to have a dialogue with MHCLG about these schemes and any other new schemes that may come up and be capable of starting on site by March 2022. If we could eventually get support for all the identified schemes later in the year, the cost of those is currently £23.775m.
- 2.11. If the whole proposed 2021/22 programme as shown in Appendix 2 was being delivered the total amount of new money would be £42.77m (£2.078+£16.917+£23.775) above the £55m already received, excluding the admin cost support. We would deliver 1,727 units in the 2021/22 year and 2,460 units in total since the start of the affordable housing programme. A detailed cashflow that provides the timing of the projected re-payments from the 5 loans and payments of the various grants is provided in Appendix 3.

Communicating the Opportunity

- 2.12 The Combined Authority actively promotes the opportunities presented by the Affordable Housing Programme across sector networks including the Housing Board, Homes for Cambridgeshire and Peterborough and local National Housing Federation meetings.
- 2.13. The Housing and Development Team meets with landowners, housebuilders, private developers and other stakeholders on a regular basis to encourage proposals to come forward for investment from the Affordable Housing Programme.
- 2.14 Eight £100k home units are completed at Fordham with a 8 further units due to complete in October 2021 at Great Abingdon and Ely.

Risks and Issues

- 2.15. The 2021/22 programme is still subject to approval by MHCLG. It will require additional capital for grant funding, over and above the £55m already received.
- 2.16. The 18 schemes now approved by Housing committee need to progress to start on site as planned, as will the other schemes not yet approved.
- 2.17. The CPCA programme faces pressure from Providers' ability to seek funding from other sources – primarily Homes England. The new Homes England Affordable Homes Programme 2021-2026 has opened for bidding and providers will be keen to take up national allocations and deliver on their full obligations once allocations are known. Officers from the Housing and Development Team meet Homes England staff regularly to share intelligence and monitor the impacts of the respective programmes and markets.
- 2.18. The programme has suffered reputational damage from the publicity surrounding the changes by MHCLG and any delay in making decisions and approving the 2021/22 programme will further erode the programme's reputation and credibility.

3. Financial Implications

- 3.1 Financial implications are covered in the body of the report. Appendix 1 shows the amount of money committed to the programme to March 2021 and alongside it the amount of money actually paid to date.
- 3.2 Grant investment approved for Affordable Housing schemes to 31st March 2021 is £26.1million, with a further £51.1 million approved for the loan book (When that is 'cash flowed' the total drawdown for loans should not exceed £40m at any one time)
- 3.3 £12.59 million in grant and £38.84 million in loan has been paid to date. As the Combined Authority is its own accountable body for the purposes of its funding from Treasury, every payment made to schemes must be capable of being scrutinised by independent auditors. We have set up as simple a process as we can for providers to supply supporting evidence of project expenditure and delivery milestones having been met to enable prompt payments.
- 3.4 The 5 loans under the revolving fund are proceeding in line with the revised Covid-19 impact delivery programmes as advised and approved by the board on 5th August 2020. (the loans are listed on the bottom table in Appendix 1).
- 3.5 Repayments are now being received from the schemes at Haddenham, MOD Ely and Great Abingdon and we expect more payments in the next few weeks and months as market unit sales are progressing towards completion on the schemes at Great Abingdon and Forehill Ely in October 2021.
- 3.6 The Laragh Homes scheme at Great Abingdon due for practical completion in October 2021 has announced that all of the private sale houses have been reserved "off plan" and many have now exchanged. Confidence of the return of all capital with interest in line with the projected programme approved by the Board is high.
- 3.7 The Laragh Homes scheme at Forehill Ely has announced many units being reserved off plan and exchanged and so confidence of the return of capital with interest in keeping with the projected programme from that scheme is high.
- 3.8 The scheme at Linton Road, Cambridge is not yet at a stage where units are nearing completion for unit sales and loan repayments to be made.

4. Legal Implications

- 4.1 None.

5. Other Significant Implications

- 5.1 There are no other significant implications.

6. Appendices

- 6.1 Appendices to the report to the Housing and Communities Committee on 14 June 2021 can be viewed at [Housing and Communities Committee - Item 2.2 refers](#)
- 6.2 Appendix 1 – Combined Authority Affordable Housing Programme - Approved and Started on Site Schemes to March 2021
- 6.3 Appendix 2 - Proposed Combined Authority 2021/22 Housing Programme
- 6.4 Appendix 3 - Detailed Cashflow of the Projected Re-payments from the Five Loans and Payment of Grants

7. Background Papers

- 7.1 [Housing and Communities Committee 15 March 2021 - Item 2.1 refers](#)
- 7.2 [Combined Authority Board 24 March 2021 - Item 5.1 refers](#)

Affordable Housing Grants

| Scheme Name | Provider / Lead Partner | Local Authority | No. of Units Enabled (Whole Scheme) | No. of units funded | Funding Approved Date | Start on Site Date | Start on Site - Units Claimed | First Handover Date (if known) | Final Completion Date | Actual Completions to Date | CPCA Funding | Paid to Date | RAG & Contracted (C) | Notes: | SOCIAL RENTED | RENTED | SHARED OWNERSHIP | Remaining Amounts to make 2021/2022 | Dates 2021/2022 | Dates 2022 onwards |
|--|---|-----------------------------|-------------------------------------|---------------------|-----------------------|--------------------|-------------------------------|--------------------------------|-----------------------|----------------------------|--------------|--------------|----------------------|---|---------------|--------|------------------|-------------------------------------|-----------------|--------------------|
| Soham | PGH | East Cambs | 8 | 8 | 26/07/2017 | 01/09/2017 | 8 | 31/08/2018 | 31/08/2018 | 8 | £ 120,000 | £ 120,000 | C | Completed | | 8 | | | | |
| Littleport | CHS | East Cambs | 16 | 5 | 26/07/2017 | 01/08/2017 | 5 | 31/10/2018 | 18/11/2018 | 5 | £ 97,500 | £ 97,500 | C | Completed | | | 5 | | | |
| Victoria Way, Melbourn | CHS | South Cambs | 24 | 8 | 26/07/2017 | 01/08/2017 | 8 | 01/05/2019 | 30/06/2019 | 8 | £ 133,000 | £ 133,000 | C | Completed | | | 8 | | | |
| Willingham | CKH | South Cambs | 22 | 15 | 26/07/2017 | 31/03/2018 | 15 | 01/05/2019 | 15/07/2019 | 15 | £ 525,000 | £ 525,000 | C | Completed | | 15 | | | | |
| Burwell | Hastoe | East Cambs | 8 | 8 | 26/07/2017 | 15/02/2018 | 8 | 30/09/2019 | 19/12/2019 | 8 | £ 330,000 | £ 330,000 | C | Completed | | 8 | | | | |
| Perkins, Phase 1, Newark Road, Peterborough | CKH | Peterborough | 104 | 54 | 26/07/2017 | 31/10/2018 | 54 | 01/02/2020 | 30/06/2020 | 54 | £ 1,700,000 | £ 1,700,000 | C | Completed | | 54 | | | | |
| Snowley Park | CKH | Fenland | 37 | 24 | 26/07/2017 | 01/10/2017 | 24 | 31/05/2019 | 09/12/2019 | 24 | £ 150,000 | £ 150,000 | C | Completed | | 24 | | | | |
| Belle Vue Stanground | Medesham | Peterborough | 30 | 21 | 29/05/2019 | 31/05/2019 | 21 | 30/11/2019 | 14/02/2020 | 21 | £ 735,000 | £ 735,000 | C | Completed | | 21 | | | | |
| Luminus HDC Sites | Chorus (Luminus) | Huntingdonshire | 14 | 14 | 26/06/2019 | 27/01/2020 | 14 | 31/12/2020 | 31/05/2021 | 7 | £ 618,800 | £ 464,100 | C | Funding agreement completed on 1st Feb and started on site, first claim 6/3/2020 for half of grant. Oak St, Stilton complete September 2020. Further 4 units completed 5/3/21. Second claim made for 25% - £154,700. 11/3/21. | | 14 | | £ 154,700 | Jul-21 | |
| Crowland Road, Peterborough | Medesham | Peterborough | 35 | 25 | 31/07/2019 | 31/07/2019 | 25 | 01/06/2020 | 19/06/2020 | 25 | £ 875,000 | £ 875,000 | C | Completed Jun 2020 | | 25 | | | | |
| Drake Avenue, Peterborough | CKH | Peterborough | 33 | 33 | 31/07/2019 | 19/01/2021 | 33 | 01/09/2022 | 01/09/2022 | | £ 1,430,154 | £ 715,077 | C | GFA signed. Contractors on site preparing site & SOS. 19/1/21. 1st claim in 15/3/21. | | 33 | | £ 715,077 | Oct-22 | |
| Whaddon Road, Meldreth | Settle (NHH) | South Cambs | 5 | 5 | 09/10/2019 | 23/11/2020 | 5 | 30/09/2021 | 30/09/2021 | | £ 215,000 | £ 107,500 | C | First grant draw down made 1/12/2020. Paid 1st drawdown 23/12/20. | | 4 | 1 | £ 107,500 | Oct-21 | |
| 94 Great Whyte, Ramsey | Platform Housing | Huntingdonshire | 32 | 15 | 11/11/2019 | 17/03/2020 | 15 | 30/06/2021 | 30/06/2021 | | £ 600,000 | £ 300,000 | C | SOS 17th March 2020. £300,000 paid in grant draw down | | 15 | | £ 300,000 | Jul-21 | |
| Middlemoor Road, St Mary's, Ramsey | Places For People (ex-Chorus) (Luminus) | Huntingdonshire | 11 | 11 | 13/01/2020 | 25/03/2021 | 11 | 31/01/2022 | 31/01/2022 | | £ 509,000 | £ - | | GFA ready to sign. SOS due on 25/3/2021. 8/3/21. 3 milestone payments requested. 21/4/21. | 8 | | 3 | £ 509,000 | Mar-22 | |
| Bretton Court, Bretton Centre | Medesham | Peterborough | 45 | 45 | 11/11/2019 | 16/09/2020 | 45 | 30/09/2022 | 30/09/2022 | | £ 1,687,500 | £ - | | Potential option for demolition & new devt being considered. Asbestos work & strip out commenced 16/9/20, with the purpose of refurb or demolition. GFA final due to be agreed and for signing. 27/11/21. | | 45 | | £ 1,687,500 | May-21 | Nov-22 |
| Alconbury, Alconbury Weald/ Manderville Place, Brampton | Heylo | Huntingdonshire | 22 | 22 | 13/01/2020 | 31/01/2018 | 22 | 20/06/2020 | 31/6/2021 | 15 | £ 819,800 | £ 819,800 | C | GFA signed 14/5/20. Units partially completed. 18 units from Alconbury Weald and 4 from Manderville Place. 22 units in total. 4 Manderville sold. 11 from AWW 7/10/2020. Paid invoice 22/12/20. | | | 22 | | | |
| Alconbury Weald, Parcel 4, Ermine Street, Alconbury Weald. | CKH | Huntingdonshire | 13 | 7 | 09/03/2020 | 01/02/2020 | 7 | 30/09/2020 | 31/10/2020 | 7 | £ 245,000 | £ 245,000 | C | Units completed 28th of September 2020. Claim form recd 19/10/2020. | | | 7 | | | |
| Brampton Park, Brampton, Hunts | ReSI | Huntingdonshire | 39 | 6 | 27/04/2020 | 01/02/2020 | 6 | 30/09/2020 | 30/09/2020 | 6 | £ 270,002 | £ 270,002 | C | Completed | | | 6 | | | |
| St Thomas Park, Ramsey, Hunts. (Linden Homes) | Heylo/Linden Homes | Huntingdonshire | 94 | 10 | 27/04/2020 | 01/01/2020 | 10 | 31/08/2020 | 30/03/2021 | 10 | £ 476,997 | £ 476,997 | C | Completed docs to follow, 9 sold or STC, 1 reserved. All build complete. 7/10/20. Grant claim recd 16/3/21 | | | 10 | | | |
| Whittlesey Green, Fenland/ Harriers Rest, (Lawrence Rd) Wittering & Sandpit Road, Thorney, Peterborough & Cromwell Fields, Bury, Hunts | Heylo/Larkfleet | Fenland/ Peterborough/Hunts | 430 | 32 | 27/04/2020 | 01/02/2020 | 32 | 01/01/2021 | 01/04/2022 | 3 | £ 1,367,766 | | C | SOS on all sites, waiting on Larkfleet for info to complete GFA. 3 STC at Sandpit road 7/10/20. GFA signed and dated 19/11/2020. | | | 32 | £ 1,367,766 | Jun-21 | Jun-22 |
| Roman Fields, Paston, Peterborough. | Keepmoat | Peterborough | 457 | 23 | 27/04/2020 | 01/01/2018 | 23 | 01/03/2022 | 01/06/2022 | 6 | £ 1,000,500 | £ 750,375 | C | GFA completed 10/8/2020. Grant draw down recd, for 75% of the grant. Paid 1st claim 17/9/20. 6 sold 1/2/21. | | | 23 | £ 250,125 | | Aug-22 |
| JMS, Damson Drive, Peterborough, PE1 | Keepmoat | Peterborough | 116 | 10 | 27/04/2020 | 09/02/2018 | 10 | 01/04/2021 | 14/04/2021 | 10 | £ 412,998 | £ 412,998 | C | GFA completed 10/8/2020. Devt completion 14/4/21. Claim form recd, clawback has been deducted, grant claim in for £30k+, new amended final payment is £90,123. Total sum £412,998. Completed | | | 10 | £ 90,123 | Apr-21 | |
| Roman Fields, Paston, Peterborough. | Heylo | Peterborough | 457 | 20 | 22/06/2020 | 01/01/2018 | 20 | 01/07/2020 | 01/08/2020 | 20 | £ 645,000 | £ 645,000 | C | Completed | | | 20 | | | |
| Alconbury Weald, Parcel 6, Alconbury. | MAN GPM | Huntingdonshire | 94 | 94 | 22/06/2020 | 07/01/2021 | 94 | 30/06/2021 | 30/06/2022 | | £ 4,425,000 | £ 2,212,500 | C | Signed GFA 7/1/21, units started on site. 1st half of grant claim recd. Paid towards s/o units. 3/3/21. Other claim form in, to be paid week 8/3/21. | | 65 | 29 | £ 2,212,500 | | Aug-22 |
| Wicken, East Cambridgeshire | Cambridge Housing Society | East Cambs | 16 | 16 | 09/11/2020 | 31/03/2020 | 16 | 30/09/2021 | 31/10/2021 | | £ 640,000 | | | GFA ready for signing and finalising. 25/2/21 | | 11 | 5 | £ 640,000 | May / Dec 21 | |
| More's Meadow, Great Shefford. | CLT/Parochial Charity | South Cambs | 21 | 21 | 09/11/2020 | 13/01/2021 | 21 | 31/03/2022 | 31/03/2022 | | £ 1,008,000 | £ 504,000 | C | GFA signed on 12/1/21. Contractors appointed, finishing design and build, site being cleared & prepared. 13/1/21. 1st Grant claim recd. 15/3/21 | | 21 | | £ 504,000 | | May-22 |
| All Angels Park, Highfields, Caldecote. | Heylo | South Cambs | 5 | 5 | 09/11/2020 | 01/04/2020 | 5 | 01/10/2021 | 01/10/2021 | | £ 247,999 | | | GFA issued and close to agreeing 6/1/21. Units already started on site. | | | 5 | £ 247,999 | Dec-21 | |
| HUSK sites (5 infill sites) | CKH | Peterborough | 19 | 19 | 09/11/2020 | 22/03/2021 | 19 | 31/03/2022 | 31/03/2022 | | £ 665,000 | | | GFA to be agreed, hoarding due up by Monday and letter of intent agreed with Mears. 16/3/21. | | | | £ 665,000 | May-21 | May-22 |
| Sandpit Road, Thorney, Peterborough | Heylo/Larkfleet | Peterborough | 5 | 5 | 09/11/2020 | 01/02/2020 | 5 | 01/05/2021 | 01/05/2021 | | £ 237,804 | | C | GFA signed on 12/1/21. | | | 5 | £ 237,804 | Jun-21 | |
| PFP HDC Sites, Phase 2 | Chorus (Luminus) | Huntingdonshire | 15 | 15 | 11/01/2021 | 05/03/2021 | 15 | 31/03/2022 | 30/04/2022 | | £ 749,000 | | | Recd GFA to be signed. HCC to agree for monies to be given. 10 units have started on site, with the further 5 later this month. 5/3/21. 3 milestone payments requested. 21/4/21. | 15 | | | £ 749,000 | May-21 | Jun-22 |
| Heylo 4 sites, Bayard Plaza, Pemberton Park, Alconbury Weald & Judith Gardens | Heylo | HDC,PCC, ECDC | 60 | 60 | 15/03/2021 | 01/01/2021 | 60 | 31/03/2022 | 31/03/2022 | | £2,168,625 | | | Approved at Committee, need to agree GFA and sign. | | | 60 | £ 2,168,625 | May-21 | May-22 |
| Alconbury Weald | Rentplus | Huntingdonshire | 22 | 22 | 15/03/2021 | 01/01/2019 | 22 | 31/03/2021 | 31/05/2021 | | £989,325 | | | Approved at Committee, need to agree GFA and sign. Nearing the completion of the GFA. 4/5/21. | | | 22 | £ 989,325 | Jul-21 | |
| | | | 2309 | 678 | | | 678 | | | 252 | £ 26,094,770 | £ 12,588,849 | | | 37 | 349 | 273 | £ 13,596,044 | | |

Loan or other Toolbox Investments

| Net Drawdown | | | | | | | | | | | | | | | | | | | |
|---------------------------------------|---------------------|----------------|------|-----|------------|------------|-----|------------|------------|-----|--------------|--------------|---|--|----|-----|-----|--|--|
| Haddenham CLT (Loan) | ECTC/PGH | East Cambs | 54 | 19 | 27/06/2018 | 05/09/2019 | 19 | 30/06/2020 | 31/03/2023 | 11 | £ 6,500,000 | £ 4,475,629 | C | Variation to facility completed, ongoing monthly drawdowns, first 11 affordable units completed. Market unit sales 4 completed, 6 others reserved before PC and exchanging shortly. | | 17 | 2 | | |
| Ely MOD Site (Loan) | ECTC/PGH | East Cambs | 92 | 15 | 28/11/2018 | 31/07/2019 | 15 | 30/11/2019 | 31/03/2023 | 9 | £ 24,400,000 | £ 22,609,411 | C | Variation to facility completed, ongoing monthly drawdowns, 9 affordable units completed, repayments from 8 market unit sales received , 6 units reserved, 18 units rented out, affordable units preparing for sale/transfer | | | 15 | | |
| Alexander House (Forehill) Ely (Loan) | Laragh Developments | East Cambs | 25 | 4 | 26/06/2019 | 07/01/2020 | 4 | 31/01/2021 | 07/02/2022 | | £ 4,840,000 | £ 3,596,902 | C | First drawdown made 07/1/20, ongoing monthly drawdowns. Variation to facility completed. Market unit sales being reserved and 7 units exchanged, 4 £100k homes included, completion expected end Oct 21. | | | 4 | | |
| Linton Road, Great Abingdon (Loan) | Laragh Developments | South Cambs | 15 | 7 | 27/11/2019 | 28/02/2020 | 7 | 31/03/2021 | 24/05/2022 | | £ 5,780,000 | £ 4,099,000 | C | Ongoing monthly drawdowns, variation to facility completed. All market units now reserved. 4 £100k homes included, 3 affordable units sold mid cons to SDC & 210k received, projected completion Oct 2021 | | 2 | 5 | | |
| Histon Road, Cambridge (Loan) | Laragh Developments | Cambridge City | 27 | 10 | 25/03/2020 | 08/04/2020 | 10 | 31/08/2021 | 07/05/2023 | | £ 9,647,000 | £ 4,068,199 | C | Ongoing monthly drawdowns, variation to facility completed.£100k homes included | | 7 | 3 | | |
| Sub-total Toolbox Investments | | | 213 | 55 | | | 55 | | | | £ 51,167,000 | £ 38,849,141 | | | 0 | 26 | 29 | | |
| Programme Totals | | | 2522 | 733 | | | 733 | | | 272 | £ 77,261,770 | £ 51,437,990 | | | 37 | 375 | 302 | | |

| Scheme Name | Brief Description | Provider / Lead Partner | LA | No. Units in whole scheme | No of additional affordable housing units to be funded and claimed by CPCA AHP within 2021/22 | Status P – Proposed PA – Pipeline & CPCA Approved C = Contracted | CPCA Funding approval date (if approved) | Target CPCA Funding approval date (i.e. Housing committee) | Target MHCLG Approval Date (ASAP or other) | Starts on Site date | Completion Date | Proposed funding | Payment Phasing | Expected mid phase payment date | Final Payment Date same as completion date (detail if different) | Intervention rate for Scheme (=M/F) | Social Rented | Rented | Shared Ownership | CPCA assessed Additional ity* 'test' met | CPCA assessed Start on Site* achievable by 31 March 2022. | Notes |
|---|-------------------------------------|-----------------------------|--------------|---------------------------|---|---|--|--|--|---------------------|-------------------|------------------|-----------------|---------------------------------|--|-------------------------------------|---------------|--------|------------------|--|---|---|
| CPCA HOUSING COMMITTEE APPROVED SCHEMES 2021-22 | | | | | | | | | | | | | | | | | | | | | | |
| Staniland Court, Werrington, Peterborough | new development | Funding Affordable Homes HA | Peterborough | 60 | 60 | PA | 01/07/2019 | 01/07/2019 | 28/05/2021 | 31/10/2021 | 31/12/2022 | £ 2,622,000 | 50 / 50 | n/a | Yes | £ 43,700 | | 60 | | Yes | Yes | Planning decision expected May 21 |
| Wisbech Road, March | development on greenfield site | Funding Affordable Homes HA | Fenlands | 118 | 118 | C | 11/11/2019 | 11/11/2019 | 30/04/2021 | 30/09/2021 | 31/08/2023 | £ 4,542,000 | 25/50/25 | n/a | Yes | £ 38,492 | | 98 | 20 | Yes | Yes | Contract signed yet to SOS |
| Rear of 26-34 High Street, Stilton, Hunts | back of high street | CKH | Hunts | 70 | 42 | PA | 13/01/2020 | 13/01/2020 | 09/06/2021 | 30/10/2021 | 30/09/2022 | £ 1,570,000 | 50/50 | n/a | Yes | £ 37,381 | | 10 | 32 | Yes | Yes | Yet to contract but dates agreed in principle. Final RM and conversations with developers of confident start. |
| 33 a) Norwood Road, (March Town Centre) | infill site | Funding Affordable Homes HA | Fenlands | 50 | 50 | PA | 22/06/2020 | 22/06/2020 | 09/06/2021 | 31/03/2022 | 31/12/2023 | £ 1,920,000 | 50/50 | n/a | Yes | £ 38,400 | | 30 | 20 | Yes | Yes | Ongoing resolutions with This Land, around engineering problems on two sites. |
| 33 b) Hereward Hall, March Town Centre | infill site | Funding Affordable Homes HA | Fenlands | 19 | 19 | PA | 22/06/2020 | 22/06/2020 | 09/06/2021 | 31/03/2022 | 31/03/2023 | £ 760,000 | 50/50 | n/a | Yes | £ 40,000 | | 19 | 0 | Yes | Yes | Ongoing resolutions with This Land, around engineering problems on two sites. |
| 33 c) Queens Street, March Town Centre | infill site | Funding Affordable Homes HA | Fenlands | 21 | 21 | PA | 22/06/2020 | 22/06/2020 | 09/06/2021 | 31/03/2022 | 31/12/2022 | £ 840,000 | 50/50 | n/a | Yes | £ 40,000 | | 21 | 0 | Yes | Yes | Ongoing resolutions with This Land, around engineering problems on two sites. |
| Stanground, Peterborough | brownfield site | CKH | Peterborough | 26 | 26 | PA | 22/06/2020 | 22/06/2020 | 28/05/2021 | 31/08/2021 | 31/12/2022 | £ 1,170,000 | 50/50 | n/a | Yes | £ 45,000 | | 26 | 0 | Yes | Yes | Gone to planning and contractors procurement underway, and confident of SOS by Aug 21 |
| British Sugar Way, Oundle Road, Peterborough | brownfield site | CKH | Peterborough | 74 | 74 | PA | 09/11/2020 | 09/11/2020 | 28/05/2021 | 31/08/2021 | 01/06/2024 | £ 3,040,000 | 50/50 | n/a | Yes | £ 41,081 | | 45 | 29 | Yes | Yes | In for Reserved Matters, contractors are with Vistry. Confident of SOS is Aug 21. |
| Perkins, Phase 2, Newark Road, Peterborough | brownfield site | CKH | Peterborough | 96 | 96 | PA | 09/11/2020 | 09/11/2020 | 30/04/2021 | 31/05/2021 | 31/03/2023 | £ 3,740,000 | 50/50 | n/a | Yes | £ 38,958 | | 38 | 58 | Yes | Yes | Planning consent given, contractors Vistry imminent SOS, May 21. |
| Old Motel Site, North Street, Stilton, Hunts. | old motel site | CKH | Hunts | 10 | 10 | PA | 09/11/2020 | 09/11/2020 | 09/06/2021 | 31/01/2022 | 31/01/2023 | £ 420,000 | 50/50 | n/a | Yes | £ 42,000 | | 5 | 5 | Yes | Yes | Redesign of site, therefore delay for SOS. |
| Station Road, Littleport, Ely. East Cambridgeshire | greenfield site | CKH | East Cambs | 37 | 37 | PA | 09/11/2020 | 09/11/2020 | 09/06/2021 | 30/09/2021 | 30/09/2023 | £ 1,373,743 | 50/50 | n/a | Yes | £ 37,128 | | 20 | 19 | Yes | Yes | Outline planning, design needed, entering into contract with contractor |
| Land Rear of High Street, Needingworth, Hunts | back of high street | CKH | Hunts | 45 | 45 | PA | 09/11/2020 | 09/11/2020 | 09/06/2021 | 31/10/2021 | 31/01/2023 | £ 1,775,000 | 50/50 | n/a | Yes | £ 39,444 | | 20 | 25 | Yes | Yes | In for RM, contract with Vistry. Confident SOS is Oct 21. |
| Wisbech Road, Littleport, Ely | greenfield site | Funding Affordable Homes HA | East Cambs | 37 | 37 | PA | 11/01/2021 | 09/11/2020 | 09/06/2021 | 31/01/2022 | 30/06/2023 | £ 1,534,526 | 25/50/25 | n/a | Yes | £ 41,474 | | 28 | 9 | Yes | Yes | May planning submission, decision in Aug. SOS Jan 22. |
| Great Haddon, London Road, Yaxley, Peterborough | urban extension | CKH | Peterborough | 347 | 58 | PA | 11/01/2021 | 11/01/2021 | 30/04/2021 | 31/08/2021 | 01/02/2026 | £ 2,194,333 | 50/50 | n/a | Yes | £ 37,833 | | 17 | 43 | Yes | Yes | Confirmation of approval of grant, urgently required. |
| Former East Anglia Galvanizing Works, Oundle Road, Peterborough | brownfield site | Colliers | Peterborough | 77 | 77 | PA | 09/11/2020 | 09/11/2020 | 09/06/2021 | 31/01/2022 | 31/12/2023 | £ 3,464,615 | 50/50 | n/a | Yes | £ 44,995 | | 54 | 23 | Yes | Yes | Originally at £49k per unit, after discussion, the grant has been reduced to £44.9k per unit |
| | sub-total | | | | 770 | | | | | | | £ 30,966,217 | | | | | | | | | | |
| CERTAIN PIPELINE FOR 21/22 to Jun Housing Committee | | | | | | | | | | | | | | | | | | | | | | |
| Northminster | new development | PIP | Peterborough | 354 | 354 | p | no | 21/06/2021 | 09/06/2021 | 15/11/2021 | 31/03/2025 | £ 14,160,000 | 35/35/30 | TBC | yes | £ 40,000 | | 300 | 54 | Yes | Yes | Application confirmed |
| 14-16 High Street, Girton, Cambridge. CB3 0PU | new development | CLT | South Cambs | 15 | 15 | P | no | 21/06/2021 | 09/06/2021 | 23/06/2021 | 30/06/2022 | £ 675,000 | 50/50 | n/a | Yes | £ 45,000 | 15 | | | Yes | Yes | CLT site has planning consent and is ready to SOS, grant application form received. |
| Fairbairn Way, Chatteris, CB6 | new development | FAHHA | Fenlands | 50 | 50 | p | no | 21/06/2021 | 09/06/2021 | 31/03/2022 | 30/09/2023 | £ 2,082,000 | 25/50/25 | n/a | yes | £ 41,640 | | 42 | 8 | Yes | Yes | Grant application received |
| | sub-total | | | | 419 | | | | | | | £ 16,917,000 | | | | | | | | | | |
| FURTHER PROPOSED PIPELINE 21/22 | | | | | | | | | | | | | | | | | | | | | | |
| Heylo CPCA | various sites for tenure conversion | Heylo | various | 100 | 100 | p | no | 08/11/2021 | 18/10/2021 | 09/11/2021 | 31/03/2023 | £ 4,470,000 | 100 | n/a | yes | £ 44,700 | | | 100 | Yes | Yes | Discussions had - confident 100 more units are likely. |
| Churchgate House, Peterboro | resi tenure conversion | Rentplus | Peterborough | 86 | 86 | p | no | 06/09/2021 | 30/08/2021 | 31/03/2022 | 31/03/2024 | £ 3,870,000 | 100 | n/a | yes | £ 45,000 | | | 86 | Yes | Yes | Grant rate uncertain until further information received. |
| Elm Low Rd, Wisbech (Seagate Homes) | new development | Rentplus | Fenlands | 175 | 175 | p | no | 08/11/2021 | 18/10/2021 | 31/03/2022 | 31/03/2025 | £ 7,875,000 | 100 | n/a | yes | £ 45,000 | | | 175 | Yes | Yes | Grant rate uncertain until further information received. |
| Bayard Plaza, Peterborough | resi tenure conversion | Rentplus | Peterborough | 41 | 41 | P | no | 06/09/2021 | 30/08/2021 | already started | already completed | £ 1,800,000 | 100 | n/a | yes | £ 45,000 | | | 41 | Yes | Yes | MHCLG will not fund Rentplus product |
| YBS, Lynch Wood, Peterborough | resi tenure conversion | Rentplus | Peterborough | 136 | 136 | p | no | 06/09/2021 | 30/08/2021 | 31/07/2021 | 31/01/2022 | £ 5,760,000 | 100 | n/a | yes | £ 42,360 | | | 96 | Yes | Yes | Grant rate uncertain until further information received. Loss of 40 units to be picked by another RP. |
| | sub-total | | | | 538 | | | | | | | £ 23,775,000 | | | | | | | | | | |

Total
Programme
SoS

1727

Total
Programme
Funding

£ 71,658,217

Average
Intervention
Rate for
Programme
(not accounting
for tenure)

£ 954,587

15

833

843

41,492.89

2021/22, 2022/23, 2023/24 & 2024/25 Cash Flow Actual & Forecast

| 27.05.21 | Actual | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast |
|--|------------|------------|------------|-----------|-----------|------------|------------|------------|------------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 7/20/21 | 8/21/21 | 1/19/21 | 1/8/21 | 4/19/21 | 5/19/21 | 8/20/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 | 1/19/21 |
| Opening Balance | -4,308,731 | -3,548,810 | -477,274 | 1,951,046 | 3,781,027 | 4,505,852 | 4,935,306 | 10,518,867 | 8,368,001 | 7,930,008 | 7,827,706 | 10,645,072 | 14,756,093 | 14,730,549 | 14,612,894 | 22,907,886 | 22,695,061 | 21,729,043 | 20,056,627 | 16,389,399 | 15,088,744 | 12,189,303 | 14,981,278 | 15,404,422 | 24,646,346 | 27,161,346 | 27,196,346 | 27,231,346 | 27,660,346 | 27,695,346 | 27,730,346 | 30,108,217 | 30,143,217 | 35,487,691 | 39,732,216 |
| Grants Committed Ending March 2020-21 | 90,123 | 2,955,063 | 921,687 | 1,444,025 | 250,125 | 0 | 822,577 | 0 | 567,999 | 0 | 0 | 509,000 | 0 | 1,920,813 | 1,058,383 | 0 | 2,212,500 | 0 | 0 | 843,750 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grants Committed in principle (15 Schemes) 2021-22 | 0 | 0 | 1,870,000 | 0 | 0 | 3,097,167 | 2,477,872 | 1,672,500 | 0 | 0 | 2,336,308 | 0 | 880,000 | 0 | 1,311,000 | 0 | 2,271,000 | 800,000 | 788,000 | 0 | 2,400,500 | 887,500 | 0 | 2,480,000 | 0 | 0 | 394,000 | 0 | 0 | 1,822,372 | 0 | 5,309,474 | 0 | 0 | |
| 2(a) Certain Pipeline 2021-22 | 0 | 0 | 0 | 0 | 0 | 337,500 | 0 | 0 | 0 | 0 | 0 | 4,911,113 | 520,500 | 0 | 0 | 337,500 | 0 | 0 | 0 | 0 | 1,041,000 | 0 | 4,911,113 | 0 | 0 | 0 | 0 | 0 | 0 | 530,500 | 0 | 0 | 4,209,525 | 0 | 0 |
| 2(b) Further Proposed Pipeline 2021-22 | 0 | 0 | 0 | 0 | 0 | 0 | 7,559,999 | 0 | 0 | 0 | 0 | 0 | 0 | 7,807,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,937,500 | |
| Loan Payments | 1,250,807 | 1,253,961 | 1,114,677 | 1,052,999 | 1,033,661 | 1,317,918 | 1,258,963 | 730,639 | 702,801 | 694,045 | 715,142 | 715,142 | 715,142 | 742,725 | 720,527 | 743,799 | 722,386 | 778,319 | 414,667 | 385,727 | 369,174 | 304,166 | 5,044 | 2,522 | | | | | | | | | | | |
| Loan Repayments | -581,009 | -1,172,488 | -1,513,044 | -702,042 | -593,962 | -4,358,131 | -6,570,850 | -4,589,005 | -1,778,792 | -831,347 | -269,083 | -2,059,233 | -2,176,186 | -2,816,193 | -2,637,418 | -1,329,124 | -3,935,904 | -4,756,734 | -4,916,896 | -3,353,131 | -3,303,615 | -988,691 | -504,400 | -176,711 | | | | | | | | | | | |
| Overheads | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | |
| Closing Balance | -3,548,810 | -477,274 | 1,951,046 | 3,781,027 | 4,505,852 | 4,935,306 | 10,518,867 | 8,368,001 | 7,930,008 | 7,827,706 | 10,645,072 | 14,756,093 | 14,730,549 | 14,612,894 | 22,907,886 | 22,695,061 | 21,729,043 | 20,056,627 | 16,389,399 | 15,088,744 | 12,189,303 | 14,981,278 | 15,404,422 | 24,646,346 | 27,161,346 | 27,196,346 | 27,231,346 | 27,660,346 | 27,695,346 | 27,730,346 | 30,108,217 | 30,143,217 | 35,487,691 | 39,732,216 | 43,704,716 |

Notes

- Grants Committed Ending March 2020-21 as per Azma's tab 14.05.21
Grants Committed in principle (15 Schemes) 2021-22 as per Azma's tab 27.05.21
2(a) Certain Pipeline 2021-22 as per Azma's tab 27.05.21
2(b) Further Proposed Pipeline 2021-22 as per Azma's tab 14.05.21
Loan Payments as per Loan Cashflow Summary 17.05.21
Loan Repayments as per Loan Cashflow Summary 17.05.21
Overheads estimate on run rate



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 6.1

Adult Education Budget 2021/22 Funding Allocations and Policy Changes

To: Cambridgeshire and Peterborough Combined Authority Board

Meeting Date: 30 June 2021

Public report: Yes

Lead Member: Councillor L Nethsingha, Lead Member for Skills

From: John T Hill, Director of Business and Skills

Key decision: Yes

Forward Plan ref: KD2021/020

Recommendations: The Combined Authority Board is recommended to:

- a) Approve the funding allocations for the 2021/22 academic year, from the devolved Adult Education Budget (AEB) to the providers, set out in Table A of the report to the Skills Committee on 14 June 2021;
- b) Grant authority to enter into contract for services, with Steadfast Training Ltd;
- c) Delegate authority to the Director of Business and Skills in consultation with Chief Finance Officer and Monitoring Officer, to enter into contract for services, with the providers set out in Table A, on behalf of the Combined Authority;
- d) Delegate authority to the Director of Business and Skills, in consultation with the Chief Finance Officer and Monitoring Officer to enter into Grant Funding Agreements, with the providers set out in Table A, on behalf of the Combined Authority;
- e) Delegate authority to the Director of Business and Skills, in consultation with the Chief Finance Officer and Monitoring Officer to procure, award and enter into contract, with

recommended new providers, as required within the devolved Adult Education Budget (AEB) Grant for 2021/22, set out in the AEB Commissioning Guiding Principles; and

- f) Approve implementation of the funding policy changes and funding flexibilities for the 2021/22 academic year, as set out in the report to the Skills Committee on 14 June 2021.

Voting arrangements: A simple majority of members of the board present and voting

1. Purpose

1.1 The Board's approval is sought to:

- Make the funding allocations from the devolved Adult Education Budget of £11.9m for the academic year 2021/22 to the Providers, set out in TABLE A in this Paper. Funding allocations total £9.9m. •
- Allocate a further £1m from the devolved AEB for current providers to make Growth Cases, demonstrating alignment with local skills needs.
- Issue funding agreements, based on performance during the academic year and recover under-spent funds.
- Procure using the Combined Authority's 'Light Touch' Commissioning approach to contract with new providers as required during the academic year, to meet gaps in provision.

1.2 Under the 2016 Devolution agreement, the Combined Authority is at liberty to set its own policies and funding rules which can deviate from the national Adult Education Budget funding rules set by the Education and Skills Funding Agency (ESFA). This helps to better direct and improve outcomes for citizens in our region. Therefore, authority is sought to implement the local funding policy changes and flexibilities set out in the report to the Skills Committee on 14 June 2021, to increase participation in skills training among citizens, improving productivity and supporting 'levelling up' across the region.

1.3 These proposals were considered by the Skills Committee on 14 June 2021. Following discussion, the Committee agreed unanimously to recommend the proposals to the Combined Authority Board for approval.

1.4 The report and appendices presented to the Skills Committee can be viewed via the link below. Item 2.1 refers:

[Skills Committee 14 June 2021](#)

2. Financial Implications

2.1 There are no financial implications for the CPCA other than those set out in the main body of the report and as highlighted in the Skills Committee paper, as the funding allocations and policy changes will be managed within the CPCA's AEB Devolved Funding Grant.

- 2.2 A ring-fenced AEB Reserve Fund has been established to provide for contingent liabilities in funding for providers and additional commissioning in 2021/22.

3. Legal Implications

- 3.1 None.

4. Appendices

- 4.1 Appendix 1 – Levelling Up – CPCA Deprived Areas Funding Uplift
- 4.2 Appendix 2 – Summary of Changes to AEB Funding Rules
- 4.3 Appendix 3 – Table A
- 4.4 The appendices are available in accessible format on request from [Democratic Services](#).

5. Background Papers

- 5.1 [Local Industrial Strategy](#)
- 5.2 [CPCA Skills Strategy](#)
- 5.3 [AEB Funding Rules](#)
- 5.4 [AEB Commissioning Strategy 2020 – 2025](#)
- 5.5 [Lifetime Skills Guarantee \(Level 3 Adult Offer\) Skills Committee Paper](#)

Levelling Up – CPCA Disadvantaged Postcodes Funding Uplift

In 2020/21, the Combined Authority implemented a four per cent funding uplift for providers to claim, for learners whose postcodes were the most deprived in the region, based on the 2015 Indices of Multiple Deprivation (IMD). This is part of our strategy to 'level up' and better target AEB to communities in the region who require greater support. This investment seeks to incentivise providers to utilise the funding uplifts to outreach and target residents living in relatively deprived communities and provide additional support to overcome barriers to learning.

The IMD separates postcodes into LSOAs (Lower-layer Super Output Areas) to pin-point deprivation precisely. LSOAs are small areas designed to be of a similar population size, with an average of approximately 1,500 residents or 650 households.

The map overleaf shows those areas which were part of the 2020/21 uplift (shaded blue) and the additional five LSOAs, added to the 2021/22 uplift. The new criteria for the CPCA's funding uplift are those LSOAs which fall into:

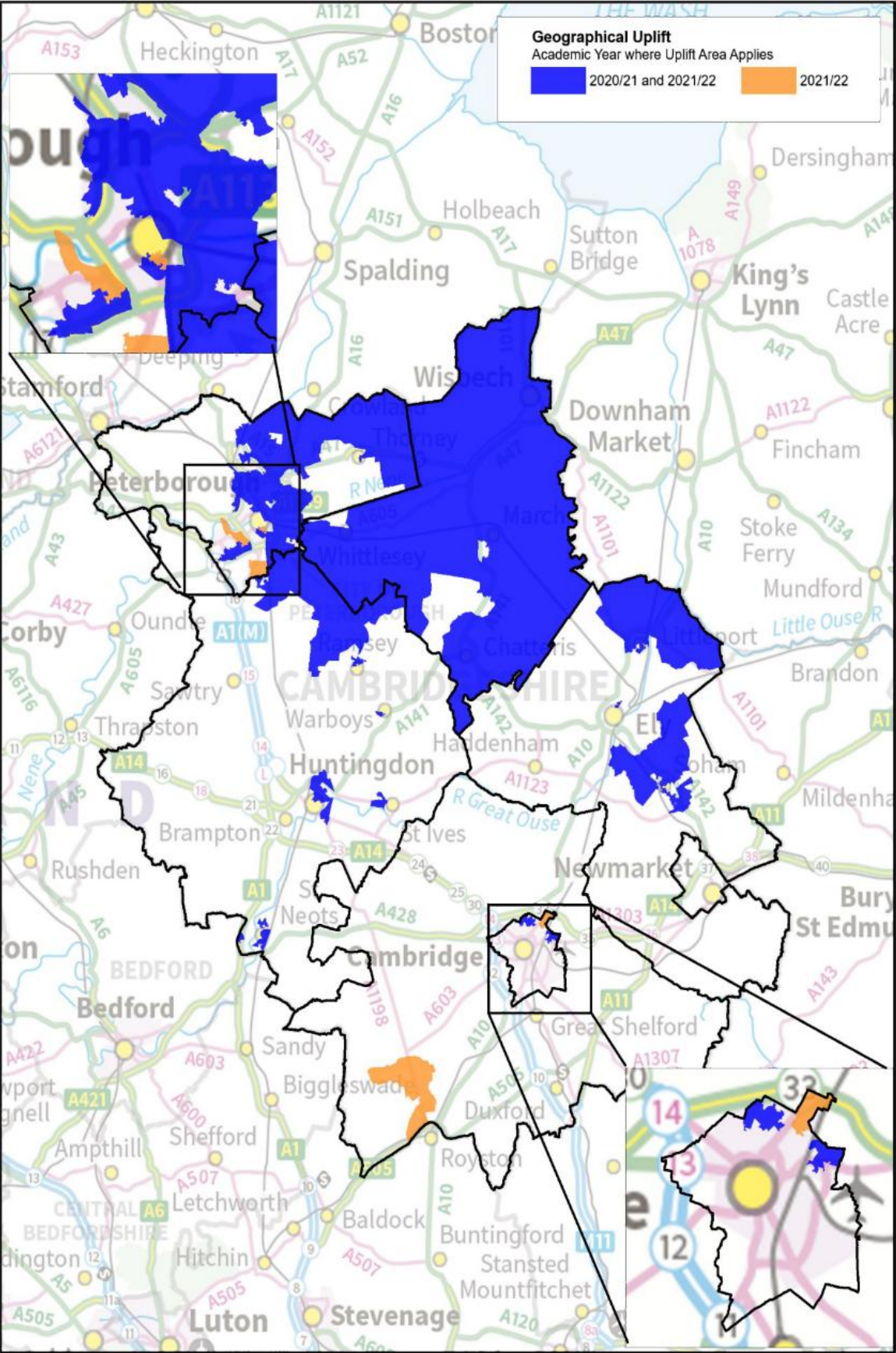
- Top 30% nationally most relatively deprived.
- Top 40% most relatively deprived for **adult skills nationally**.

This means that LSOAs within all Districts are now covered by the funding uplift, as summarised in Table B below:

TABLE B

| Local Authority | 2021/22 CPCA Uplift | | | | Total Number of LSOAs |
|---------------------------------|---------------------|------------------|--------------------|------------------|-----------------------|
| | CPCA Uplift applies | | Uplift not present | | |
| | Number of LSOAs | % Of total LSOAs | Number of LSOAs | % Of total LSOAs | |
| Cambridge | 9 | 13% | 60 | 87% | 69 |
| East Cambridgeshire | 9 | 18% | 41 | 82% | 50 |
| Fenland | 52 | 95% | 3 | 5% | 55 |
| Huntingdonshire | 24 | 23% | 81 | 77% | 105 |
| Peterborough | 70 | 63% | 42 | 38% | 112 |
| South Cambridgeshire | 1 | 1% | 95 | 99% | 96 |
| Cambridgeshire and Peterborough | 165 | 34% | 322 | 66% | 487 |

Cambridgeshire and Peterborough Combined Authority
Geographical Uplift Areas



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Summary of Changes to AEB Funding Rules

1. Implement the funding flexibilities described in this paper.
2. Sub-contracting – the proportion of the contract value that providers may sub-contract, will be increased to 25 per cent from 20 per cent, in line with ESFA funding rules. Exceptional Cases for exceeding 25 per cent will be considered but capped at 35 per cent. Different arrangements for Third Sector consortia will be developed.
3. Management charges for sub-contractors will be capped at 15 per cent.
4. Funding allocations for 2022/23 – R14 ILR (2020/21) will be used to inform the Baseline Allocation, ensuring the alignment of performance and the allocation of future funding.
5. A move toward Plan-Led Funding for Grant Providers – following the outcome of the DfE's consultation around Funding Simplification and Accountability, we will work with Grant funded providers to develop a Three-Year Plan-Led Funding model from 2022/23 at the earliest. This will enable Grant Providers to proactively plan and invest in capacity building to address economic recovery, demographic growth, and climate change.
6. Minimum Contract Value (MCV) – we will look to introduce an MCV of £100,000 for the academic year 2022/23. We will work with any providers who are currently below this threshold to encourage them to put in a business case for growth funding, or, to take up a sub-contract arrangement with another AEB provider.
7. Continuing Learners - the Combined Authority will continue to fund those learners that are continuing learning from the 2020/21 academic year into 2021/22 for all provider types.
8. Implement our Guiding Principles for In-Year Commissioning, utilising the 'light-touch' commissioning approach.

| TABLE A: AEB Providers | Funding Agreement Type | 2020/21 Final Allocation | 2021/22 Baseline Allocation |
|-------------------------------------|-------------------------------|---------------------------------|------------------------------------|
| Cambridge Regional College | Grant | £2,535,600 | £2,200,000 |
| Inspire Education Group | Grant | £2,099,365 | £2,000,000 |
| Cambridgeshire County Council | Grant | £2,115,500 | £2,000,000 |
| Peterborough City Council | Grant | £1,351,088 | £1,400,000 |
| The College of West Anglia | Grant | £415,339 | £500,000 |
| Steadfast Training Ltd | Contract | £537,765 | £500,000 |
| Back 2 Work Complete Training | Contract | £461,945 | £462,000 |
| The Skills Network | Contract | £398,798 | £400,000 |
| Bedford College | Grant | £191,318 | £170,000 |
| West Suffolk College | Grant | £118,889 | £150,000 |
| NACRO | Contract | £90,000 | £100,000 |
| North Hertfordshire College | Grant | £39,717 | £38,000 |
| Hills Road Sixth Form College | Grant | £20,000 | £20,000 |
| Rutland County Council | Grant | £2,186 | |
| Total Allocations* | | £10,377,510 | £9,940,000 |
| Total Devolved S31 Grant | | £11,968,970 | £11,959,794 |
| Top Slice @3.4% | | £406,945 | £406,633 |
| Retained fund for Growth | | | £1,000,000 |
| Retained for Innovation Fund | | £300,000 | £600,000 |

*Excluding Central Bedfordshire Council



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 6.2

Employment and Skills Strategy

| | |
|----------------------|--|
| To: | Cambridgeshire and Peterborough Combined Authority Board |
| Meeting Date: | 30 June 2021 |
| Public report: | Yes |
| Lead Member: | Councillor L Nethsingha, Lead Member for Skills |
| From: | John T Hill, Director of Business and Skills |
| Key decision: | No |
| Forward Plan ref: | n/a |
| Recommendations: | <p>The Combined Authority Board is recommended to:</p> <p>Approve the proposed approach to the development of the Employment and Skills Strategy, including the approval to spend £25,000 from Skills Advisory Panel grant funding on the development of the strategy.</p> |
| Voting arrangements: | A simple majority of all Members present and voting |

1. Purpose

- 1.1 The Board's approval is sought to the proposed approach to the development of a refresh of the current Skills Strategy.
- 1.2 These proposals were considered by the Skills Committee on 14 June 2021. Following discussion, the Committee agreed unanimously to recommend the proposals to the Combined Authority Board for approval.
- 1.3 The report and appendices presented to the Skills Committee can be viewed via the link below:

[Skills Committee 14 June 2021 - Item 3.2 refers](#)

2. Financial Implications

- 2.1 Metro Dynamics will support the development of the Employment and Skills Strategy. £25,000 from the Skills Advisory Panel grant funding has been allocated to support this work. This funding has only recently been confirmed by the DfE and as yet, has not been confirmed within the MTFP.

3. Legal Implications

- 3.1 None.

4. Appendices

- 4.1 Appendix 1 - Timeline for Development

5. Background Papers

- 5.1 [Skills Strategy](#)
- 5.2 [Local Industrial Strategy](#)
- 5.3 [Local Economic Recovery Strategy](#)

Appendix 1

Timeline for development

| | | Stages of strategy development | | | | | |
|------------------------------------|--|--------------------------------|-----|-----------------------------------|------|--------|-----------|
| | | Where are we now? | | Where are we headed? | | | |
| | | | | Where do we want to get to? | | | |
| | | | | How to get there? | | | |
| | Workplan | April | May | June | July | August | September |
| Develop evidence base | <ol style="list-style-type: none"> 1. Define initial evidence requirements (complete) 2. Collate evidence (ongoing – MD and Cambridgeshire Insights to lead) 3. Produce outline SWOT analysis of CPCA skills system 4. Generate evidence outputs to support consultation sessions 5. Review evidence position and determine additional requirements 6. Expand and deepen evidence base as required | | | | | | |
| | | | | Evidence work ongoing as required | | | |
| Define strategic priorities | <ol style="list-style-type: none"> 1. Host engagement sessions using 4-step strategy process as guide 2. Produce draft strategic framework 3. Engage on draft strategic framework and calibrate feedback | | | | | | |
| Prepare recommendations | <ol style="list-style-type: none"> 1. Finalise strategic framework and review emerging recommendations from engagement 2. Prepare draft recommendations 3. Engage on draft recommendations and calibrate feedback | | | | | | |
| Reporting | <ol style="list-style-type: none"> 1. Produce draft Skills Strategy report 2. Engage on draft Skills Strategy report and calibrate feedback 3. Produce final report | | | | | | |
| Launch | <ol style="list-style-type: none"> 1. Publish and launch report; shift to implementation | | | | | | |

Blue text = engagement



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 7.1

Manufacturing and Materials Research and Development Centre Project Change Request and Revised Business Plan

To: Cambridgeshire and Peterborough Combined Authority Board

Meeting Date: 30 June 2021

Public report: Yes

Appendices 2 and 3 to this report are exempt from publication because they contain information relating to the financial or business affairs of any particular person (including the authority holding that information) under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act. It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information.

Lead Member: Austen Adams, Chair of the Business Board

From: John T Hill, Director of Business and Skills

Key decision: No

Forward Plan ref: n/a

Recommendations: The Combined Authority Board is recommended to:

Note Mayoral Decision Notice 34-2021, Manufacturing and Materials Research and Development Centre Project Change Request and Revised Business Plan.

Voting arrangements: Note only item, no vote.

1. Purpose

- 1.1 The Board is invited to note Mayoral Decision Notice 34-2021 recording Key Decision 2021/027 Manufacturing and Materials Research and Development Centre Project Change Request and Revised Business Plan which was made by the Mayor on 28 May 2021. A copy is attached at Appendix 1.
- 1.2 These proposals were considered at a meeting of the Business Board on 19 May 2021. Following discussion, the Business Board agreed unanimously to recommend the proposals to the Mayor for approval.
- 1.3 The report to the Business Board can be viewed via the link below. Item 2.3 refers:

[Business Board meeting 19 May 2021](#)

[Business Board meeting 19 May 2021 - Item 2.3 refers](#)

2. Considerations

- 2.1 At the Business Board meeting on 19 May 2021, the Director of Business and Skills read out the following statement that had been submitted to the Business Board by Peterborough City Council:
- 2.2 The figures indicated for the cost of lease of the car park are to provide a baseline position for the purpose of validating the viability of the wider commercial model and business plan. These are based on the best estimate taken from the market, when considering the financial, contractual, and commercial factors effecting the potential price of lease, conditions of lease and potential income from that lease. However, the shareholders of PropCo1 and PropCo2, as the potential purchasers of this lease, accept these figures are estimates based on assumptions and still subject to negotiation.

3. Financial Implications

- 3.1 The financial implications are as set out in the mayoral decision MDN 34-2021

4. Legal Implications

- 4.1 None.

5. Appendices

- 5.1 Appendix 1 – Mayoral Decision Notice 34-2021
- 5.2 Appendices to the report to the Business Board:
- 5.3 [Appendix 1 - Revised Business Plan for the Peterborough Research and Development Property Company Ltd](#)

- 5.4 Appendix 2 (Exempt) – Independent Appraisal Report on the Revised Project and Business Plan
- 5.5 Appendix 3 (Exempt) – Project Change Request for the Manufacturing and Materials Research and Design Centre

6. Background Papers

- 6.1 [University of Peterborough: Incorporation of PropCo2' \(Agenda Item 2.4, Business Board Meeting 12 January 2021\)](#)
- 7.2 [Minutes of the Business Board meeting 9 July 2020](#)
- 7.3 [Getting Building Fund Project Proposal – October 2020 - Agenda Item 2.1, Business Board meeting 19 October 2020](#)
- 7.4 [Mayoral Decision Notice \(5 November 2020\)](#)

DECISION NOTICE - OFFICER/ MAYORAL

To grant a permission or a licence, affect the rights of individuals, to award a contract or incur expenditure over £250k, to amend budgets, or apply a Key Decision over £500k.

| DECISION INFORMATION | | |
|----------------------------|---|--|
| 1. DECISION TITLE | Manufacturing & Materials Research & Development Centre Project Change Request and Revised Business Plan | |
| 2. DECISION No. | 34-2021 | |
| 3. DECISION DATE | 24/05/2021 | |
| 4. FORM AUTHOR | Mahmood Foroughi - SRO H.E mahmood.foroughi@cambridgeshirepeterborough-ca.gov.uk 07713199021 | |
| 5. DESCRIPTION OF DECISION | <p>To expedite the process and meet deadline of 3rd June, we are seeking, through a Mayoral Decision Notice, the approval of the following recommendations to enable instruction to be placed with MACE, the project consultants by the 3rd June 2021, to commence the redesign and resubmission of the planning application for the smaller building, in order to meet the revised December 2022 completion date.</p> <p>This notice will follow the Business Board approval on 19th May.</p> <p>The required decisions are as follows:</p> <p>(a) The Mayor to approve the project change request for the Manufacturing & Materials Research & Development Centre;</p> <p>(b) The Mayor to approve the revised Business Plan for the Peterborough R&D Property Company Ltd at Appendix 1;</p> <p>(c) The Mayor to delegate authority to the Director of Business and Skills, in consultation with the Lead Member for Economic Growth, the Section 73 Officer and the Monitoring Officer, to finalise and complete the necessary legal documentation for the Peterborough R&D Property Company Limited;</p> <p>(d) The Mayor to approve the allocation of the balance of the £13.773m Getting Building Fund monies to Phase 2 of the University of Peterborough project and releases the balance of the funding based on the amendment to the Business Plan.</p> | |
| 6. AUTHORITY FOR DECISION | Mayor – General Power – Chapter 3, Paragraph 1.5 | |
| 7. DECISION TYPE | Mayoral | |
| 8. DECISION OWNER | The Mayor | |
| 9. KEY DECISION | FORWARD PLAN DATE | |

DECISION NOTICE - OFFICER/ MAYORAL

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| INFORMATION | FORWARD PLAN NUMBER | |
| | DATE OF DECISION | The recommendations were adopted by the Combined Authority Board at its meeting on 27th January 2021. |
| | DATE REPORT PUBLISHED | |
| | APPROVAL HYPERLINK | Mayoral Decision Notice (5th November 2020) https://mk0cpcamainsitehdbtm.kinstacdn.com/wp-content/uploads/documents/governance/transparency/mayoral-decision-notices/MDN28-2020-Award-getting-building-funding-GBF-to-Uni-of-Pb.pdf |
| | IMPLEMENTATION DATE | |
| | EXEMPT INFO/ ANNEX | Appendix 2 (Exempt) – Independent Appraisal Report on the Revised Project and Business Plan |
| DECISION OVERVIEW | | |
| 10. SUMMARY OF REQUIREMENTS | <p>To seek approval for a change to the project Business Model, to enable the Peterborough R&D Property Company Limited ("the Company") to manage the Manufacturing & Materials Research & Development Centre ("the Centre") itself instead of procuring a commercial operator to do so.</p> <p>To seek approval for a number of changes to the project Business Plan, to enable the Company to take on this role and the reduced capital contribution to the build from Photocentric Ltd.</p> | |
| 11. PROJECT BACKGROUND | <p>At its meeting on 12th January 2021, the Business Board considered a report on the incorporation of the Company and made recommendations to the Combined Authority Board on the delegation of authority to officers to prepare legal documentation on the approval of the Business Plan for the Company. The recommendations were adopted by the Combined Authority Board at its meeting on 27th January 2021. At that time, it was the intention that a commercial operator for the Centre would be procured by the Company and the Business Board also recommended that consent be given for the Company to enter into a contract with the successful contractor in the procurement.</p> <p>The decision not to appoint a centre operator was taken as the proposed operating model, including acceptable level of the fee paid by a centre operator which was based on soft market testing, would have resulted in the Company being unable to reclaim VAT costs on the construction of the building. This was particularly highlighted when considered in combination with the 5-year lease period and expected Photocentric buy-out which did not prove to provide a reasonable basis for VAT recovery.</p> <p>Compliance with VAT rebate necessitated a change of approach to commercial operation of the centre, resulting in the Company having to take on the operation of</p> | |

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| | the R&D centre, revision to the Business plan with a reduction in scope of the build design, and change of completion date. | |
| 12. FINANCE INFORMATION | VALUE OF DECISION | £13,773,000 |
| | BUDGET CODE(S) | CX5111 |
| | BUDGET DESCRIPTION(S) | University of Peterborough – Phase 2 |
| | FUNDING TYPE | CAPITAL |
| | FUNDING APPROVAL | 19 OCTOBER 2020 BUSINESS BOARD EXTRAORDINARY MEETING, AGENDA ITEM 1.2 |
| | FUNDS AVAILABLE | £13,773,000 |
| | OTHER COMMENTS | |
| 13. PROCUREMENT CONSIDERATIONS | DIRECT AWARD JUSTIFICATION | N/A |
| | REGULATION RISKS | The revised approach to delivery will be procured compliantly with the PCRs2015 |
| | VFM JUSTIFICATION | This will be achieved through the selected procurement approach. |
| 14. LEGAL CONSIDERATIONS | LEGAL RISKS | The revisions to the Business Plan will be taken into account in the construction of the Shareholder Agreement between the Combined Authority and Photocentric Limited, the Articles of Association of the Company and the Agreement for Lease and Lease of the premises between the Company and Photocentric Limited. |
| | CONTRACT/ GRANT INFORMATION | There are no changes to the grant requirements. |
| 15. CONFLICTS OF INTEREST/ MITIGATION | N/A | |

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| 16. SUPPORTING DOCUMENTATION | 1- Change request paper 2- Appendix1 – revised Business Plan | |
| 17. CONFIDENTIAL INFORMATION | None | |
| DECISION APPROVAL/ CONSULTATION- to be completed by consulted officers for all Decisions | | |
| PROCUREMENT | NAME | Saffron Bamforth |
| | DATE | 18/05/2021 |
| | COMMENT | Approved |
| FINANCE | NAME | Vanessa Ainsworth |
| | DATE | 18.05.2021 |
| | COMMENT | VAT advice was sought from Deloitte regarding the original operating model, and they flagged that the VAT would be irrecoverable should we proceed with the initial plan. Further to this, a revised business plan was prepared, which Deloitte have confirmed enables the VAT to be reclaimed. This action has been taken to ensure that the building can proceed within the financial scope. |
| LEGAL | NAME | David Cox |
| | DATE | 18.5.2021 |
| | COMMENT | It has been necessary to abandon the original procurement of a concessionaire to run the research building as a result of a financial review concluding it would neither be financially viable, nor would VAT be reclaimable utilising this model. In consequence a revised business case has been prepared which recommends Peterborough R&D Property Company Limited ("PropCo 2") should manage and lease the building. This amounts to a substantial change to the original proposed delivery model. CPCA has received detailed legal advice from its external advisors Pinsent Masons which has been reviewed and agreed by CPCA Legal Services. |
| CHIEF OFFICER/ DIRECTOR | NAME | |
| | DATE | |
| | COMMENT | |

DECISION NOTICE - OFFICER/ MAYORAL

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| CHIEF LEGAL OFFICER/MONITORING OFFICER | NAME | Robert Parkin, Chief Legal Officer/MO |
| | DATE | 21.05.21 |
| | COMMENT | Approved. The decision is within the powers of the Mayor to approve, per Article 1.5.3 of the constitution. |
| CHIEF FINANCE OFFICER | NAME | Jon Alsop |
| | DATE | 21.05.2021 |
| | COMMENT | Approved |
| OVERALL APPROVAL | | |
| DECISION MAKER | NAME | Mayor Dr Nik Johnson |
| | DATE | 28 th May 2021 |
| | COMMENT | [Signature redacted] |



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 7.2

Community Renewal Fund and Levelling Up Fund Bid Selection Process

To: Cambridgeshire and Peterborough Combined Authority Board

Meeting Date: 30 June 2021

Public report: No

Lead Member: Austen Adams, Chair of the Business Board

From: John T Hill, Director of Business and Skills

Key decision: No

Forward Plan ref: n/a

Recommendations: The Combined Authority Board is recommended to:

Note Mayoral Decision Notice 35-2021, Community Renewal Fund and Levelling Up Fund Bid Selection process.

Voting arrangements: A simple majority of all Members present and voting

1. Purpose

- 1.1 The Board is invited to note Mayoral Decision Notice 35-2021 which was made by the Mayor on 11 June 2021 under general exception arrangements. Copy attached at Appendix 1.
- 1.2 This decision relates to the approval of the processes being co-ordinated by the Combined Authority for the selection of bids to the Levelling-Up Fund (LUF) and the Community Renewal Fund (CRF) from constituent Local Authorities to the Government on 18 June 2021.
- 1.3 These proposals were considered at a meeting of the Business Board on 19 May 2021. Following discussion, the Business Board agreed unanimously to recommend the proposals to the Mayor for approval.
- 1.4 Members of the Combined Authority Board were consulted in advance of the Mayoral decision at a meeting on 9 June 2021.
- 1.5 The Skills Committee were notified of the recommendations to the Mayor relating to the processes for selecting the candidate bids at its meeting on 14 June 2021.
- 1.6 The report to the Business Board can be viewed via the link below. Item 2.2 (Revised) refers:

[Item 2.2 \(Revised\) - Future Funding Strategy - Business Board 19 May 2021](#)

- 1.6 The report to the Skills Committee can be viewed via the link below. Item 2.2 refers:

[Item 2.2 – Future Funding Strategy – Skills Committee 14 June 2021](#)

2. Considerations

- 2.1 This route taken to obtain the decision made by the Mayor in consultation with the Combined Authority Members was because of timing issues to be able to commence and run the process in time to meet Government submission deadlines, which were ahead of the next scheduled Combined Authority Board meeting. When this item was discussed on 9th June there was request from Members that any future decisions being made with time constraints there should be consideration given to calling and utilising Extraordinary Board meetings as an option to the Mayoral Decision process.

3. Appendices

- 3.1 Appendix 1 - Mayoral Decision Notice 35-2021

4. Background Papers

- 4.1 [Item 2.2 \(Revised\) - Future Funding Strategy - Business Board 19 May 2021](#)
- 4.2 [Item 2.2 – Future Funding Strategy – Skills Committee 14 June 2021](#)

DECISION NOTICE - MAYORAL

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| DECISION INFORMATION | | |
|-----------------------------|---|---|
| 1. DECISION TITLE | Community Renewal Fund & Levelling Up Fund – Bid Selection | |
| 2. DECISION No. | MDN35-2021 | |
| 3. DECISION DATE | 11 June 2021 | |
| 4. FORM AUTHOR | Steve Clarke Steve.clarke@cambridgeshirepeterborough-ca.gov.uk | |
| 5. DESCRIPTION OF DECISION | Approve the process that has been used to select the final candidate bids for Community Renewal Funds & the Levelling Up Fund | |
| 6. AUTHORITY FOR DECISION | Chapter 3 Paragraph 1.5 – General Power of Competence by the Mayor | |
| 7. DECISION TYPE | Mayoral | |
| 8. DECISION OWNER | Mayor | |
| 9. KEY DECISION INFORMATION | FORWARD PLAN DATE | N/A |
| | FORWARD PLAN NUMBER | N/A |
| | DATE OF DECISION | N/A |
| | DATE REPORT PUBLISHED | N/A |
| | APPROVAL HYPERLINK | N/A |
| | IMPLEMENTATION DATE | The decision is to agree and endorse that implementation has already been undertaken. |
| | EXEMPT INFO/ ANNEX | N/A |
| DECISION OVERVIEW | | |
| 10. SUMMARY OF REQUIREMENTS | <p>Mayor to approve:</p> <p>(i) The process used by the CPCA officers for selecting the candidate bids to be submitted to the Government for the CRF, based on the Combined Authority's mandate to do so as Lead Authority for bids to the Community Renewal Fund;</p> <p>(ii) The process for selecting the candidate regeneration bids to be submitted to the Government for the LUF, on the basis of the voluntary arrangement agreed between the Combined Authority, Peterborough City Council;</p> | |

DECISION NOTICE - MAYORAL

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| | <p>(iii) The process for selecting the candidate bids to be submitted to the Government for the LUF, on the basis of the voluntary arrangements agreed with the Combined Authority and Fenland District Council.</p> <p>The Mayor is being asked to approve these recommendations on the process after it has been run and this decision is retrospective to confirm the process to the point before final approval is given on the shortlisted candidate applications, which will be a separate decision.</p> |
| 11. PROJECT BACKGROUND | <p>The Business Board paper 2.2 Future Funding Strategy from meeting on 19th May 2021 covered the following Spending Review announcements:</p> <p>The Levelling Up Fund (LUF) will invest in infrastructure that improves everyday life across the UK. The £4.8 billion fund will support town centre regeneration to support economic and social levelling-up, with an emphasis on culture, heritage, as well as local transport projects. Funding available for regeneration projects is up to £20m with the stipulation that spend must start in the 2021/22 financial year and be completed by 2025. Transport projects have up to £50m available to them again spending has to start in the 2021/22 financial year and must be completed by 2025. The Lead Authority for the LUF regeneration projects is the Priority Area in the case of the CPCA this is Peterborough City Council & Fenland District Council. In the case of Transport bids the Lead Authority is the Combined Authority and the Transport Team at the CPCA will be working on bids to the LUF with partner LAs.</p> <p>The UK Community Renewal Fund (CRF), which will provide local areas across the UK with access to £220 million of additional funding in preparation for the £4.3 billion UK Shared Prosperity Fund is due to be launched in 2022. The maximum amount of funding that each LA can bid for is £3m, with priority being given to those areas identified as Priority Areas. The Lead Authority for the CRF is the Combined Authority who are responsible for co-ordinating bids from all districts and submitting the final submissions for each district to central government. There are 2 priority areas in the CPCA region again these are Peterborough & Fenland.</p> <p>Both funds provide a multi-faceted approach to tackling the economic differences and driving prosperity, in towns and cities that have been left behind, which will be prioritised for support.</p> <p>Levelling Up Fund</p> <p>The responsibility for managing the process and delivery of the local Regeneration LUF applications sits with the Lead Authorities – in this case the priority places being either Peterborough CC or Fenland DC. The CPCA offered administrative support and advice to both Local Authorities. Peterborough City Council have taken up this offer and we are working closely with them on the administration of the fund from the call for bids, evaluation and final submission. Following assessment of bids, officers at Peterborough City Council will submit the regeneration bids which most strongly meet the UK Levelling Up Fund and local priorities to the UK Government for consideration. The Combined Authority is Lead Authority for Transport and will submit any Transport Bids that have been evaluated and deemed to be potentially successful bids.</p> <p>Fenland have decided to work on submission into round 2 in Autumn 2021.</p> |

DECISION NOTICE - MAYORAL

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| | <p>The UK Government will announce the outcome of the LUF assessment process from late Autumn 2021.</p> <p>Community Renewal Fund</p> <p>CRF bids covering Peterborough and Fenland are priority places for CRF. As bids are assessed in competition, evaluation will be weighted in favour of bids that deliver 50% or more in these places. Only exceptional bids are likely to be approved that cover non-priority areas in CPCA.</p> <p>A bid of up to £3 million may be put forward to the CRF in 2021, from all LAs but Peterborough City Council and Fenland District Council will be focus respectively as the priority places for mainly revenue projects to be delivered over a 6-month period to 31 March 2022, to support short term economic recovery. The UK Government will announce the outcome of the assessment process on CRF from July 2021.</p> <p>For CRF the Combined Authority used the expertise it had developed whilst delivering a number of successful grant funding schemes to devise a robust and transparent process for managing the final submission to central government. The CPCA used its online system to hold an open call for bids that fit the criteria for funding through the CRF. The open call ran between 31 March 2021 and 7th May 2021 on HubSpot, using a 2-stage application process with the final application being evaluated with a scoring matrix that reflected the CRF requirements as follows:</p> <ul style="list-style-type: none"> • Internal officer Assessment • External independent Assessment • Business Board Member Assessment. <p>Final scores were combined to create a list of projects ranked by their ability to meet the CRF objectives and deliverability. The decision on which projects are finally submitted to central government by 18 June 2021 sits with the CPCA, currently this function sits with the local Authority Leaders.</p> <p>Due to the requirement in the Community Renewal Fund Guidance that stated that a local open call for applications had to be live by 31 March, plus the local election and post-election change of CA board membership meant there was no practical way to obtain full approval before the commencement of the CRF call and process to select. A proposed CA Board of 2nd June 2021 was not available as it was reserved for constitutional, and governance matters and the next CA Board on 30th June is too late for approving a process that has to conclude and submit bids by 18 June 2021. Therefore, Officers had to start and run the process in order to meet deadlines or risk losing opportunity for up to £6m of funding for Cambridgeshire & Peterborough communities. The request is now retrospectively seeking the approval of the process prior to final approval of applications shortlist selection ready to be submitted.</p> <p>A Mayoral decision is required to confirm that the process by which CRF bids have been chosen was compliant and appropriate. The process for selection was to enable shortlist of applications to prepare for submission by the 18 June deadline and it had to commence without formal Board approval due to no Board meetings being available during the period and local elections and change of Mayor and Members. The immediacy of launch from MHCLG announced in the budget with requirements for an open call by 31 March 2021, followed by the local elections and the protocols for working during the election meant that the announcement for the bids from MHCLG for</p> |
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DECISION NOTICE - MAYORAL

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| | <p>the CRF fell during this purdah period. There was not an option to delay a call for bids until the election period ended as this would have seriously curtailed the remaining time for bidders to write decent applications and then assessment and evaluation of all received bids would have been rushed, this would have then hampered the CPCA ability to submit a strong shortlist of applications as its £6m collection of bids for CRF to government on the 18th June.</p> <p>Organisations needed time to prepare and develop ideas and the CPCA needed the opportunity to be able to assess and evaluate the bids and create a shortlist of preferred bids to be submitted to government. The CPCA took the guidance provided by BEIS and applied the same rigour it applied to the Local Growth Fund and other grant funding schemes it has been responsible for delivering successfully during the last 2 years and developed the process outlined above for creating the shortlist of bids.</p> <p>The Mayoral Decision will allow the CPCA to submit to this round of funding by the 18 June 2021, rather than waiting for the Shared Prosperity Fund, it allows us to develop new partnerships and trial new ways of working and delivering services to the residents of the CPCA. and in advance of the Combined Authority Board meeting on the 30 June 2021, therefore a Mayoral Decision Notice to be sought.</p> | |
| 12. FINANCE INFORMATION | VALUE OF DECISION | £0 |
| | BUDGET CODE(S) | N/A |
| | BUDGET DESCRIPTION(S) | N/A |
| | FUNDING TYPE | N/A |
| | FUNDING APPROVAL | N/A |
| | FUNDS AVAILABLE | N/A |
| | OTHER COMMENTS | No additional financial commitments at this stage – this is a decision to approve a process to select bids to Gov |
| 13. PROCUREMENT CONSIDERATIONS | DIRECT AWARD JUSTIFICATION | N/A |
| | REGULATION RISKS | N/A |
| | VFM JUSTIFICATION | N/A |
| 14. LEGAL CONSIDERATIONS | LEGAL RISKS | None |
| | CONTRACT/ GRANT INFORMATION | Cities and Local Growth Unit published the list of appointed Lead Authorities plus guidance for Lead Authorities for both Levelling Up Fund and Community Renewal Fund on Government site: Community Renewal Fund Priority Places Lead Authorities |

DECISION NOTICE - MAYORAL

To grant a permission or a licence, affect the rights of individuals, to award a contract or incur expenditure over £250k, to amend budgets, or apply a Key Decision over £500k.

| | | |
|---------------------------------------|--|---|
| 15. CONFLICTS OF INTEREST/ MITIGATION | N/A | |
| 16. SUPPORTING DOCUMENTATION | Business Board paper dated 12 May 2021 - Agenda Item No: 2.2 Future Funding Strategy | |
| 17. CONFIDENTIAL INFORMATION | N/A | |
| DECISION APPROVAL/ CONSULTATION | | |
| PROCUREMENT | NAME | Heidi Parker |
| | DATE | 01/06/21 |
| | COMMENT | There are no procurement issues associated with this decision. |
| FINANCE | NAME | Robert Emery |
| | DATE | 28/05/21 |
| | COMMENT | No financial implications |
| LEGAL | NAME | Rochelle Tapping |
| | DATE | 9 th June 2021 |
| | COMMENT | The processes that approval is sought for have already commenced. The Mayoral decisions are therefore retrospective. Business and Skills Officers account retrospective approval to the deadlines applicable to the external funding. |
| CHIEF LEGAL OFFICER | NAME | Robert Parkin |
| | DATE | 10.06.21 |
| | COMMENT | Approved |
| CHIEF FINANCE OFFICER | NAME | Jon Alsop |
| | DATE | 9/06/2021 |
| | COMMENT | Approved |

DECISION NOTICE - MAYORAL

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| OVERALL APPROVAL | | |
|------------------|---------|---|
| DECISION MAKER | NAME | Mayor Dr Nik Johnson [signature redacted] |
| | DATE | 11 th June 2021 |
| | COMMENT | |

TO BE COMPLETED BY LEGAL/ PROCUREMENT POST APPROVAL

| ACTION | DATE | COMPLETED BY |
|---|------|--------------|
| Reported to board | | |
| Published on Website | | |
| Contract award notice published on contracts finder | | |
| Contract award notice published FTS | | |
| Notification to Framework Owner | | |
| Decision added to Decision Register | | |
| Contract signed | | |
| Contract added to Contract Register | | |

Officer or Mayoral Decision Notice

Where an officer or the Mayor makes a decision, including under specific delegation from a meeting of a decision-making body, the effect of which is

- (a) to grant a permission or licence,
- (b) to affect the rights of an individual; or
- (c) to award a contract or incur expenditure, the decision-making officer must produce a written record of the decision as soon as reasonably practicable after the decision has been made.



DECISION NOTICE - MAYORAL

To grant a permission or a licence, affect the rights of individuals, to award a contract or incur expenditure over £250k, to amend budgets, or apply a Key Decision over £500k.

Key Decisions

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 (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.
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.
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
4. Subject as below, a key decision may not be taken by the decision maker unless: (a) it is in the Forward Plan on the Combined Authority’s website; (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 12 or 13 below as they may apply; and (c) notice of the meeting has been given in accordance with these rules.



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 7.3

Community Renewal Fund Final Submission Approval

| | |
|----------------------|--|
| To: | Cambridgeshire and Peterborough Combined Authority Board |
| Meeting Date: | 30 June 2021 |
| Public report: | Yes |
| Lead Member: | Austen Adams, Chair of the Business Board |
| From: | John T Hill, Director of Business and Skills |
| Key decision: | No |
| Forward Plan ref: | n/a |
| Recommendations: | <p>The Combined Authority Board is recommended to:</p> <p>Note Mayoral Decision Notice 037-2021, Community Renewal Fund Final Submission Approval.</p> |
| Voting arrangements: | A simple majority of all Members present and voting |

1. Purpose

- 1.1 The Board is invited to note Mayoral Decision Notice 037-2021, which was made by the Mayor on 15 June 2021 under general exception arrangements and relates to the Community Renewal Fund Final Submission Approval. A copy is attached at Appendix 1.
- 1.2 The proposals were also discussed at a Leaders' strategy meeting on 9th June 2021 where Members of the Combined Authority Board were consulted in advance of the Mayoral decision being made on 15 June 2021.
- 1.3 These proposals were circulated to the Business Board on 8th June 2021 for the Business Board to note final shortlist being proposed for submission.

2. Considerations

- 2.1 This approval route via a decision made by the Mayor in consultation with the Combined Authority Members was because of timing issues to be able to commence and run the process in time to meet Government submission deadlines, which were ahead of the next scheduled Combined Authority Board meeting. When this item was discussed on 9th June there was request from Members that any future decisions being made with time constraints there should be consideration given to calling and utilising Extraordinary Board meetings as an option to the Mayoral Decision process.

3. Appendices

- 3.1 Appendix 1 - Mayoral Decision Notice 037-2021

4. Background Papers

- 4.1 [Business Board meeting 19 May 2021 - Item 2.1 refers](#)

DECISION NOTICE - MAYORAL

To grant a permission or a licence, affect the rights of individuals, to award a contract or incur expenditure over £250k, to amend budgets, or apply a Key Decision over £500k.

| DECISION INFORMATION | | |
|-----------------------------|---|-----|
| 1. DECISION TITLE | Community Renewal Fund final submission approval | |
| 2. DECISION No. | MDN 037-2021 | |
| 3. DECISION DATE | 15 June 2021 | |
| 4. FORM AUTHOR | Steve Clarke Steve.clarke@cambridgeshirepeterborough-ca.gov.uk | |
| 5. DESCRIPTION OF DECISION | To approve the final list of applications to the Community Renewal Fund as the Lead Authority in CPCA area, also to approve submission of the final list to Government by 18 June. Successful approval of any or all of the applications will lead to an award of grant from Government to the CPCA. | |
| 6. AUTHORITY FOR DECISION | 1. Chapter 3 Paragraph 1.5 – General Power of Competence by the Mayor | |
| 7. DECISION TYPE | Mayoral | |
| 8. DECISION OWNER | Mayor | |
| 9. KEY DECISION INFORMATION | FORWARD PLAN DATE | N/A |
| | FORWARD PLAN NUMBER | N/A |
| | DATE OF DECISION | N/A |
| | DATE REPORT PUBLISHED | N/A |
| | APPROVAL HYPERLINK | N/A |
| | IMPLEMENTATION DATE | N/A |
| | EXEMPT INFO/ ANNEX | N/A |
| DECISION OVERVIEW | | |
| 10. SUMMARY OF REQUIREMENTS | <p>The Mayor, in consultation with the Combined Authority Board, to confirm the final ranking of Community Renewal Fund applications following Officer Evaluation and Business Board scoring and feedback.</p> <p>The Mayor, in consultation with the Combined Authority Board, approve the proposed final list of Community Renewal Fund applications</p> <p>The Mayor, in consultation with the Combined Authority Board, to authorise submission of the final list of applications to Government, from the Combined Authority as the</p> | |

DECISION NOTICE - MAYORAL

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| | designated Lead Authority on Community Renewal Fund for Cambridgeshire and Peterborough | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|----------------|----------------|---|--------------|------------------|--|--------------|--------------|--------------|---------------------------------|---|----------------|--------------|----------------|--------------------------|---------------------|--------------|--------------|--|---|----------------------------------|--------------|--------------|--------------|--|---------------------------|--------------|--------------|--------------|-------------------------------|----------------------|--------------|--------------|--------------|---|-------------------|--------------|--------------|--------------|------------------------|------------------------|--------------|--------------|--------------|--|----------------------|--------------|--------------|--------------|----------------------|----------------------|--------------|--------------|--|-------------------------------------|--|--|----------------|----------------|--|
| 11. PROJECT BACKGROUND | <p>The Community Renewal Fund was announced by the Government in the March 2021 Budget and subsequently the prospectus, application form and guidance were published. The maximum amount of funds that can be applied for is a total combined bids value of £3m per City or District Council area.</p> <p>The Combined Authority is the Lead Authority for the CRF and is therefore responsible for coordinating the bidding process, administering the award, and monitoring the funds, once allocated from the Government.</p> <p>The process that was run for CRF was outlined to the Business Board at its meeting on 19th May 2021. The Combined Authority launched an open call on its website on 31st March 2021 for CRF applications from local organisations, which closes on 7th May:</p> <p>https://cambridgeshirepeterborough-ca.gov.uk/what-we-deliver/business/local-growth-fund/community-renewal-fund/</p> <p>The call resulted in 24 applications submitted to the Combined Authority and the full list of applications is in supporting Business Board paper at Appendix 1.</p> <p>The 24 applications were put through an evaluation process which involved independent external evaluation and Officer evaluation of each application. The resulting scores and ranking of that first evaluation can be seen in the supporting Business Board paper at Appendix 2.</p> <p>The Business Board were asked to provide the ‘Voice of Business’ input to evaluating the top 12 ranked projects after the Officer and independent evaluation completed.</p> <p>The first round Officer evaluation scores and the Business Board evaluation scores have been combined to produce the final ranked list of applications contained in the supporting Business Board paper at Appendix 3.</p> <p>The Mayor and Combined Authority Board were asked and agreed to removing final 3 projects that were proposing to duplicate service, product or outcome as other applications higher in the final list to arrive at broadest range of applications offering possible outcomes, outputs and services from the highest ranked projects in the final shortlist.</p> <table><tr><th>Deal Name</th><th>Value</th><th>Fenland</th><th>Peterborough</th><th>Deal Description</th></tr><tr><td>Cambridgeshire and Peterborough Combined Authority</td><td>£ 847,305.00</td><td>£ 217,068.58</td><td>£ 421,368.42</td><td>Supporting transition into work</td></tr><tr><td>Cambridgeshire & Peterborough Combined Authority - BUSINESS</td><td>£ 2,687,079.00</td><td>£ 671,769.25</td><td>£ 1,343,539.50</td><td>Developing entrepreneurs</td></tr><tr><td>Cambridgeshire ACRE</td><td>£ 823,839.00</td><td>£ 823,839.00</td><td></td><td>Place making model to build community infrastructure & innovation</td></tr><tr><td>Opportunity Peterborough Limited</td><td>£ 630,000.00</td><td>£ 157,500.00</td><td>£ 472,500.00</td><td>Stimulate sustainability focused innovation, growth through skills</td></tr><tr><td>City College Peterborough</td><td>£ 638,437.00</td><td>£ 210,684.21</td><td>£ 427,752.79</td><td>Encouraging education take up</td></tr><tr><td>NCH at Northeastern*</td><td>£ 500,000.00</td><td>£ 170,000.00</td><td>£ 330,000.00</td><td>Project will deliver higher level digital skills to participants, with wraparound pastoral and employability promote the achievement of positive long-term outcomes</td></tr><tr><td>Allia Impact Ltd*</td><td>£ 568,800.00</td><td>£ 426,000.00</td><td>£ 113,600.00</td><td>Accelerating Start Ups</td></tr><tr><td>Cambridge City Council</td><td>£ 540,055.00</td><td>£ 135,013.75</td><td>£ 405,041.25</td><td>Accelerating upskilling & retraining and connecting displaced talent</td></tr><tr><td>The Skills Network *</td><td>£ 501,111.00</td><td>£ 150,333.30</td><td>£ 350,777.70</td><td>Bite size e learning</td></tr><tr><td>West Suffolk College</td><td>£ 658,400.00</td><td>£ 658,400.00</td><td></td><td>SME Micro business focused training</td></tr><tr><td></td><td></td><td>£ 2,874,274.79</td><td>£ 3,070,201.96</td><td></td></tr></table> <p>*projects not being taken forward due to duplication of current service delivery and potential collaboration opportunities</p> | Deal Name | Value | Fenland | Peterborough | Deal Description | Cambridgeshire and Peterborough Combined Authority | £ 847,305.00 | £ 217,068.58 | £ 421,368.42 | Supporting transition into work | Cambridgeshire & Peterborough Combined Authority - BUSINESS | £ 2,687,079.00 | £ 671,769.25 | £ 1,343,539.50 | Developing entrepreneurs | Cambridgeshire ACRE | £ 823,839.00 | £ 823,839.00 | | Place making model to build community infrastructure & innovation | Opportunity Peterborough Limited | £ 630,000.00 | £ 157,500.00 | £ 472,500.00 | Stimulate sustainability focused innovation, growth through skills | City College Peterborough | £ 638,437.00 | £ 210,684.21 | £ 427,752.79 | Encouraging education take up | NCH at Northeastern* | £ 500,000.00 | £ 170,000.00 | £ 330,000.00 | Project will deliver higher level digital skills to participants, with wraparound pastoral and employability promote the achievement of positive long-term outcomes | Allia Impact Ltd* | £ 568,800.00 | £ 426,000.00 | £ 113,600.00 | Accelerating Start Ups | Cambridge City Council | £ 540,055.00 | £ 135,013.75 | £ 405,041.25 | Accelerating upskilling & retraining and connecting displaced talent | The Skills Network * | £ 501,111.00 | £ 150,333.30 | £ 350,777.70 | Bite size e learning | West Suffolk College | £ 658,400.00 | £ 658,400.00 | | SME Micro business focused training | | | £ 2,874,274.79 | £ 3,070,201.96 | |
| Deal Name | Value | Fenland | Peterborough | Deal Description | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cambridgeshire and Peterborough Combined Authority | £ 847,305.00 | £ 217,068.58 | £ 421,368.42 | Supporting transition into work | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cambridgeshire & Peterborough Combined Authority - BUSINESS | £ 2,687,079.00 | £ 671,769.25 | £ 1,343,539.50 | Developing entrepreneurs | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cambridgeshire ACRE | £ 823,839.00 | £ 823,839.00 | | Place making model to build community infrastructure & innovation | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Opportunity Peterborough Limited | £ 630,000.00 | £ 157,500.00 | £ 472,500.00 | Stimulate sustainability focused innovation, growth through skills | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| City College Peterborough | £ 638,437.00 | £ 210,684.21 | £ 427,752.79 | Encouraging education take up | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NCH at Northeastern* | £ 500,000.00 | £ 170,000.00 | £ 330,000.00 | Project will deliver higher level digital skills to participants, with wraparound pastoral and employability promote the achievement of positive long-term outcomes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Allia Impact Ltd* | £ 568,800.00 | £ 426,000.00 | £ 113,600.00 | Accelerating Start Ups | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cambridge City Council | £ 540,055.00 | £ 135,013.75 | £ 405,041.25 | Accelerating upskilling & retraining and connecting displaced talent | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The Skills Network * | £ 501,111.00 | £ 150,333.30 | £ 350,777.70 | Bite size e learning | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| West Suffolk College | £ 658,400.00 | £ 658,400.00 | | SME Micro business focused training | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | £ 2,874,274.79 | £ 3,070,201.96 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

DECISION NOTICE - MAYORAL

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| | | |
|---------------------------------------|--|---|
| | This final step resulted in 7 applications that fit within the £3million limit per District to be submitted to Government by 18 June as the total submission to the CRF from CPCA. | |
| 12. FINANCE INFORMATION | VALUE OF DECISION | £6,000,000 |
| | BUDGET CODE(S) | N/A |
| | BUDGET DESCRIPTION(S) | To be created on successful award of any funds from CRF |
| | FUNDING TYPE | 90% REVENUE and 10% CAPITAL |
| | FUNDING APPROVAL | To be confirmed upon SUCCESSFUL confirmation OF ANY ALLOCATION FROM government Chief Finance Officer will be requested to approve any award of funds from Government when formally allocated to CPCA |
| | FUNDS AVAILABLE | £TBC by Government when selecting value of CRF allocated to CPCA |
| | OTHER COMMENTS | N/A |
| 13. PROCUREMENT CONSIDERATIONS | DIRECT AWARD JUSTIFICATION | N/A |
| | REGULATION RISKS | N/A |
| | VFM JUSTIFICATION | N/A |
| 14. LEGAL CONSIDERATIONS | LEGAL RISKS | CPCA is Lead Authority for CRF and when Government allocates CRF funds to CPCA during summer 2021, the CPCA will be charged with issuing and signing grant funding agreements with the chosen CRF applicants. |
| | CONTRACT/ GRANT INFORMATION | CRF funding conditions have been published by Government and those conditions will be attached to any funding allocation to CPCA from Government |
| 15. CONFLICTS OF INTEREST/ MITIGATION | CPCA has put two applications into the CRF call and evaluation process, this is permissible within the CRF guidance published by Government and these applications have been subject to same process for shortlisting by External evaluation, Officer evaluation and Business Board evaluation with total scores determining outcome in the final ranking. | |

DECISION NOTICE - MAYORAL

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| | | |
|---------------------------------|---|---|
| 16. SUPPORTING DOCUMENTATION | Business Board paper on Future Funding Strategy 19 th May 2021 Business Board paper Community Renewal Fund final submission approval 9 th June 2021 Leaders Strategy Meeting Community Renewal Fund final submission approval 9th June 2021 | |
| 17. CONFIDENTIAL INFORMATION | N/A | |
| DECISION APPROVAL/ CONSULTATION | | |
| PROCUREMENT | NAME | |
| | DATE | |
| | COMMENT | |
| FINANCE | NAME | |
| | DATE | |
| | COMMENT | |
| LEGAL | NAME | Rochelle Tapping |
| | DATE | 10 th June 2021 |
| | COMMENT | Following completion of the process for selection, those selected must be submitted to Government before the deadline. If the deadline is missed, the potential for funding will be lost. Once the Mayor makes this decision, submission can proceed. |
| CHIEF LEGAL OFFICER | NAME | R Parkin |
| | DATE | 11.06.21 |
| | COMMENT | Approved |
| CHIEF FINANCE OFFICER | NAME | Jon Alsop |
| | DATE | 9/06/21 |

DECISION NOTICE - MAYORAL

To grant a permission or a licence, affect the rights of individuals, to award a contract or incur expenditure over £250k, to amend budgets, or apply a Key Decision over £500k.

| | | |
|------------------|---------|---|
| | COMMENT | Approved |
| OVERALL APPROVAL | | |
| DECISION MAKER | NAME | Mayor Dr Nik Johnson [signature redacted] |
| | DATE | 15 th June 2021 |
| | COMMENT | |

TO BE COMPLETED BY LEGAL/ PROCUREMENT POST APPROVAL

| ACTION | DATE | COMPLETED BY |
|---|------|--------------|
| Reported to board | | |
| Published on Website | | |
| Contract award notice published on contracts finder | | |
| Contract award notice published FTS | | |
| Notification to Framework Owner | | |
| Decision added to Decision Register | | |
| Contract signed | | |
| Contract added to Contract Register | | |



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 7.4

Approval of Allocation of Recycled Growth Funding

To: Cambridgeshire and Peterborough Combined Authority Board

Meeting Date: 30 June 2021

Public report: Yes

This report contains an appendix which is exempt from publication under Part 1 of Schedule 12A of the Local Government Act 1972, as amended, in that it would not be in the public interest for this information to be disclosed (information relating to the financial or business affairs of any particular person (including the authority holding that information)). The public interest in maintaining the exemption outweighs the public interest in publishing the appendices.

Lead Member: Austen Adams, Chair of the Business Board

From: John T Hill, Director of Business and Skills

Key decision: No

Forward Plan ref: n/a

Recommendations: The Combined Authority Board is recommended to:

Note Mayoral Decision Notice 036-2021 Approval of Allocation of
£2 million Recycled Growth Funding

Voting arrangements: Note only item, no vote.

1. Purpose

- 1.1 The Board is invited to note Mayoral Decision Notice 036-2021 recording Key Decision 2021/036 which was made by the Mayor on 18 June 2021 under general exception arrangements. Copy attached at Appendix 1.
- 1.2 As this decision was not published with the Forward Plan, a General Exception notice was published and sent to chair of Overview and Scrutiny Committee on 10th June 2021.
- 1.3 This Key Decision relates to the approval of £2m of unallocated recycled local growth funds to the University of Peterborough Phase 3 project, via an allocation of £2m of Combined Authority single pot capital funds. That £2million given from the Combined Authority single pot capital funds will then be repaid to the Combined Authority once the recycled local growth funds are received from loans, project asset sale receipts or returned project underspend.
- 1.4 These proposals were considered at an Extraordinary meeting of the Business Board on 9 June 2021. Following discussion, the Business Board agreed unanimously to recommend the proposals to the Mayor for approval.
- 1.5 Members of the Combined Authority Board were consulted in advance of the Mayoral decision at a meeting of Leaders on 9th June 2021 where no objections were raised.
- 1.6 The report to the Business Board can be viewed via the link below. Item 2.1 refers:

[Extraordinary meeting of the Business Board 9 June 2021](#)

2. Considerations

- 2.1 The project followed all steps of the approvals process in the Combined Authority Local Assurance Framework (LAF) apart from responding to a transparent open local call that was issued by the Business Board for projects to be considered by the Business Board. The local open publicised call was issued and conducted by Peterborough City Council (PCC) in order to find the preferred bid candidate for the Levelling Up Fund first round call. In light of this, the Business Board was asked to approve the variation to the decision-making process as outlined in the LAF, prior to making any other recommendation on the project.
- 2.2 Given that the project must be delivered by April 2024 to qualify for the LUF offer from Government, the opportunity to leverage £20m of other funding into the area would be lost if the Business Board funding cannot be offered at this time. The LUF application guidance states that local contribution of at least 10% funding into LUF applications will be scored favourably in the Government assessment.
- 2.3 This award would be conditional upon the LUF application to MHCLG for £20million being successfully approved and awarded through PCC, and the £2million award would also be subject to the terms and conditions proposed by the Combined Authority.

3. Financial Implications

- 3.1 The financial implications are as set out in MDN 036-2021

4. Legal Implications

4.1 None.

5. Appendices

5.1 Appendix 1 – Mayoral Decision Notice 036-2021

5.2 Appendix 2 (Exempt) – University of Peterborough Phase 3 Application and Evaluation

6. Background Papers

6.1 [Item 2.2 - Future Funding Strategy - Business Board 19 May 2021](#)

DECISION NOTICE - MAYORAL

To grant a permission or a licence, affect the rights of individuals, to award a contract or incur expenditure over £250k, to amend budgets, or apply a Key Decision over £500k.

| DECISION INFORMATION | | |
|-----------------------------|--|--|
| 1. DECISION TITLE | University of Peterborough phase 3 funding approval | |
| 2. DECISION No. | MDN36-2021 | |
| 3. DECISION DATE | 16 th June 2021 | |
| 4. FORM AUTHOR | Steve Clarke Steve.clarke@cambridgeshirepeterborough-ca.gov.uk | |
| 5. DESCRIPTION OF DECISION | 1. Pay a grant to other entities | |
| 6. AUTHORITY FOR DECISION | 1. Chapter 3 Paragraph 1.5 – General Power of Competence by the Mayor | |
| 7. DECISION TYPE | Mayoral | |
| 8. DECISION OWNER | The Mayor | |
| 9. KEY DECISION INFORMATION | FORWARD PLAN DATE | As this decision was not published with the Forward Plan, a General Exception notice was published and sent to chair of Overview and Scrutiny Committee on 10 th June 2021. |
| | FORWARD PLAN NUMBER | N/A |
| | DATE OF DECISION | The decision can be made on or after June 16 th 2021 |
| | DATE REPORT PUBLISHED | |
| | APPROVAL HYPERLINK | N/A |
| | IMPLEMENTATION DATE | 17 th June 2021 |

DECISION NOTICE - MAYORAL

To grant a permission or a licence, affect the rights of individuals, to award a contract or incur expenditure over £250k, to amend budgets, or apply a Key Decision over £500k.

| | | |
|-----------------------------|--|---|
| | EXEMPT INFO/ ANNEX | University of Peterborough Phase 3 Business Board paper Confidential Appendix 1 from 9 th June 2021 meeting |
| DECISION OVERVIEW | | |
| 10. SUMMARY OF REQUIREMENTS | <p>The Mayor is asked to:</p> <p>a) Approve variation of Local Growth Fund decision making processes set out in the Local Assurance Framework, to enable approval of the proposed project</p> <p>b) In consultation with the Combined Authority Board, approve the next £2m of unallocated recycled local growth funds to the University of Peterborough Phase 3 project, subject to that project securing full funding from partners Peterborough City Council via a successful Levelling Up Bid and investment from Anglia Ruskin University and subject to the conditional requirements identified in the external appraiser's report being discharged.</p> <p>c) In consultation with the Combined Authority Board, to approve the allocation of £2m of Combined Authority single pot capital funds. This is required as the recycled LGF referred to in b) above is not immediately available. The £2million referred to in b) will then be used to repay the single pot capital funds when received. This decision is subject to the project securing full funding from partners Peterborough City Council via a successful Levelling Up Bid and investment from Anglia Ruskin University and subject to all the conditional requirements identified in the external appraiser's report being met.</p> | |
| 11. PROJECT BACKGROUND | <p>The Business Board at its Business Board meeting on 19th May 2021 were updated on the process of bidding for Levelling Up Funding (LUF) through Peterborough City Council as the Lead Authority bidding to Ministry for Housing, Communities and Local Government (MHCLG) to secure £20million LUF investment into the Peterborough University Phase 3 Project having been selected as the primary project to be put forward to the first round of LUF by 18 June 2021.</p> <p>The criteria for the LUF are capital only projects, with ability to start spend and project delivery before end of March 2022 and deliver the project by end of March 2024 with outcomes related to Skills, Jobs, Growth and Green Recovery. There is no local open call being run by the Combined Authority, however, there has been a local open call run by PCC for LUF projects in Peterborough as per the national criteria issued by MHCLG to Local Authorities for projects to the new Levelling Up Fund. There was however, a clear steer that projects would have to comply with and proceed through the Local Assurance Framework in each Local Authority, Mayoral Combined Authority and/or Local Enterprise Partnership area. There were 6 projects submitted to PCC in response to their local call request for LUF first round shovel ready projects and PCC shortlisted the University Phase 3 Project to be put forward to MHCLG as a first round project for the allocation of the £20million maximum available.</p> <p>Peterborough City Council convened a panel made up of local MP's, PCC Leader, Cambridgeshire & Peterborough Mayor, Chair of the Business Board and Community & Voluntary Representatives to help evaluate the 6 projects registered from the call. The Panel agreed at its meeting on 28th May 2021 that the Peterborough University Phase 3 Project was the preferred project application being formally put forward to Government</p> | |

DECISION NOTICE - MAYORAL

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as the candidate covering Paul Bristow MP constituency to apply for LUF funding based on PCC and CPCA Officer evaluations and the Panel reviewed all projects and selected this project taking account of the Officers evaluation scores.

The project has followed all steps of the approvals process in the Combined Authority Local Assurance Framework apart from responding to a transparent open local call that was issued by the Business Board for projects to be considered by the Business Board. The local open publicised call was issued and conducted by PCC to find the preferred bid candidate for the LUF first round call. In light of this, the Business Board is asked to approve to the variation to the decision-making process, prior to making any other recommendation on the project.

The project would deliver the University of Peterborough phase 3 second teaching building by September 2024 and this would be delivered through the existing joint venture development company Peterborough HE Property Company Ltd. The proposal is the shareholders investing into the company in parallel with the £20million LUF, when secured, to provide the total £28million required to deliver the project. This would comprise of Peterborough City Council contributing the land for the project to an investment value of £2million, Anglia Ruskin University investing £4million and the Combined Authority £2million, if approved by the Board. Further details of the project, including the external appraisal report and further supporting documents can be found in confidential Appendix 1. The scoring assessment has been fully completed for this project including Entrepreneurs Assessment Panel, and an external evaluators' matrix score section.

The Business Board invited the Mayor and the Combined Authority to approve an award of £2million to the Peterborough University Phase 3 Project. This award would be conditional upon the LUF application to MHCLG for £20million being successfully approved and awarded through PCC, and the £2million award would also be subject to the conditions proposed by the external Appraiser's report included in Appendix 1.

The Business Board will not have sufficient unallocated recycled funds available in the timeframe required to fund this project, as repayment of all but one growth fund loan are spread over the next 6 years.

Given that the project must be delivered by April 2024 to qualify for the LUF offer from Government, the opportunity to leverage £20m of other funding into the area would be lost if the Business Board funding cannot be offered at this time. The LUF application guidance states that local contribution of at least 10% funding into LUF applications will be scored favourably in assessment. After consulting with Cities and Local Growth Unit (CLGU) on the 28th May 2021 they have advised that any Local Growth Fund that has been awarded out to projects and subsequently returned, as in the case of loans, then becomes what CLGU consider a local fund to managed through a Local Decision Process.

As such the Business Board are asked to invite the Mayor to approve funding from Combined Authority resources, which will be returned to the Combined Authority as the Business Board is also asked to allocate the next £2m of repaid, unallocated, growth funds to this project, reimbursing the Combined Authority. This as consulted with CLGU on 28th May 2021 confirms is acceptable use of recycled LGF as directed by the Combined Authority.

Application Assessment Summary Table

DECISION NOTICE - MAYORAL

To grant a permission or a licence, affect the rights of individuals, to award a contract or incur expenditure over £250k, to amend budgets, or apply a Key Decision over £500k.

| | Projects | Eol % | FAF % | EAP % | Final averaged % assessment score | LGF Request | LGF Offer | RANK |
|----------------------------|---------------------------|--|-------|-------|--------------------------------------|-------------|------------|------|
| | UoP Phase 3 Match Funding | 94% | 83% | 86% | 88% | £2,000,000 | £2,000,000 | 1 |
| 12. FINANCE INFORMATION | VALUE OF DECISION | £2,000,000 | | | | | | |
| | BUDGET CODE(S) | TBA | | | | | | |
| | BUDGET DESCRIPTION(S) | Capital Gainshare repaid by LGF Recycled Funds | | | | | | |
| | FUNDING TYPE | CAPITAL | | | | | | |
| | FUNDING APPROVAL | DATE 9 th June 2021 BOARD/ PROCESS Extraordinary Business Board | | | | | | |
| | FUNDS AVAILABLE | £2,000,000 | | | | | | |
| | OTHER COMMENTS | <p>The Business Board does not currently have the recycled capital funds to meet the needs of this project, but existing contracted loan repayments will return more than the required £2m over the next 7 years and there are two other potential returning investments in the next 12 months which could meet this need earlier. To address this timing issue, the Business Board have invited the Mayor to internally lend Capital Gainshare funding to fund this project in the short term, which would then be repaid with Recycled Growth funds in the medium term.</p> <p>Table 1 below, shows the forecast Recycled Growth fund levels based on existing contracted loan repayments and project commitments as well as the repayment profile this would imply.</p> <p>It should be noted that there is always the possibility that these loan repayments may not occur due to default, however, due diligence, including appraisals and financial data was undertaken before the loans were granted reducing this risk, which is further mitigated as the £2m investment is secured via further shares in the company which will own the resulting asset being created.</p> <p>As can be seen in the closing balance figures, the Business Board's existing portfolio allows for partial repayment in-year, with the full amount repaid by the end of 2027-28.</p> <p>Table 1 – Forecast balances of recycled capital and revenue growth funds</p> | | | | | | |



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| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---------------------------------------|--|---|----------|------------|------------|------------|------------|------------|-------------|-------|-------|-------------|-----------------|------------|------------|----------|----------|------------|------------|------------|------------|------------|----------------------|-----------|-----------|---------|---|---|---|---|---|---|-----------------|------------|------------|----------|----------|----------|----------|----------|----------|------------|-----------------|------------|----------|----------|------------|------------|------------|------------|------------|------------|-----------|---------|--|--|---------|---------|---------|---------|--|--|-------------------------|------------|---------|---|---|---|---|---------|----------|------------|
| | | <table><tr><td>Combined</td><td>21-22</td><td>22-23</td><td>23-24</td><td>24-25</td><td>25-26</td><td>26-27</td><td>27-28</td><td>28-29</td><td>Later Years</td></tr><tr><td>Opening balance</td><td>-9,081,359</td><td>-3,281,042</td><td>-759,362</td><td>-687,811</td><td>-1,333,044</td><td>-1,589,722</td><td>-1,841,479</td><td>-2,088,430</td><td>-2,330,124</td></tr><tr><td>Forecast Expenditure</td><td>7,192,433</td><td>3,950,000</td><td>750,000</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Forecast Income</td><td>-1,392,117</td><td>-1,428,319</td><td>-678,450</td><td>-645,233</td><td>-256,678</td><td>-251,757</td><td>-246,951</td><td>-241,694</td><td>-2,345,371</td></tr><tr><td>Closing Balance</td><td>-3,281,042</td><td>-759,362</td><td>-687,811</td><td>-1,333,044</td><td>-1,589,722</td><td>-1,841,479</td><td>-2,088,430</td><td>-2,330,124</td><td>-4,675,495</td></tr></table> <table><tr><td>Repayment</td><td>687,811</td><td></td><td></td><td>645,233</td><td>256,678</td><td>251,757</td><td>158,521</td><td></td><td></td></tr><tr><td>Revised closing balance</td><td>-2,593,231</td><td>-71,550</td><td>0</td><td>0</td><td>0</td><td>0</td><td>-88,430</td><td>-330,124</td><td>-2,675,495</td></tr></table> <p>This sort of internal borrowing is allowed for within the Combined Authority’s financial strategies and is standard practice in Local Authority accounting, the need for it to be explicitly recognised in this instance is due to the differing governance arrangements between Business Board and Combined Authority Board investments.</p> | Combined | 21-22 | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | 27-28 | 28-29 | Later Years | Opening balance | -9,081,359 | -3,281,042 | -759,362 | -687,811 | -1,333,044 | -1,589,722 | -1,841,479 | -2,088,430 | -2,330,124 | Forecast Expenditure | 7,192,433 | 3,950,000 | 750,000 | 0 | 0 | 0 | 0 | 0 | 0 | Forecast Income | -1,392,117 | -1,428,319 | -678,450 | -645,233 | -256,678 | -251,757 | -246,951 | -241,694 | -2,345,371 | Closing Balance | -3,281,042 | -759,362 | -687,811 | -1,333,044 | -1,589,722 | -1,841,479 | -2,088,430 | -2,330,124 | -4,675,495 | Repayment | 687,811 | | | 645,233 | 256,678 | 251,757 | 158,521 | | | Revised closing balance | -2,593,231 | -71,550 | 0 | 0 | 0 | 0 | -88,430 | -330,124 | -2,675,495 |
| Combined | 21-22 | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | 27-28 | 28-29 | Later Years | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Opening balance | -9,081,359 | -3,281,042 | -759,362 | -687,811 | -1,333,044 | -1,589,722 | -1,841,479 | -2,088,430 | -2,330,124 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Forecast Expenditure | 7,192,433 | 3,950,000 | 750,000 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Forecast Income | -1,392,117 | -1,428,319 | -678,450 | -645,233 | -256,678 | -251,757 | -246,951 | -241,694 | -2,345,371 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Closing Balance | -3,281,042 | -759,362 | -687,811 | -1,333,044 | -1,589,722 | -1,841,479 | -2,088,430 | -2,330,124 | -4,675,495 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Repayment | 687,811 | | | 645,233 | 256,678 | 251,757 | 158,521 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Revised closing balance | -2,593,231 | -71,550 | 0 | 0 | 0 | 0 | -88,430 | -330,124 | -2,675,495 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 13. PROCUREMENT CONSIDERATIONS | DIRECT AWARD JUSTIFICATION | N/A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | REGULATION RISKS | N/A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | VFM JUSTIFICATION | N/A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 14. LEGAL CONSIDERATIONS | LEGAL RISKS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | CONTRACT/ GRANT INFORMATION | <p>The funds are recycled Local growth Fund monies that have previously been granted as loans and are being repaid over the next 7 years.</p> <p>The allocation of these recycled funds is now a local decision, this is being confirmed with Cities and Local Growth Unit.</p> <p>The standard Grant Funding Agreement will be used for the LGF recycled monies. This GFA stipulates the outcomes required and the timeframe for delivery.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 15. CONFLICTS OF INTEREST/ MITIGATION | None | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 16. SUPPORTING DOCUMENTATION | Business Board paper from 9 th June 2021 Extraordinary meeting – University of Peterborough phase 3 funding Combined Authority Accountable Body one page project summary | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 17. CONFIDENTIAL INFORMATION | Business Board paper Confidential Appendix 1 from 9th June 2021 Extraordinary meeting – University of Peterborough phase 3 funding | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |



DECISION NOTICE - MAYORAL

To grant a permission or a licence, affect the rights of individuals, to award a contract or incur expenditure over £250k, to amend budgets, or apply a Key Decision over £500k.

| | | |
|---------------------------------|---------|---|
| | | |
| DECISION APPROVAL/ CONSULTATION | | |
| PROCUREMENT | NAME | |
| | DATE | |
| | COMMENT | |
| FINANCE | NAME | Vanessa Ainsworth |
| | DATE | 16.06.2021 |
| | COMMENT | As per the Business Board paper submitted on 09.06.2021 this option has been fully reviewed and approved by the finance team. |
| LEGAL | NAME | |
| | DATE | |
| | COMMENT | |
| CHIEF LEGAL OFFICER | NAME | R Parkin |
| | DATE | 11.06.21 |
| | COMMENT | Agreed. |
| CHIEF FINANCE OFFICER | NAME | Jon Alsop |
| | DATE | 16/06/21 |
| | COMMENT | Agreed. |
| OVERALL APPROVAL | | |
| DECISION MAKER | NAME |  Mayor Dr Nik Johnson |
| | DATE | 18 th June 2021 |

DECISION NOTICE - MAYORAL

To grant a permission or a licence, affect the rights of individuals, to award a contract or incur expenditure over £250k, to amend budgets, or apply a Key Decision over £500k.

| | | |
|--|---------|--------|
| | COMMENT | Agreed |
|--|---------|--------|

a

TO BE COMPLETED BY LEGAL/ PROCUREMENT POST APPROVAL

| ACTION | DATE | COMPLETED BY |
|---|------|--------------|
| Reported to board | | |
| Published on Website | | |
| Contract award notice published on contracts finder | | |
| Contract award notice published FTS | | |
| Notification to Framework Owner | | |
| Decision added to Decision Register | | |
| Contract signed | | |
| Contract added to Contract Register | | |

Officer or Mayoral Decision Notice

Where an officer or the Mayor makes a decision, including under specific delegation from a meeting of a decision-making body, the effect of which is

- (a) to grant a permission or licence,
- (b) to affect the rights of an individual; or
- (c) to award a contract or incur expenditure, the decision-making officer must produce a written record of the decision as soon as reasonably practicable after the decision has been made.

Key Decisions

DECISION NOTICE - MAYORAL

To grant a permission or a licence, affect the rights of individuals, to award a contract or incur expenditure over £250k, to amend budgets, or apply a Key Decision over £500k.

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 (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.
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.
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
4. Subject as below, a key decision may not be taken by the decision maker unless: (a) it is in the Forward Plan on the Combined Authority’s website; (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 12 or 13 below as they may apply; and (c) notice of the meeting has been given in accordance with these rules.



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 7.5

Format of Business Board Meetings

To: Cambridgeshire and Peterborough Combined Authority Board

Meeting Date: 30 June 2021

Public report: Yes

Lead Member: Austen Adams, Chair of the Business Board

From: Rochelle Tapping, Deputy Monitoring Officer

Key decision: No

Forward Plan ref: n/a

Recommendations: The Combined Authority Board is recommended to:

Agree that Business Board meetings retain the current format, holding meetings in private with one public annual meeting each year.

Voting arrangements: A simple majority of all Members present and voting.

1. Purpose

- 1.1 The Audit and Governance Committee met on 5 March 2021 to consider the draft revised Local Assurance Framework. During that meeting, the Committee expressed concern that meetings of the Business Board were held in private and requested that the Business Board made recommendations to address this concern.
- 1.2 This request was discussed by the Business Board on 19 May 2021. The Business Board's view was that its meetings should continue to follow the current format of holding meetings in private with one public annual meeting each year. The Business Board recognised the need to improve transparency, but felt this should not be at the expense of compromising confidentiality and that the maintenance of confidentiality served an important purpose in the context of the matters under consideration. The Business Board undertook to work earnestly with the Overview and Scrutiny Committee to explore mechanisms to improve transparency. This recommendation was endorsed unanimously by all members of the Business Board.
- 1.3 The report to the Business Board can be viewed via the link below:

[Business Board meeting 19 May 2021 - Item 3.4 refers](#)

2. Considerations

- 2.1 These are described in the report referred to at 1.3 above, and in the background papers below.

3. Appendices

- 3.1 Appendix 1 - Proposed Amendment to the Assurance Framework

Available to view at [Business Board meeting 19 May 2021 - Item 3.4 refers](#)

4. Background Papers

- 4.1 [Audit and Governance Meeting paper 5th March 2021](#)
- 4.2 [Audit and Governance Committee Meeting Minutes 5th March 2021](#)
- 4.3 [CA Board Minutes March 2021](#)



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 7.6

Sector Strategies

| | |
|----------------------|--|
| To: | Cambridgeshire and Peterborough Combined Authority Board |
| Meeting Date: | 30 June 2021 |
| Public report: | Yes |
| Lead Member: | Austen Adams, Chair of the Business Board |
| From: | John T Hill, Director of Business and Skills |
| Key decision: | No |
| Forward Plan ref: | n/a |
| Recommendations: | <p>The Combined Authority Board is recommended to:</p> <ul style="list-style-type: none">a) Approve adoption of the Advanced Materials and Manufacturing Sector Strategy;b) Approve adoption of the Life Sciences Sector Strategy; andc) Approve the proposed One Page Digital Strategy update, adopt that one-page strategy update as an addendum to the original strategy, and note that the whole Digital Sector Strategy will be refreshed and brought back to the Combined Authority Board. |
| Voting arrangements: | A simple majority of all Members present and voting |

1. Purpose

- 1.1 The Combined Authority Board is recommended to formally adopt the Priority Sector Strategies for the Advanced Materials and Manufacturing Sector, the Life Sciences Sector and a one-page addendum to the current Digital Strategy, pending its future refresh. The Agri-Tech Strategy will be considered by the Business Board in July 2021.
- 1.2 These proposals were considered at the Business Board meeting on 19 May 2021. Following discussion, the Business Board agreed unanimously to recommend the proposals to the Combined Authority Board for approval.
- 1.3 The report to the Business Board can be viewed via the link below:

[Business Board meeting 19 May 2021 - Item 3.1 refers](#)

2. Considerations

- 2.1 Since the Business Board considered the strategies the proposed contractor and workplan for the Agri-Tech sector strategy has changed and this will now not be brought back to the Business Board and Combined Authority Board until September 2021 at the earliest.

3. Financial Implications

- 3.1 There are no direct financial implications

4. Legal Implications

- 4.1 None.

5. Appendices

- 5.1 Appendix 1 - Advanced Materials and Manufacturing Sector Strategy
- 5.2 Appendix 2 - Life Sciences Sector Strategy
- 5.3 Appendix 3 - One Page Digital Strategy update

6. Background Papers

- 6.1 [Cambridgeshire & Peterborough Combined Authority Digital Sector Strategy](#)
- 6.2 [A Digital Sector Strategy for Cambridgeshire & Peterborough](#)
- 6.3 [Local Industrial Strategy and associated sector strategies](#)

Cambridgeshire & Peterborough Advanced Manufacturing Strategy

April 2021

Acknowledgements

We greatly appreciate the help and contribution of partners and stakeholders in developing this Strategy. Special thanks to:

- Aamir Khalid - Chief Executive at TWI
- Andy Neely - Pro-Vice-Chancellor for Enterprise & Business Relations at the University of Cambridge
- Austen Adams - Energy & Medical Division Managing Director at Avingtrans
- Charlotte Horobin - Region Director - Midlands & East of England at Make UK
- Chris Corkan - Regional Membership Manager - Midlands & East of England at Make UK
- David Lott - Chief Executive Officer at IfM Engage
- Mark Dorsett - Global HR Services Director & UK Country Director at Caterpillar Inc.
- Nitin Patel - Business Board Director at the Cambridge & Peterborough Combined Authority
- Paul Holt - Managing Director at Photocentric
- Simon Coward - Head of Economic Development at Opportunity Peterborough
- Tom Hennessy - Chief Executive at Opportunity Peterborough

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1 Executive Summary

- 1.1 The Advanced Manufacturing & Materials sector is an important sector within Cambridgeshire & Peterborough, representing a large proportion of employment and is relatively more productive than the area as a whole. Despite the strength of the sector, the Cambridgeshire & Peterborough Local Economic Recovery Strategy (LERS) identified that the wider manufacturing sector has been one of the hardest hit by the Covid-19 pandemic and stated that for the sector to fully recover and grow into the future, it needs to be better connected to the opportunities of the post-pandemic era.
- 1.2 This document sets out two main recommendations to create a strong ecosystem that enables the sector to maximise growth and development post-pandemic, along with a set of immediate actions:
- First, **to build a new, publicly-funded support programme for companies in the sector** that integrates technology-roadmapping with intensive assistance for leadership teams. This will ensure more businesses can seize future opportunities and successfully navigate the business development challenges of transition to net zero, new technologies and working practices.
 - Second, to **improve the skills pipeline**, to ensure that the skills required by employers are supplied by education and training providers, addressing the existing misalignment and strengthening the skills base.

Summary of immediate actions

The following actions should be commissioned and completed within the next 12 months.

- Publish a future opportunities roadmap which can be used with businesses to inform their future growth ambitions.
- Produce a 'London Underground style' guide to Advanced Manufacturing and Materials sources of funding, support and networks for the region.
- Commission and implement the programme design for Cambridgeshire & Peterborough's 'Make It Smart' integrated business support package (implementation to take longer than next 12 months).
- Produce a review and gap analysis of existing supply and demand for skills to inform where future provision should be targeted.
- Continue to support the development and roll-out of the Smart Manufacturing Alliance as the single network for manufacturing businesses, working in collaboration with other manufacturing organisations.
- Review the place marketing offer and work with partners to establish a single voice for the different offers in the area.

Advanced Manufacturing & Materials strategy: interventions and next steps

The below diagrams set out the interventions and next steps set out in the Cambridgeshire & Peterborough Advanced Manufacturing & Materials sector strategy. Figure 1 describes the package of interventions set out in the strategy, whilst Figure 2 outlines the immediate actions that should take place over the next 12 months and the steps to take over the following 2 to 3 years.

Figure 1: the interventions required

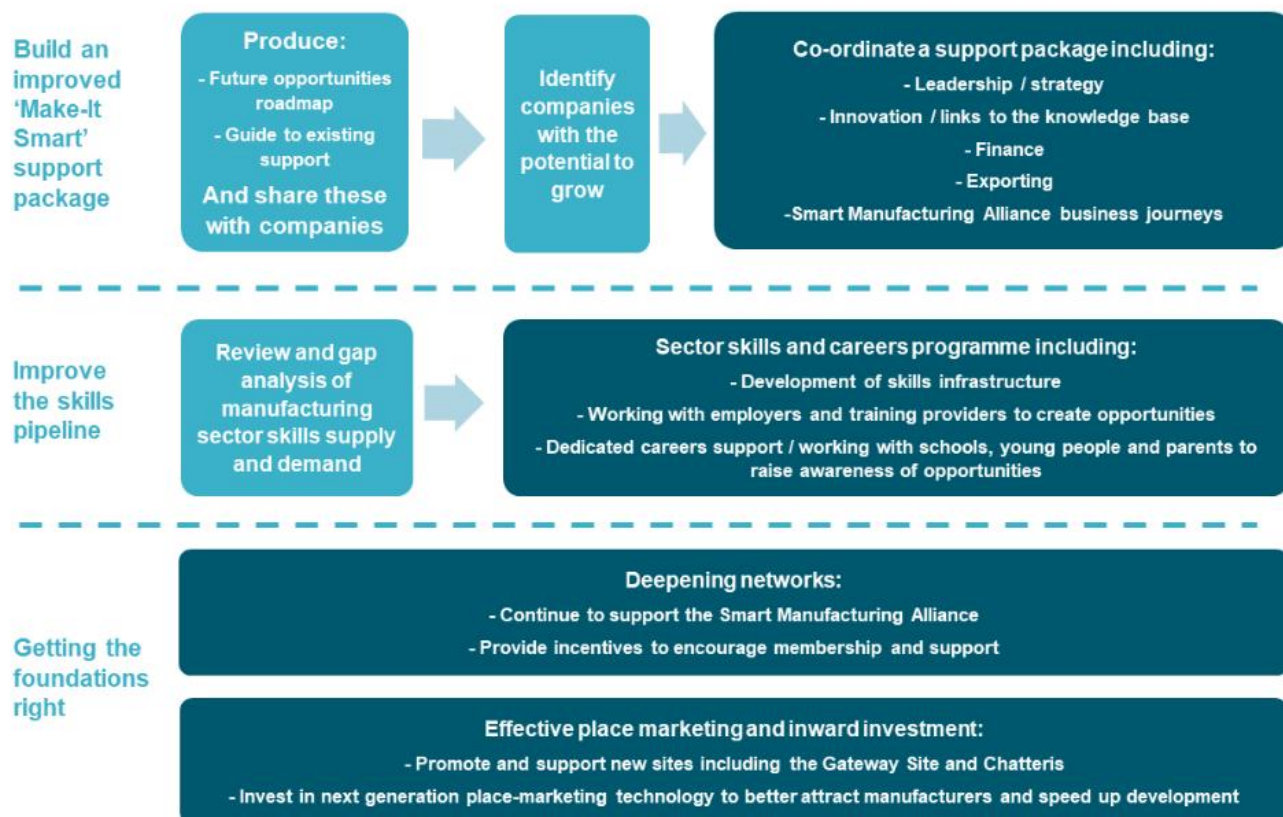


Figure 2: actions and next steps

Over the next 12 months:

- Publish a futures opportunities roadmap which can be used with businesses to inform their future growth ambitions.
- Produce a 'London Underground style' guide to Advanced Manufacturing and Materials sources of funding, support and networks for the region.
- Commission the programme design for Cambridgeshire & Peterborough's 'Make It Smart' integrated business support package.
- Produce a review and gap analysis of existing supply and demand for skills.
- Review the local place marketing offer.

Over the next three years:

- Implement the 'Make It Smart' business support package.
- Implement a sector skills and careers programme based on the findings of the sector skills review.
- Continue to support the growth and development of the Smart Manufacturing Alliance
- Work with partners to establish a single place marketing voice for the different offers in the area.

2 Introduction & background

- 2.1 This Strategy presents a series of recommendations to enable the growth and development of the Advanced Manufacturing & Materials sector within Cambridgeshire & Peterborough. Advanced Manufacturing & Materials has been identified as one of the four priority sectors within the Cambridgeshire & Peterborough Local Industrial Strategy (LIS)¹, thanks to the combination of Peterborough's rich history of manufacturing with Cambridgeshire's status as a globally-recognised centre for technology, knowledge and research.
- 2.2 This document is the culmination of a long period of work, which began with the Cambridgeshire & Peterborough Independent Economic Review (CPIER)². This identified the sector as being of strategic importance to the area's growth ambitions. In 2019, Hethel Innovation³ produced an evidence base and strategic overview of the sector for the Combined Authority and partners, identifying the need to create a strong ecosystem to support sectoral growth.
- 2.3 Following the Hethel report, in November 2020 Metro Dynamics convened an Advanced Manufacturing & Materials workshop on behalf of the Cambridgeshire & Peterborough Business Board. The workshop brought together key individuals from the sector in Cambridgeshire & Peterborough to consider the long-term outlook. In March 2021 two further workshops with local partners were held to build on the November discussion. These two workshops were able to consider the priorities for the sector more fully in light of the Brexit trade agreement, the Government's March 2021 budget, and a clearer prognosis for the Covid-19 pandemic and vaccine rollout. The workshops drew heavily on the Q1 2021 LERS refresh.
- 2.4 Alongside this, the Smart Manufacturing Alliance - a joint venture between Opportunity Peterborough and the CPCA - has been established as a result of the recommendations of the Hethel report, in order to establish a networking organisation to support and drive the creation of a world class advanced manufacturing ecosystem in Cambridgeshire and Peterborough. The CPCA has invested £715,000 of Local Growth Funds to support this work.
- 2.5 This Strategy document therefore brings together an existing body of work and discussion and sits alongside the refreshed LERS.
- 2.6 The remainder of this document is structured as follows:

¹ Cambridgeshire & Peterborough Local Industrial Strategy (2019)

² Cambridgeshire & Peterborough Independent Economic Review (2018)

³ Advanced Manufacturing & Materials Sector Strategy, Hethel Innovation (2019)

-
- **Section 3** provides an overview of the sector as it currently stands and where it is headed.
 - **Section 4** presents future opportunities and challenges facing the Advanced Manufacturing & Materials sector.
 - **Section 5** sets out an aspiration for the sector.
 - **Section 6** discusses the initiatives needed to grow the sector and provides a list of actions.

3 Where we are now

- 3.1 Advanced Manufacturing & Materials⁴ is an important sector within Cambridgeshire & Peterborough. It is a sector that employs a large number of people within the area and productivity per job is significantly higher than the Cambridgeshire & Peterborough average. Yet it has been affected by Covid-19 and Brexit, and perhaps more importantly faces business and skills challenges that if left unaddressed, put the future of the sector at risk.

An important and growing sector

- 3.2 As of 2019 (the most recent data available) **Cambridgeshire & Peterborough was home to 3,270 manufacturing and engineering firms employing 51,400 people**⁵⁶. Since 2010 employment within the sector has grown by 3,810 jobs, or 8.0%. Within this, **advanced manufacturing⁷ accounted for 1,770 firms employing 22,200 people**, representing 54% of the businesses and 43% of the jobs within the wider manufacturing sector⁸. Advanced manufacturing employment has grown by 2,430 jobs, or 12.3%, so at a faster rate than the wider manufacturing sector.
- 3.3 Cambridgeshire & Peterborough is home to major businesses such as Avingtrans, Baker Perkins, Bradshaw Electric Vehicles, Domino Printing Sciences, Hutchinson, Lawrence David, Marshall Aerospace, OAL, Peter Brotherhood, PhotoCentric 3D, ProCam, Rapidrop, Royal HaskoningDHV and Xaar. It is also home to the UK headquarters of major global firms such as Caterpillar, Hexcel Composites and Qualcomm, as well as major global firms within pharmaceuticals, such as AstraZeneca. This business base spans sub-sectors including pharmaceuticals and biotech, engine development, aerospace, energy and printing.
- 3.4 The Cambridgeshire & Peterborough Local Industrial Strategy (LIS) identified Advanced Manufacturing & Materials as one of the four strategic growth sectors, alongside Life Sciences, Agri-Tech and Information Technologies, based on the CPIER outlining the area's specialism in these sectors. The 2017 East of England Science and Innovation Audit described the sector as being "of foundational importance to the other themes" (those being the other growth sectors) as well as containing institutions and organisations which form the sector itself.

⁴ In this section for the initial employment and business count data we use a 5 digit SIC code definition of Manufacturing & Engineering and Advanced Manufacturing as set out in the appendix. For the GVA data (and any employment data linked to GVA) we use the corresponding 2 digit SIC codes for Manufacturing & Engineering, so 10-33 and 71.

⁵ ONS (2020) Business Register & Employment Survey

⁶ Sector defined in Appendix 1

⁷ Sector defined in Appendix 1

⁸ ONS (2020) Business Register & Employment Survey

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- 3.5 The sector has seen strong business growth. Across Cambridgeshire & Peterborough the number of businesses in the advanced manufacturing sector was up 42% on 2010. This outpaced England as a whole which saw 35% growth across the same period. SMEs⁹ account for 99% of all advanced manufacturing businesses within Cambridgeshire & Peterborough, in line with England as a whole.
- 3.6 Particular sub-sectors where employment within Cambridgeshire & Peterborough is significantly high include the manufacture of engines and turbines (20% of England's employment is within Cambridgeshire & Peterborough), with firms such as Perkins Engines, the manufacture of air and space craft (with employers including Marshall Aerospace), health diagnostics (e.g. Psynomics, a University of Cambridge spin-out) and carbon capture (e.g. Cambridge Carbon Capture). Approximately 75% of advanced manufacturing employment across the geography is located within South Cambridgeshire, Cambridge, and Peterborough¹⁰, much of which is in specific clusters of excellence.

Productivity and the impact of COVID

- 3.7 The region's manufacturing and engineering output has exceeded the overall growth rate of the Cambridgeshire & Peterborough economy. In 2018¹¹ manufacturing & engineering GVA within Cambridgeshire & Peterborough stood at £4.9bn¹², accounting for 18.9% of overall GVA within Cambridgeshire & Peterborough, compared to 18.1% back in 2010. Manufacturing's GVA growth has been higher than overall GVA growth within Cambridgeshire & Peterborough, growing by 28.4% from 2010-2018, compared to an overall GVA rise of 23.1%.
- 3.8 Furthermore, the growth of manufacturing & engineering GVA within Cambridgeshire & Peterborough (28.4%) has significantly outpaced the sector's growth across England as a whole (9.4%). Given that GVA has risen faster than employment, average labour productivity in the sector has risen, with GVA per job rising from £74,300 to £88,400, or a rise of 19.1%. Crucially, productivity per job is 59% higher than the average across all sectors in Cambridgeshire & Peterborough.
- 3.9 Data on local employment in the sector runs to 2019, and it is important to consider the impact of Covid-19 and Brexit. Nationally, PAYE employment in manufacturing declined 4.6% from January 2020 to January 2021, almost double the rate of decline across all sectors, making it one of the worst affected sectors¹³. Vacancies also declined and even by December 2020 the vacancy level in Cambridgeshire & Peterborough within manufacturing was 17% below February 2020 levels, despite a

⁹ Defined as businesses with less than 250 employees

¹⁰ ONS (2020) Business Register & Employment Survey

¹¹ Latest data available

¹² ONS (2019) Regional Gross Value Added. Adjusted for inflation using 2016 money values

¹³ ONS Earnings and employment from Pay As You Earn Real Time Information. Note: data is only available at national level. Also note that changes in PAYE employment tends to overstate manufacturing employment change as the sector has relatively little self-employment compared to other sectors.

19% rise in vacancies across Cambridgeshire & Peterborough as a whole, suggesting the sector has been hit especially hard by Covid-19 and Brexit.

- 3.10 Manufacturing is vulnerable to supply disruptions from Covid-19 and Brexit, even if the final demand for products holds up. Whilst a trade deal with the EU was reached in December 2020, there is still potential for significant disruption in the sector in 2021.

A challenging outlook

- 3.11 The national investment outlook within the sector remains challenging. Make UK's Q1 2021 Manufacturing Outlook¹⁴ reported that, nationally, investment is expected to decline within the next 12 months, although the Electronics sub-sector is expecting to see a 32% rise in investment year on year.
- 3.12 Crucially however, the trend is worse amongst smaller businesses, with those with a turnover of less than £10m expecting a 5% fall in investment, compared to a 7% rise for those with a £25m+ turnover. SMEs make up the majority of Cambridgeshire & Peterborough's manufacturing sector, so a reluctance or inability to invest poses the risk of not remaining at the forefront of innovation and embracing new technologies.
- 3.13 The manufacturing sector is also experiencing skills challenges that existed pre-Covid but are likely to have been exacerbated by the pandemic. In the 2019 Employer Skills Survey¹⁵, manufacturing had the joint highest skill-shortage vacancy density of any sector in the country, with 36% of vacancies proving hard to fill due to applicants lacking the required qualifications, skills or experience (average across all sectors: 24%). Whilst this data is only available at the national level, this percentage grew sharply from 29% in 2017, suggesting growing skills shortages within the sector. Furthermore, manufacturing is one of the four sectors nationally with the highest number of workers aged over 50 (along with health, retail and education)¹⁶, many of whom will have skills that need updating or re-training as the sector evolves.
- 3.14 Locally, business confidence amongst manufacturers in the region within which Cambridgeshire & Peterborough falls (East of England) was the second lowest of all the regions of England, only ahead of London & South East¹⁷. If manufacturers within Cambridgeshire & Peterborough are less confident than in other areas, this may negatively impact relative investment levels.
- 3.15 However, more positive feedback from the recent Make UK Regional Board monthly poll¹⁸ suggests that the region that includes Cambridgeshire & Peterborough (the East of England) is the most buoyant in the country. 56% of the manufacturers surveyed

¹⁴ Make UK Manufacturing Outlook 2021 Quarter 1

¹⁵ ONS Employer Skills Survey (2019)

¹⁶ CIPD (2019), Ageing Gracefully: The Opportunities of An Older Workforce.

¹⁷ Make UK Manufacturing Outlook 2021 Quarter 1

¹⁸ Make UK March 2021 East of England Regional Board monthly poll

across the region in the March 2021 survey are fully operational, with a further 28% operating at 75% to 99% of pre pandemic levels. The issues that are most important to the businesses surveyed are the ability to predict future order and demand levels, and operating Covid-secure workplaces and managing testing.

3.16 All of this paints a picture of a vital sector that has grown and become more productive over the past decade, but has faced challenges due to Covid-19 and Brexit. Long-term challenges remain around skills and business’ ability to innovate and embrace future opportunities. **The sector remains hugely significant in employment and GVA terms to Cambridgeshire & Peterborough, and it will be vital to ensure that the sector is able to capitalise on the emerging opportunities** which are the subject of the next section.

4 Future opportunities and challenges

4.1 Stakeholders have identified two main areas of opportunities and challenges within the Advanced Manufacturing & Materials sector: around improving the **product** offering and the **skills** offering.

Figure 1. Summary of opportunities and challenges

| | Opportunities | Challenges |
|----------|---|--|
| Products | <ul style="list-style-type: none">- Potential to further tap into unique local knowledge base- Capitalise on government 2.4% R&D spending target | <ul style="list-style-type: none">- Maintaining pace with emerging technologies- Engagement with business support |
| Skills | <ul style="list-style-type: none">- Opportunity to develop skills in emerging technologies and become world leaders- Engagement with young people to pursue careers in innovative sector | <ul style="list-style-type: none">- Alignment of training provision with skill needs- Linking the quality of training provided to employer requirements |

Future opportunities and challenges: products

- 4.2 The knowledge base within Cambridge is strong and will remain so in the future. There is immense innovation happening locally, which the sector could tap into, creating a virtuous cycle by enabling the knowledge base to commercialise ideas more quickly.
- 4.3 The sector has an opportunity to capitalise on the UK government's push for investment in emerging technologies, with the government setting a target for R&D spending to reach 2.4% of GDP by 2027. There is the opportunity to align this increase in R&D spend with local strengths within Cambridgeshire & Peterborough, such as energy and health diagnostics, carbon capture and new nuclear.
- 4.4 The long-term focus for many businesses is on 'clean' growth, investing in technology, and ultimately transforming traditional industry. There is a challenge for firms who are supplying components into industries that make products that are being phased out, around evolving and embracing new technologies. There is a risk that the sector will suffer from an inability to seize future opportunities and transition to new markets and maintain pace with emerging technologies. In order to do this businesses need to be able to innovate and bring new products to market. Evidence suggests that small firms, who make up the vast majority of the Advanced Manufacturing & materials businesses within Cambridgeshire & Peterborough, can gain important industry knowledge and skills from collaboration with universities and research institutes. But they are less likely than their larger counterparts to develop these links¹⁹.
- 4.5 Whilst there are a number of individual business support schemes already in place, stakeholders consulted feel that these are often not well signposted or co-ordinated with each other. It is also often unclear where one scheme starts and another ends, all of which means that the capability that can be delivered is diluted.
- 4.6 There is particular concern around companies that do not engage actively with business support schemes or membership associations as it is harder to understand their pressures and needs. Meanwhile larger employers and exporters will have more of an international perspective, so there is question around how to continue to compete against overseas producers.
- 4.7 Addressing the business support issue through establishing effective grassroots networks will be key to the sector being where it wants to be, at the forefront of research and development, embracing new technologies.

¹⁹ Johnson (2020). University-Industry Collaboration: Are SMEs Different? ERC SOTA Review.

Future opportunities and challenges: skills

- 4.8 If the Advanced Manufacturing & Materials sector within Cambridgeshire & Peterborough continues along the path it is currently on, it is at serious risk of not having the skills that are going to be demanded by employers in a modern, post-pandemic climate.
- 4.9 Stakeholders at the March 2021 workshop identified two priorities within the skills agenda: **alignment**, and **quality**:
- The **alignment** issue is where significant investments in education are not necessarily aligned to future skills needs. Gap analysis has shown a significant disconnect between the disciplines people are being trained in and where skill need is growing²⁰. This can often lead to people entering different industries to which they were trained in, meaning they are less 'job-ready', and employers are required to pick up the slack, which often requires costly re-training.
 - The **quality** issue reflects a feeling that there is a mismatch between the way training is delivered in UK training providers and how employers would prefer it to be delivered. One of the motivations behind investing in the Advanced Manufacturing Research Centre was some disillusionment with the way training is delivered within traditional training providers.
- 4.10 These two skills concerns pose the risk of sectoral growth being constrained by a lack of access to skills. If the sector continues along its current path within Cambridgeshire & Peterborough it will not house the skills that will be in demand by employers. This will constrain the growth of existing companies within the area, and act as a deterrent for manufacturers looking to set up business or re-locate, as they will instead look towards other areas where the skill supply is more aligned to demand.
- 4.11 There is a need for the sector to do more to engage young people and show them that a career within the sector is one worth pursuing. It is equally important to engage with the education and training sector to address the mis-alignment. More will be outlined on the process of doing so later in this document.
- 4.12 Alongside the issue of up-and-coming talent, there is also a risk around updating the skills of existing staff. Stakeholders identified the risk that many staff will need to be re-trained as their current skills will become obsolete by the evolution of the sector. A failure to re-train will lead to a left behind workforce and a skills shortage for manufacturers.
- 4.13 There are multiple skills initiatives already in place through organisations such as the Metalcraft Advanced Manufacturing Training Centre and the new Anglia Ruskin University Peterborough Campus (which is not specific to the manufacturing sector).

²⁰ Deloitte (2018). 2018 skills gap in manufacturing study: Future of manufacturing: The jobs are here, but where are the people?

The existing provision is good, but even more is needed to further enhance the pipeline of skills, whilst learning the lessons from unsuccessful initiatives such as the iMET training centre, so that Cambridgeshire & Peterborough is an area that can provide the skills required by manufacturers in the future.

5 Where we want to be

- 5.1 Cambridgeshire & Peterborough needs to be at the forefront of future opportunities and establish itself as a world-leading sector in cutting-edge technology and product development. Doing this requires maintaining existing specialisms and strengths within the sector across the three economies of Cambridgeshire & Peterborough, particularly the practical application of innovation in cutting-edge products. But it is also crucial for the sector to grow and embrace the opportunities available in the post-pandemic economy.
- 5.2 Cambridgeshire & Peterborough sits within the wider Oxford-Cambridge Arc and some of the targets in the Arc's strategy²¹ are important to consider when looking at Advanced Manufacturing & Materials sector strategy, specifically:
- Bringing employers and skills providers together to understand the current and future skills needs, and planning provision to meet them.
 - Maximising the economic benefits of new transport, energy and digital infrastructure within the Arc.
 - Developing an improved business support and finance programme for high growth companies, a shared approach to commercial premises and an Internationalisation Delivery Plan to encourage greater trade and inward investment in the Arc.
- 5.3 Two of the LIS ambitions also relate specifically to the sector:
- Expand and build upon the clusters and networks that have enabled Cambridge to become a global leader in innovative growth.
 - Drawing on existing skills and capabilities, the Combined Authority can provide impetus to development of advanced manufacturing across the region.
- 5.4 These targets draw upon existing strengths and capabilities within the region to develop the sector, so should influence the sector strategy. Both targets should involve the development of strong networks, to share knowledge and ideas to drive innovation forward within the sector, so Cambridgeshire & Peterborough is at the forefront of developing new, cutting-edge products and services.
- 5.5 The LIS also identifies a specific opportunity within scale-ups, with the West Cambridge site in collaboration with the Institute for Manufacturing and Engineering Department suggested as potential pilot site. This is the creation of facilities in close proximity to local universities and research institutes, where ideas can be developed and taken to the market. Using the power of networks and the existing knowledge

²¹ The Oxford-Cambridge Arc ambitions (2019).

base within the area will drive innovation and help the area improve the commercialisation of intellectual property.

- 5.6 Cambridgeshire & Peterborough should also look to collaborate with other centres of excellence such as the Centre for Process Innovation (CPI) in Tees Valley, to demonstrate and grow the UK's strengths in advanced materials. Scale-Up Engines, as suggested in the LIS, will help to support commercialisation of IP and strengthen the pathways to supply chain and market entry.

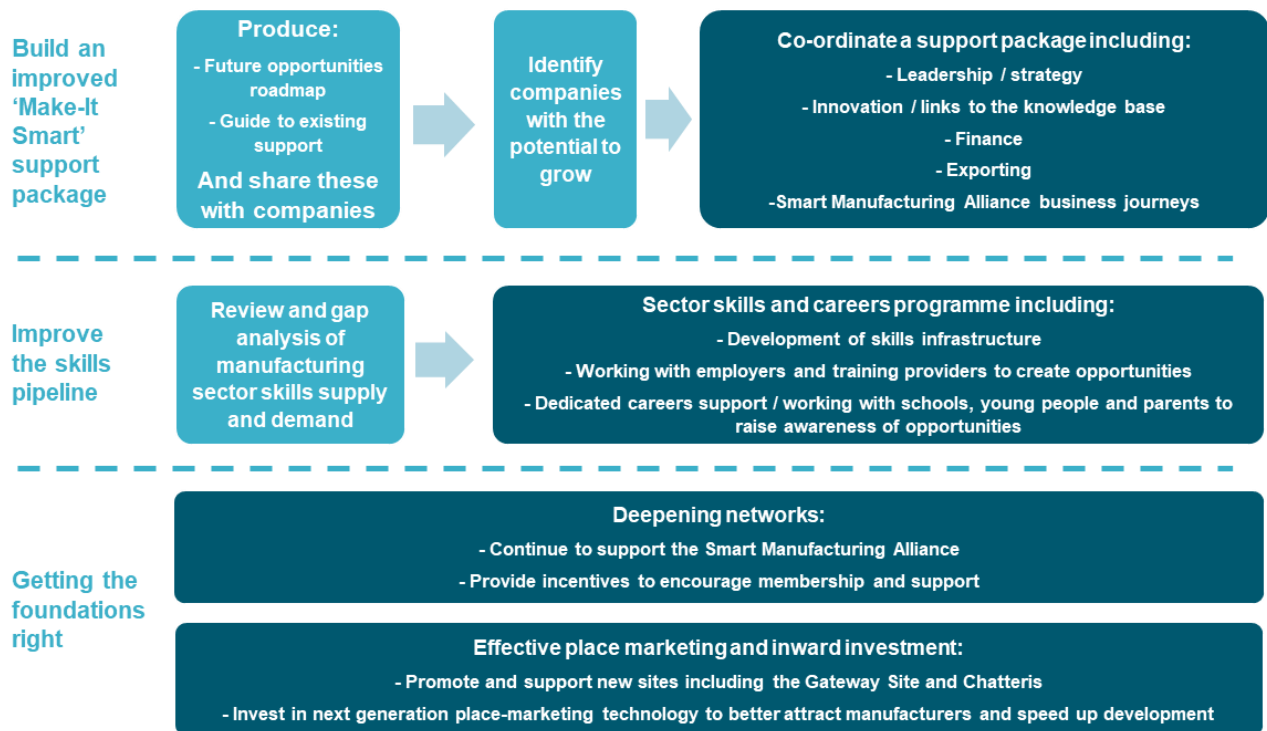
A competitive position

- 5.7 There are a range of businesses - both small and large, who are interested in growing. The issue they face is that they do not always know how to grow, and often do not have good connections to the existing innovation base, such as research institutions. There is also a skills disconnect, with the existing skills base not meeting the demands of employers, and some skills becoming obsolete in the modern market. In order for the sector within Cambridgeshire & Peterborough to get to where it wants to be, it needs to address these two issues.
- 5.8 Stakeholders agreed that for Advanced Manufacturing & Materials within Cambridgeshire & Peterborough to become the globally-competitive sector it wants to be, it needs to:
- Identify and focus on the SMEs with the potential for sustained growth - the 'optimists', who are going to drive innovation and development.
 - Map the technologies, products and services that the sector is transitioning to (e.g. net-zero, I4.0). This would enable a business support intervention aimed at guiding companies through the transition period, including research and data on future opportunities, process support and leadership and management coaching.
 - Package and co-ordinate manufacturing interventions around leadership, people, and technology. Part of this is supporting businesses prior to them engaging with the Institute for Manufacturing (IfM), with 'Made Smarter' seen as a good model.
 - Do more to encourage people to look at careers in manufacturing and to ensure there is the supportive environment developing the skills for the future.
- 5.9 Whilst all of these priorities are about driving the sector forwards, innovating and embracing new technologies, they also reflect the importance of networking and collaborating. Effective networks allow businesses to connect with other businesses as well as research and knowledge institutions to innovate and bringing new products and technologies to market. It is essential to the future growth of businesses within the sector and the sector as a whole and the resulting innovation is what will place Cambridgeshire & Peterborough at the cutting edge of global research and development.

6 An action plan for the future

- 6.1 Consultations with stakeholders have made it clear that there is a need for a **business support package** and an **improved skills pipeline**. Whilst there are business support and skills schemes in place, the alignment between them is relatively weak, meaning the ecosystem is not working as effectively as it could do.

Figure 2. The interventions required:



Build an improved 'Make-It Smart' support package

- 6.2 The first intervention proposed is the enhancement and alignment of existing business support schemes to build an improved 'Make-It Smart' support package that lets ambitious firms grow through implementing new products and processes.
- 6.3 This would build on existing services in place, such as the Business Growth Service and the new Opportunity Peterborough Smart Manufacturing Alliance, and would identify companies who have the desire and potential to grow and provide a package of support including leadership training and networking opportunities to link the businesses to other innovation and research institutions, alongside investment and technical support.
- 6.4 An initial step to take here is to **produce a future opportunities roadmap** for the to identify opportunities related to new technologies that may be relevant for local businesses – for example arising from green technologies, Industry 4.0 / automation technologies, artificial intelligence, new materials, etc. The output from this will be a

roadmap which could form the basis for a campaign around future-readiness, and be supported by a series of checklists and a one-to-one coaching support – similar to the ‘get ready for Brexit’ suite of interventions.

- 6.5 Stakeholders are clear that working through this with leadership teams within firms would be a good way of thoroughly embedding these ideas within companies. The Institute for Manufacturing provides road-mapping support²² and should be engaged in this process to ensure that we are drawing on their experience.
- 6.6 In recommending this, stakeholders recognised that whilst there are a number of individual support schemes already in place, these are often not well signposted or co-ordinated with each other. They may be exclusive to some parts of the Cambridgeshire & Peterborough geography, or to certain sub-sectors. The support landscape can appear fragmented and hard to navigate for businesses. In addition, some types of support - such as Innovate UK funding – are perceived to have become more competitive, meaning the chances of receiving funding have fallen.
- 6.7 Therefore an action to take here to clarify the sources of funding available is to **produce a guide to Advanced Manufacturing & Materials sources of funding, support and networks** available in Cambridgeshire & Peterborough, in the form of a ‘London Underground’ style map on a page, clearly showing the different sources of support available.
- 6.8 These two interventions will enable a range of conversations with businesses in Cambridgeshire & Peterborough, as well as with existing partners and providers. This will enable partners to **identify firms in the sector with the capacity to grow**. These firms will be the target group for the support package on offer, though others might self-select, and the sector as a whole can benefit from the road-mapping and support mapping activities described above.
- 6.9 In terms of the support itself, ‘Make-It Smart’ provision will be tailored to the needs of individual firms and will consist of a mixture of:
- **Leadership / coaching / mentoring** – helping the top teams within firms to plan and execute their growth journey, and manage and respond to new challenges.
 - **Strategic planning** – helping companies formulate plans to respond to the opportunities identified via roadmapping.
 - **Strengthening innovation** - stakeholders agreed that firms gain important knowledge and skills from collaboration with universities and research institutes, and smaller firms are usually less likely to do this. Utilising KTPs and better networks with knowledge partners, support will enable smaller firms with growth potential to access innovation support. Likewise, helping firms in the

²² Roadmapping, Institute for Manufacturing: <https://engage.ifm.eng.cam.ac.uk/roadmapping/>

sector by building 'routes in' to innovation drivers such as Accelerators, BootCamps and Test Beds would be beneficial.

- **Finance & Exporting** – providing technical support and guidance to help companies to access finance and to export their products to international markets. Support might also involve direct provision of finance for investment or export – either as a targeted grant or a loan.

6.10 Making this happen will involve working with the different elements of existing support provision and the partners that run these programmes, and helping to make these more seamless. Strong key account management will be needed to monitor and engage with firms to ensure they are getting the support they need. Providing a long-term institutional basis for this support will avoid the challenge of constant reinvention which can make the support landscape difficult for companies.

Improve the skills pipeline

6.11 The second intervention proposed is to improve the skills pipeline, building a skills ecosystem that supports sectoral growth. This is to ensure that the skills demanded by manufacturing employers are able to be supplied within the Cambridgeshire & Peterborough area, and improving the alignment between the skills demanded by employers and the courses offered by education and training providers.

6.12 An initial action here is to **produce a review and gap analysis of existing supply and demand for skills**, to illustrate the strengths and weaknesses of current provision and inform exactly where interventions should be targeted. This should include discussion with local partners, local businesses in the sector, and local education providers. It should be informed by the recent skills analysis which has been undertaken as part of the LERS.

6.13 Depending on the outcome of this review, interventions could then include:

- **Developing skills infrastructure** to provide the required level and type of training. This might include online / remote learning infrastructure where the barriers relate to access to education. The Smart Manufacturing Alliance has pledged to create a training brokerage service to provide its members with access to affordable training, including its own internal courses and workshops.
- **Working with employers to create opportunities for young people** – including work experience, apprenticeships, and traineeships.

6.14 **Working with employers and training providers to raise awareness of employment opportunities** – working with schools, young people and parents to drive long-term demand to work in the sector. This might include open days, visits to schools and colleges, and better careers education information advice and guidance (CEIAG). The Smart Manufacturing Alliance has stated it will **collaborate with the Skills Service** to increase awareness of manufacturing careers and change the

perception of the industry. Involving the sector in these initiatives – and creating and maintaining the links between employers and training providers – will be essential to the success of this activity. This links in with Cambridgeshire & Peterborough’s intention to make employers more central to the skills offer and to ensure that skills demand informs local provision.

- 6.15 Cambridgeshire & Peterborough is in the early stages of reviewing the skills strategy and adult education provision, including a focus on priority sectors. There is a need to deploy budgets more flexibly through interventions such as continuous learning, and to better align public and private investment in careers services. Action taken here should align with the refreshed skills strategy, determining how the area can grow its skills pipeline, so the sector has the skills when and where it needs them.

Getting the foundations right

- 6.16 This strategy is fundamentally about creating the conditions across the Cambridgeshire & Peterborough area to grow a stronger Advanced Manufacturing & Materials ecosystem to support growth. A stronger ecosystem would better attract inward investment and create new opportunities for local employment. Developing this stronger ecosystem depends on getting two key foundations right.
- 6.17 **Deepening networks** is the first of two foundations that cut across the interventions. Stakeholders repeatedly made the point that additional networking opportunities and linkages would be highly beneficial. Improving networking should include business-to-business linkages, business-to-academia linkages, and business-to-training provider linkages.
- 6.18 Actions that support this could include:
- Continuing to invest in the success of the new Smart Manufacturing Alliance as a Cambridgeshire & Peterborough network for the sector that collaborates effectively with other local and national groups (e.g. Opportunity Peterborough, Chambers of Commerce, MakeUK etc). CPCA has already invested £715,000 of Local Growth Funds into the alliance. A specific action to support its success should be to establish and support the network’s industry advisory board.
 - Providing incentives to encourage membership of networks - such as offering business rate discounts against membership fees (where not already applied).
- 6.19 Providing a small amount of administrative resources and other resources such as meeting room space on a reliable basis will be important for ensuring the long-term success of this work.
- 6.20 More broadly, the work of the CPCA to link the area’s manufacturing sector into regional initiatives such as the Oxford-Cambridge Arc, Midlands Engine and the Innovation Corridor, and national strategies such as Build Back Better, will also be crucial.

-
- 6.21 The second foundation is **effective place marketing and inward investment**. There were concerns raised by stakeholders that the area does not market itself, and its key investment opportunities, as well as other areas. New sites such as the Gateway Site in Peterborough and the new manufacturing park in Chatteris have the potential to attract inward investment and help local firms to grow if promoted and supported correctly.
- 6.22 Opportunity Peterborough already works to attract inward investment into Peterborough and can collaborate with bodies such as the Smart Manufacturing Alliance, Growth Works and Local Authorities to promote the attractiveness of the area's offer to this sector specifically. The Smart Manufacturing Alliance is well positioned to contribute promotional activity for Cambridgeshire and Peterborough and engage with potential investors throughout the inward investment pipeline.
- 6.23 A practical action that could be taken by Cambridgeshire & Peterborough is to invest in next generation place-marketing technology, such as virtual reality tours for investors and planning committees, to support local economic development teams across its geography, to better attract manufacturers, and speed up development control processes. Also running supply chain competitions involving some of the larger companies already in the UK. Co-ordinating programmes and schemes to create one louder, aligned voice will more effectively promote the area as a place to do business successfully.

Summary of immediate actions

The following actions should be commissioned and completed within the next 12 months.

- Publish a future opportunities roadmap which can be used with businesses to inform their future growth ambitions.
- Produce a 'London Underground style' guide to Advanced Manufacturing and Materials sources of funding, support and networks for the region.
- Commission and implement the programme design for Cambridgeshire & Peterborough's 'Make It Smart' integrated business support package (implementation to take longer than next 12 months).
- Produce a review and gap analysis of existing supply and demand for skills to inform where future provision should be targeted.
- Continue to support the development and roll-out of the Smart Manufacturing Alliance as the single network for manufacturing businesses, working in collaboration with other manufacturing organisations.
- Review the place marketing offer and work with partners to establish a single voice for the different offers in the area.

7 Appendix: AM&M Definition

The definition of the manufacturing sector and the Advanced Manufacturing & Materials sector used in this Strategy is consistent with the definitions used in the Local Industrial Strategy and the LERS.

For the purposes of this analysis the Manufacturing sector has been defined using the following 5 digit Standard Industrial Classification (SIC) codes:

- 10110 to 33200
- 71121 to 71129

For the narrower Advanced Manufacturing & Materials sector, the following SIC codes were used:

- 25610 to 25620
- 26511 to 26702
- 27110 to 27510
- 27900 to 28110
- 28410 to 28490
- 29100
- 29310
- 30110 to 30910
- 33120 to 33160
- 33200
- 71121 to 71129

Life Science Strategy for the Cambridgeshire and Peterborough Combined Authority

February 2021

Updated April 2021

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1. Introduction

Life sciences in the UK has gone from strength to strength over recent years. Against challenging headwinds, UK life sciences firms posted revenues of more than £80 billion in 2019. More than a quarter of a million scientists and other professionals are now employed in the sector. The publication of the Life Sciences Industrial Strategy in 2017, and the subsequent Sector Deal, has unlocked billions of pounds of funding for research, data and other innovation to further strengthen the sector. Scientists in the UK are working at the forefront of research across all areas of healthcare – including the critically important task of developing a vaccine for COVID-19.

The Cambridgeshire and Peterborough Combined Authority, as the home of one the world's foremost clusters for life sciences research and innovation, plays a key role in the UK's life sciences ecosystem. Initiatives undertaken by the UK government to support the life sciences sector will have a strong focus on the Combined Authority area. Likewise, efforts by the Combined Authority will reverberate around the country and play critical role in bolstering the UK's competitive position internationally.

This report sets out a programme of recommendations to grow the life sciences sector. It follows from the publication of the Combined Authority's own Local Industrial Strategy, which identified life sciences (along with agri-tech, digital and information technologies, and advanced manufacturing and materials) as a strategic growth sector.

It is important to recognise that in recommending policies for the Combined Authority, the area is home to currently the most mature centre of life sciences outside the United States. However, the growth in its cluster is already being significantly outpaced by that of the cluster in Oxford, which is expanding at a compound annual growth rate of 14-15%, compared to Cambridge's 5-6%. This threatens to eclipse Cambridge as the UK's centre and contest the future opportunity to become the global centre. Unless bold steps are taken to remove the current constraints on growth in the Cambridge cluster, the threat to its UK dominance will grow over the next decade, potentially, leading to an outflow of major companies and employment to Oxford in the following decade. In particular, there are transport, skills and planning constraints that hold back growth of the Cambridge cluster in ways that do not exist or are less prevalent for the Oxford cluster.

We have therefore focused our recommendations on a handful of impactful areas that could mitigate the risks presented by the growth in mass and dominance of the Oxford cluster and move the Cambridge cluster to the next level in contesting the position for the premiere global cluster. We have done this rather than suggesting multiple minor improvements to an already successful model.

We have also avoided focusing on the role of the NHS and local hospitals. While undoubtedly there is huge potential for greater integration between the world-class hospitals in the area and the life sciences sector, the opportunity has been highlighted in life science strategies for decades and it has proven extremely difficult to progress. Moreover, we are aware that Cambridge University Health Partners (CUHP) is also developing a life science strategy, which will no doubt approach the challenge from its particular perspective. CUHP's level of insight and access to information in this area means it is far better positioned to address this particular aspect of the sector.

Our conclusions and proposals are drawn from many interviews with leaders in industry, academia and the public sector, as well as an extensive review of existing literature and data. We believe these recommendations provide a considered and evidence-led set of proposals that will

help to safeguard the clusters future and make Cambridge an even more successful cluster going forward.

2. Executive Summary

As the novel coronavirus first began to spread in March 2020, the life sciences sector was thrust into public attention due the efforts of governments, universities and companies in the sector to develop a vaccine. While the profile of the life sciences sector was undoubtedly growing before the pandemic, the essential work done by scientists and other professionals in the sector rarely received the recognition and support that their peers in the technology, financial services or automotive sectors did. This strategy, therefore, comes at a critical time during which there is widespread agreement in the UK that more should be done to bolster the life sciences sector – both for the benefit the nation’s public health, but also to support the longer-term economic ambitions of the UK as we move through the pandemic.

The Cambridgeshire and Peterborough Combined Authority will have a pivotal role in this. As the home of one of the world’s preeminent centres for life sciences, national efforts to support and grow the sector will undoubtedly be felt in and around the Combined Authority area. This report provides a programme of recommendations that will best direct such efforts, as well as providing practical measures that can be implemented by the Combined Authority itself.

The Global life Sciences Sector

Unlike many other sectors of the economy, the outlook for the life sciences sector is broadly positive. Notwithstanding the immediate impact of the Covid-19 pandemic, long term macro-economic and demographic trends, such as the ageing of the world’s population and the growth of the consumer class in many emerging markets, are creating new opportunities for life sciences firms. According to estimates from Accenture, the sector is expected to reach more than \$2 trillion in gross value by 2023.¹

While the outlook for the industry is positive however, companies within it are currently navigating a period of transformation. The onward march of emerging technologies, particularly artificial intelligence (AI), is reshaping processes such as drug discovery, diagnostics and the design of clinical trials. The financial challenges of developing new medicines are intensifying as the costs of research rises while the revenues derived from new treatments falls. For the large pharmaceutical companies, the expected return on investment for a new drug has fallen from 10.1% in 2010 to just 1.8% in 2019.²

The competitive landscape for life sciences firms is also becoming more complex and nuanced. New entrants from the technology sector are making inroads into life sciences, while greater flows of venture and private funding into life sciences start-ups and SMEs is creating a buoyant ecosystem of young firms pursuing novel forms of treatments and capable of competing with larger incumbents. Participants in the sector are consequently finding new ways to collaborate and to compete, as well as expanding their stock of technical and digital talent.

¹ Transforming healthcare with AI: The impact on the workforce and organizations, McKinsey.
<https://www.mckinsey.com/industries/healthcare-systems-and-services/our-insights/transforming-healthcare-with-ai>

² Ten Years On: Measuring the Return from Pharmaceutical Innovation 2019.
<https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/life-sciences-health-care/deloitte-uk-ten-years-on-measuring-return-on-pharma-innovation-report-2019.pdf>

Lessons could also be learned from the development of the life sciences sector in the US where, 20 years ago, the San Francisco Bay area was undoubtedly the world's leading life science cluster. However, its crown was stolen by Boston, through a combination of large scale public sector interventions and corporate decision-making. It is possible that Cambridge today equates to San Francisco in the 1990's and Oxford is Boston.

Life Sciences in the UK

The UK is home to one of the world's most mature and productive life sciences sectors. There are more than 6,000 life sciences firms based in the UK, which collectively generate annual revenues of around £80 billion. More than a quarter of a million scientists and other professionals are also employed in the sector.

Life sciences in the UK benefits from the country's world-leading research landscape and science base. Four of the world's top 20 universities are located in the UK. The proportion of students enrolled at UK universities studying programmes in natural sciences, mathematics and statistics is approximately double the proportion in the United States, France and Italy. Moreover, the UK government spends more on health research and development than any other European nation³ - a competitive strength that will be bolstered by the recent government commitment to boost overall R&D spending to 2.4% of GDP by 2027.

The preeminent centres for life sciences within the UK are the areas in and around Cambridge, London and Oxford – often referred to as the 'golden triangle.' These areas represent one of the foremost centres for innovation and research, encompassing world leading universities, a highly skilled workforce and a broad base of companies across both the life sciences and high-tech sectors. There are around 1,500 life sciences firms within the golden triangle, which collectively generate a Gross Value Added worth more than £8.4 billion per annum to the UK economy.⁴ Beyond the golden triangle, other centres for life sciences are located across the UK. The sector is particularly strong in the North West of England, where firms such as AstraZeneca and Unilever still have a major presence; and along the Edinburgh-Glasgow corridor, which is home to several global firms including Thermo-Fisher.

Cambridgeshire and Peterborough: A world-class Life Sciences Cluster

This strategy has been written with the objective of identifying tangible proposals that will help enhance and grow the Combined Authority's life sciences sector. This is no simple task because, as is repeatedly made evident throughout this report, the Combined Authority is already home to arguably the most successful life science cluster outside of the United States. The University of Cambridge, the preeminent higher education provider in the Combined Authority, is consistently rated as one of the best universities in the world. It produces some of the most impactful research

³ Life Science Competitiveness Indicators, Office for Life Sciences.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/811347/life-sciences-competitiveness-data-2019.pdf

⁴ Cambridge: Driving Growth in Life Sciences, AstraZeneca.

https://www.astrazeneca.com/content/dam/az/media-centre-docs/article_files/articles-2018/Astrazeneca-Clusters-Report-Exec-Summary%20FINAL%202.pdf

in life sciences: More than a fifth of Cambridge University's academic publications in the field of biomedical and health sciences are in the top decile of number of citations.⁵ The area's research institutes, such as the Wellcome Sanger Institute, are revered internationally. The Cambridge Biomedical Campus is the largest medical research and health sciences centre in Europe, and is home to three excellent hospitals.

There are around 470 life science companies based in the Combined Authority, which is currently just under 8% of those in the UK as a whole. These include currently global behemoths like AstraZeneca, Amgen, Pfizer and GSK. Local champions like Abcam and Bicycle Therapeutics have grown from fledgling start-ups to recognised global brands in recent years. These and other firms based in and around Cambridge itself are estimated to contribute £2.9 billion annually to the UK economy⁶ Making up around 3.6% of the UK sector's economic contribution, and demonstrating the clusters reliance and potential vulnerability on very large players and their future mobility. Many of these companies are commercialising research in areas at the cutting edge of advances in medicine and technology – including cell and gene therapy, immuno-oncology and AI. They're also attracting record levels of investment: Between 2015 and 2020, \$950 million of venture funding was invested into life science start-ups and scale-ups around Cambridge – more than Dublin, Berlin and Barcelona combined.⁷

However, in the same period the Oxford cluster attracted \$990 million, and in 2020 life science companies in the Oxford cluster attracted double the investment of those in the Cambridge cluster.

Why does the Combined Authority need a Life Sciences Strategy?

Cambridge and especially South Cambs is evidently already home to a world-leading life sciences cluster – something that has been achieved without a public sector coordinated strategy. Why, it might reasonably be asked, does the CPCA need a strategy now?

While Cambridge is without question one of the world's most advanced centres for life sciences, this report shows that the local sector faces a number of headwinds. Other centres within the UK – particularly London and Oxford – are rapidly developing their own local ecosystems of a size and sophistication that could easily eclipse that of Cambridge and South Cambs. MSD's recent decision to build its new £1bn research hub in London's King's Cross shows Cambridge is no longer the de facto location of choice for global life science firms – even for those that are setting up specialist research and development facilities.

Advances in technology are transforming all stages of healthcare. This presents an enormous opportunity for new firms in the Combined Authority, as Cambridge is home to some of the sharpest minds in the technology sector, as well as a large community of global firms. However, technological progress also carries the threat of creative destruction that has the potential to upend slower-moving firms and industry incumbents. Furthermore, the Cambridge cluster's

⁵ CWTS Liden Ranking 2020, <https://www.leidenranking.com/downloads>

⁶ Cambridge: Driving Growth in Life Sciences, AstraZeneca and Development Economics. https://www.astrazeneca.com/content/dam/az/media-centre-docs/article_files/articles-2018/Astrazeneca-Clusters-Report-Exec-Summary%20FINAL%202.pdf

⁷ JLL analysis of data from CrunchBase. <https://www.crunchbase.com/>

predominance of very large firms acts as both an advantage in attracting smaller innovators around them, but also a disadvantage, in the way in which such firms tend to be mobile and attracted to centres where the greatest innovation is happening and growth in skills and activity is fastest.

As with other sectors, the Combined Authority's life sciences companies are also adjusting to a new operational reality – both due to the coronavirus pandemic, and because Britain is preparing to take up a new position on the international stage independent of the European Union. At the time of writing, the longer-term outlook for firms in the UK is fraught with uncertainty.

In addition, life sciences within the Combined Authority is now reaching a size and maturity at which the existing informal social infrastructure and ad hoc approaches to supporting the sector will no longer be effective. Throughout our interviews with those working across the sector, a common comment was that the Cambridge ecosystem is 'like a village'. These comments were not intended as a slight on the area's impressive credentials, but they're not a flattering description for an innovation centre that should be aiming to enhance its competitive position via-a-vis the likes of London, Oxford, Boston, San Francisco and Beijing.

Recommendations

This report makes 11 recommendations to the Combined Authority, based around three themes: Building companies of scale; optimising the network; and enhancing talent and skills. Undoubtedly, the second and third themes also support the first but have been separated here for ease.

The report suggests alignment and contribution to the National Life Sciences Strategy, in particular adopting the goal of delivering two of the Strategy's proposed four £20B life science companies in the next decade. This is without doubt an incredibly ambitious target but it offers a simple way to attain focus and galvanise efforts in the right direction and even partially achieving it would result in a step-change in the scale of the life science sector in the area.

| Theme | Description | Recommendations to address |
|--|---|--|
| Building the Financial and Management Capacity for Growth | Cambridge and South Cambs are home to a world-leading community of start-up and scale-up firms, but very few home-grown global companies. To better support the life sciences ecosystem, the Combined Authority must prioritise policies that help firms to scale, rather than simply be acquired early in their life cycle and subsumed into a parent company. | Establish a new £1 billion Life Sciences Innovation Fund. |
| | | Lead on the drive to improve UK public equity markets for life sciences companies |
| | | |
| | | Create a "Future Leaders Programme" to build commercial management skills of the sector |
| Building Network Capacity for Growth | While the Combined Authority is home to a fantastic network of firms, entrepreneurs, scientists and advocacy | Support the development of a culture that aspires to scale |
| | | Develop a coordinating body for the strategic initiatives and appoint a "Life Sciences Strategy Director" to drive |

| | | |
|---|--|---|
| | groups, local efforts by these networks to promote and enhance the sector are often uncoordinated and overlapping – making them less effective. Policies should be adopted that help coordinate these efforts. | <p>the implementation of these initiatives.</p> <p>Support the establishment of a single agency to promote Cambridge around the UK and internationally</p> <p>Leverage the Ox-Cam Arc, the UK Innovation Corridor (linking King’s Cross to Cambridge) and the Golden Triangle</p> |
| Building Talent & Skills Capacity for Growth | Realising the anticipated growth of the life sciences sector is dependent on addressing the dual challenges of both supplying enough scientists and other professionals to the sector, and also ensuring that these individuals are equipped with the right mix of skills. Policies should be adopted to address both challenges – encouraging greater uptake of life-science related subjects at all levels of education, creating new routes into life sciences employment, and upskilling workers in emerging tech-enabled roles. | <p>Create new technical education programmes to support skills required by life sciences firms</p> <p>Support for alternative routes into life sciences employment</p> <p>Create new programmes to upskill in the tech- life science convergence</p> <p>Improve the diversity and inclusion of the sector</p> |
| Building Physical Capacity for Growth | Ensuring future provision is made for facilities for scale-ups, start-ups and inward investing companies is dependent on a transformation in planners’ appetite and openness to growth in the sector. Given the established dominance of South Cambs (240 vs 150 firms), the more accessible property and rental prices, and the longer term and more difficult to resolve constraints to the expansion sites in Cambridge city around transport and space availability, much greater, and more coordinated, effort between the Combined Authority and both Cambridge City Council plus South Cambs District Council should be undertaken to expand out the existing South Cambs and Cambridge sites. However, this should be in a manner that minimises environmental and spatial impacts, by maximising the use of each sites’ assets as laid out in the recommendations and in descending priority. | <p><i>Implementing</i> life science employment growth within site areas currently consented for new buildings but stalled</p> <p><i>Densifying</i> life science employment within site areas currently consented for new building but with the potential to be utilised more effectively</p> <p><i>Intensifying</i> life science employment within current buildings, by encouraging and incentivising firms from other sectors to relocate to alternative parks, freeing up space for life science firms and creating dedicated, and networked, life science villages</p> <p><i>Expanding</i> life science employment through new planning applications within current sites’ established employment areas</p> <p><i>Expanding</i> life science employment through new planning applications adjacent to current sites’ established employment areas</p> |

There are many initiatives that we could propose to enhance the Combined Authority's life sciences ecosystem. However, in writing this report we have intentionally focused on a handful of impactful areas that could move the industry to the next level on the global stage, rather than suggesting multiple minor improvements to an already successful model.

It is our hope that this report provides the Combined Authority with an actionable and pragmatic programme of measures to ensure the continued success of life sciences in Cambridgeshire and Peterborough over the next decade and beyond.

Defining Life Sciences

The life sciences industry encompasses a broad range of disciplines, technologies and businesses.

Pharmaceutical and biotechnology companies utilise an understanding of biological processes to develop new treatments for diseases and disorders. These can include traditional small-molecule drugs (aspirin for example), immunobiological therapies using antibodies or, more recently, moderating the body's own immune response to fight cancer. These products have long development times of 15 years or more, require substantial investment and have a high failure rate, but a successful product could earn many \$billions in annual sales.

Diagnostics is another rapid growth area, especially in the field of personalised medicine, in which sub sets of patients are identified for treatments based on their DNA or biomarker signature. This benefits from new data sources and techniques, such as the genome project.

The medical technology field is similarly wide, covering surgical tools and implants to healthcare equipment. Development of medical devices tends to require shorter timeframes and less capital than therapeutic products. The risk is often lower, but the rewards may be also reduced.

3. Life Sciences in the UK

The UK is home to one of the strongest, most productive life sciences industries in the world. There are more than 6,000 life sciences firms spread across the UK. The sector generates an annual turnover of more than £80 billion and directly employs more than a quarter of a million scientists and other professionals.⁸

Many of the sector's firms are pioneering the research and commercialisation of disruptive technologies such as genomics, synthetic biology and artificial intelligence. Unlike some other parts of the UK economy, the life science sector is also extremely productive. Each worker in the sector generates an average Gross Value Added (GVA) of £104,000 per year – more than twice the UK average.⁹ Further background on the UK life science sector can be found in Appendix 2. This section will focus on comparing Cambridge in the UK and global context.

3.1 Comparing Key Centres for Life Sciences within the US, Europe & Asia

While the UK and many of the countries discussed above are home to an excellent infrastructure for life sciences firms, much of the activity within these economies tends to be concentrated in a small number of cities or clusters that house a strong base of commercial operations, universities, research institutions and hospitals.

To gauge of the sophistication the key UK centres, we have undertaken a comparison of the relative size and maturity of the clusters in the UK with those of the United States and continental Europe. We have undertaken the comparisons with the US and Europe separately, owing to the differences in the quality and depth of data available across the two geographies.

Owing to a lack of available data, we have been unable to undertake a cluster comparison for the markets of Asia. We have, however, included a brief discussion of the maturity of life sciences across the Asia Pacific region.

3.1.1 Comparing UK and US centres

The United States is home to the world's largest and most mature life sciences sector. This is due to several factors, including the country's large population, the depth of its capital markets, the quality of its top universities and its high spend on healthcare. Spending on healthcare in the US is equivalent to around 17% of the country's GDP – far more than any other country, and nearly twice the average across the OECD.¹⁰

⁸ Bioscience and Health Technology sector statistics, Office for Life Sciences.

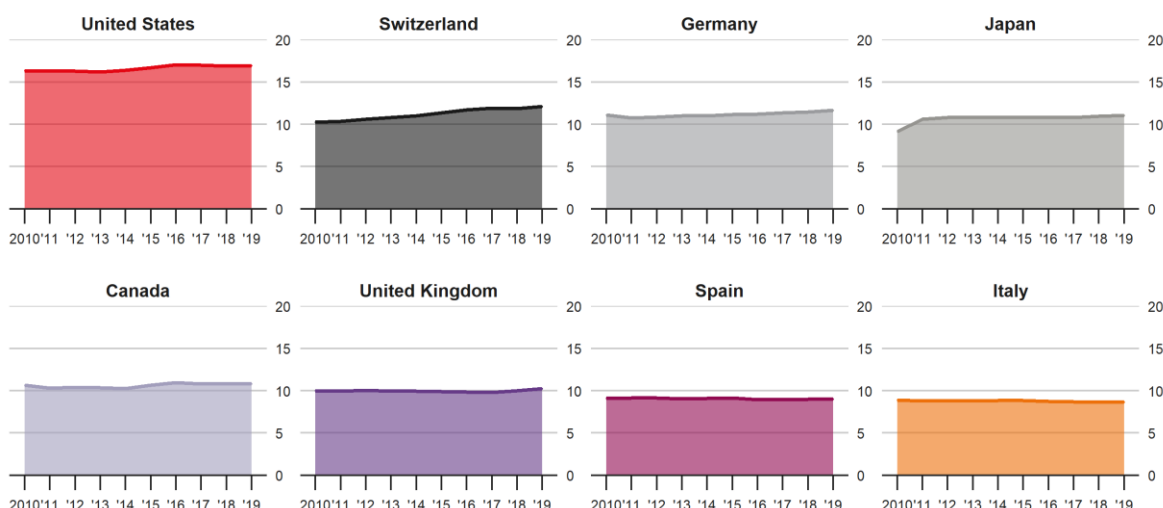
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/91059/0/Bioscience_and_Health_Technology_Statistics_2019.pdf

⁹ Life Sciences 2030 Skills Strategy, Science Industry Partnership.

<https://www.scienceindustrypartnership.com/media/2071/sip-life-sciences-2030-skills-strategy-print-version-final.pdf>

¹⁰ Organisation for Economic Co-operation and Development Health Statistics, available to download here: <https://www.oecd.org/health/health-data.htm>

Total healthcare spending as % of GDP, 2010 - 2019



JLL produces an annual scoring and ranking of the key life sciences centres in the United States. This analysis is based on calculating a weighted average of a number of metrics, including the size and concentration of life sciences employment; the number and concentration of firms; and the volume of private and public funding.¹¹ To provide an indication of how the key UK centres compare to those in the US, we have extended this analysis by integrating the three largest centres in the UK: London, Cambridgeshire and Oxfordshire. The results are shown in the table below.

The results loosely demonstrate the comparative scale and maturity of the life sciences ecosystem within each cluster. Boston and San Francisco, with both large and highly sophisticated life sciences infrastructure, are rated as the leading centres globally. While large metropolitan areas such as New York and London are home thousands of life sciences companies, they perform less well in the rankings due to lower concentration of life sciences firms, employment and investment in the context of their diversified local economies.

Overall Life Sciences Cluster Rating (100 = max)

| Rank | Cluster | Score |
|------|-----------------------------------|-----------|
| 1 | Greater Boston Area | 77 |
| 2 | San Francisco Bay Area | 67 |
| 3 | San Diego Metro Area | 62 |
| 4 | Cambridgeshire | 61 |
| 5 | Raleigh-Durham Metro Area | 60 |
| 6 | Oxfordshire | 48 |
| 7 | Suburban Maryland/Metro DC | 46 |
| 8 | Philadelphia Metro Area | 42 |
| 9 | Denver Metro Area | 42 |
| 10 | New Jersey | 41 |
| 11 | Los Angeles/Orange County | 40 |
| 12 | Seattle Metro Area | 40 |
| 13 | Minneapolis - St. Paul Metro Area | 37 |

¹¹ The data and weightings applied to this data can be found in Appendix 4 of this report.

| | | |
|-----------|--------------------|-----------|
| 14 | Chicago Metro Area | 35 |
| 15 | Houston | 34 |
| 16 | London | 32 |
| 17 | New York City | 32 |
| 18 | Long Island | 21 |
| 19 | Westchester County | 18 |

The composite scores shown above are designed to identify locations that have a high concentration of both employment and established enterprises as a proportion of the total local economy, as well as those locations where these indicators have grown over the last five years. On this basis Cambridgeshire performs well, although the trends indicate the gap between it and Oxfordshire is narrowing, due to faster growth rates in the latter.

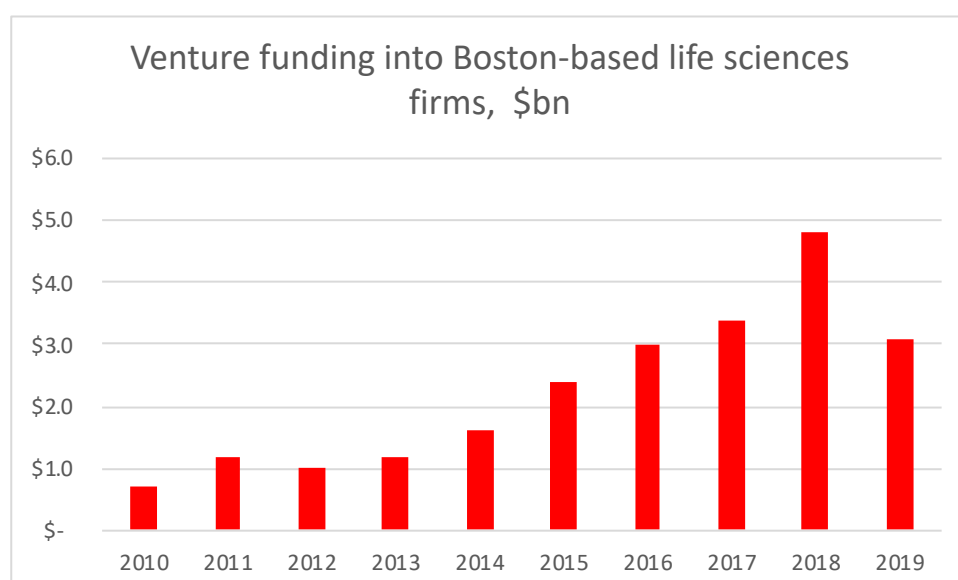
Cambridgeshire performs less favourably compared to the top US clusters in the measures of absolute size. Total venture and UK Research and Innovation funding into Cambridge, for instance, totalled \$612 million combined in 2018. By comparison, total VC funding and National Institute of Health funding into Boston was \$5.4 billion and \$2.4 billion respectively – roughly 13 times more total funding than Cambridgeshire. However, although the Cambridgeshire figures are a fraction of those in Boston, Cambridgeshire still attracts almost a quarter of all UK life science VC funding and around 6% of UKRI funding. It is worth noting that Oxfordshire outperforms Cambridgeshire on both metrics and London receives nearly three times as much UKRI funding.

Concentration of Venture and Public Funding into Life Sciences Centres

| Cluster | % Total LS VC Funding in sector nationally | % Total NIH/UKRI Funding nationally |
|-----------------------------------|---|--|
| Chicago Metro Area | 1.8% | 2.8% |
| Denver Metro Area | 1.7% | 1.4% |
| Greater Boston Area | 27.7% | 8.7% |
| Los Angeles/Orange County | 0.9% | 4.6% |
| Minneapolis - St. Paul Metro Area | 1.2% | 1.1% |
| New Jersey | 2.5% | 0.8% |
| New York City | 3.3% | 7.0% |
| Philadelphia Metro Area | 1.8% | 3.6% |
| Raleigh-Durham Metro Area | 1.9% | 2.1% |
| San Diego Metro Area | 12.1% | 3.3% |
| San Francisco Bay Area | 28.5% | 3.7% |
| Seattle Metro Area | 1.2% | 3.3% |
| Suburban Maryland/Metro DC | 2.8% | 2.2% |
| Cambridgeshire | 23.1% | 5.8% |
| Oxfordshire | 24.7% | 8.1% |
| London | 23.7% | 16.5% |

It should be noted, however, that the American centres are many times more populous than both Cambridgeshire and Oxfordshire - Cambridgeshire has a population of around 650,000 people, while Greater Boston's population is around 4.9 million. Comparing life sciences venture investment per thousand people, for instance, Cambridgeshire attracts around half as much venture investment per capita as Greater Boston and San Francisco, and is comparable to San Diageo.

It should be further recognised, that the amount of venture capital investment in Massachusetts in 2010 was approximately \$700 million¹² - much more comparable to current levels of investment in Cambridge, UK. While investment in life science companies in Cambridge, UK is unlikely to ever match the levels in Boston, the massive growth in the level of investment into life sciences companies in Boston today compared to 10 years ago demonstrates what can be achieved.



Source: CrunchBase, 2020.

It should be noted that over the period above, and substantially due to the shift in investment towards Boston, San Francisco has been overtaken as the leading US cluster. Based on recent trends, a similar threat is posed by Oxford in relation to the Cambridge cluster.

3.1.2 Comparing UK and other European Centres

With a population of more than 500 million and annual pharmaceutical expenditures of \$145 billion, Europe is a highly mature life sciences market. The region's five largest economies – the UK, Germany, France, Italy and Spain – account for a combined share of around 20% of the global branded pharmaceutical market, second only to North America.¹³

¹² Industry Snapshot, MassBio. <https://www.massbio.org/industry-snapshot/>

¹³ Site Selection for Life Sciences Companies in Europe, KPMG. <https://home.kpmg/be/en/home/insights/2019/05/site-selection-for-life-sciences-companies.html>

Due to different standards of data availability and quality across Europe, the method used to compare clusters within Europe is different from that used for the above American comparison. For this exercise we have collected data on the number and total volume of venture capital investments into life sciences firms since 2015; the number of international patent registrations; the number of universities within the top 500 globally, both overall and for life sciences in particular; and the number of high-quality research publications published by universities within each cluster across 35 European cities.

Consistent with the comparison of Cambridgeshire and Oxfordshire and their American peers, these areas are defined to catch all activities within their county areas, while all other clusters are defined (due to data availability) at the Nomenclature of Territorial Units for Statistics (NUTS) 2 area they fall within, excluding London which includes all of Greater London. A full appendix on the methodology and data sources is provided at the end of this report.

On the basis of this analysis, the relative maturity of the UK clusters is immediately apparent. London, Oxfordshire and Cambridgeshire ranked first, fourth and fifth respectively in terms of venture investment between 2015 and 2020. Cambridgeshire alone saw \$950 million of venture funding into life sciences firms across this period – more than Dublin, Berlin and Barcelona combined. This is even more impressive when Cambridgeshire’s relatively small population is considered – adjusting for population, Cambridgeshire has attracted more than ten times the amount of investment per 1,000 people than Paris.

The impact of the research publications of top 500 universities within London, Oxfordshire and Cambridge, as well as the other UK centres, is similarly notable. CWTS Leiden Ranking provides data on the number of university research publications that are among the top 10% most cited in different disciplines. More than a fifth of Oxfordshire’s and Cambridgeshire’s research publications within biomedical and health sciences are within this top decile – more than any other cluster in our study. Moreover, all of the top five (and seven of the top 10) best performing clusters for this metric are in the UK.

Key life sciences metrics for European centres

| | Venture capital investment, 2015 - 2020 | | Top universities | | High quality publications, 2015-2018 | | International patent registrations, 2016 - 2019 |
|-----------|---|---------|------------------|-----------|--------------------------------------|----------|---|
| | Investment, \$bn | # deals | # Top 500 | # Top 250 | # Papers | % Papers | # Patents |
| London | 1.94 | 272 | 13 | 6 | 3,800 | 18% | 4,200 |
| Paris | 1.37 | 144 | 9 | 6 | 1,320 | 14% | 14,500 |
| Geneva | 1.19 | 91 | 3 | 3 | 870 | 14% | 2,500 |
| Oxford | 0.99 | 73 | 1 | 1 | 1,310 | 21% | 1,400 |
| Cambridge | 0.95 | 92 | 2 | 1 | 990 | 21% | 1,600 |
| Basel | 0.68 | 43 | 1 | 1 | 460 | 15% | 4,000 |
| Dublin | 0.47 | 50 | 4 | 3 | 430 | 13% | 1,400 |
| Zurich | 0.36 | 77 | 2 | 2 | 930 | 14% | 1,400 |
| Stockholm | 0.33 | 42 | 3 | 3 | 1,090 | 13% | 5,600 |
| Lyon | 0.30 | 27 | 3 | 1 | 60 | 12% | 2,100 |

| | | | | | | | |
|------------|------|----|---|---|-------|-----|--------|
| Copenhagen | 0.27 | 43 | 3 | 3 | 1,000 | 12% | 2,300 |
| Munich | 0.25 | 39 | 2 | 2 | 880 | 13% | 11,100 |
| Utrecht | 0.23 | 9 | 1 | 1 | 810 | 15% | 300 |
| Berlin | 0.23 | 61 | 4 | 4 | 580 | 11% | 1,300 |
| Barcelona | 0.21 | 56 | 3 | 3 | 580 | 12% | 1,100 |
| Heidelberg | 0.17 | 15 | 3 | 3 | 630 | 11% | 1,700 |
| Rotterdam | 0.16 | 21 | 3 | 3 | 1,400 | 14% | 2,700 |
| Brussels | 0.12 | 9 | 2 | 2 | 310 | 13% | 700 |
| Manchester | 0.08 | 24 | 1 | 1 | 640 | 16% | 400 |
| Stuttgart | 0.08 | 3 | 2 | 1 | 40 | 9% | 8,300 |
| Madrid | 0.07 | 13 | 1 | 0 | 240 | 10% | 800 |
| Milan | 0.07 | 16 | 5 | 1 | 700 | 10% | 2,800 |
| Edinburgh | 0.07 | 18 | 5 | 3 | 820 | 16% | 600 |
| Strasbourg | 0.07 | 11 | 1 | 0 | 190 | 11% | 300 |
| Amsterdam | 0.06 | 29 | 2 | 2 | 1,440 | 15% | 1,100 |
| Cologne | 0.06 | 12 | 3 | 3 | 660 | 11% | 2,200 |
| Malmo | 0.06 | 29 | 1 | 1 | 440 | 11% | 1,100 |
| Birmingham | 0.04 | 10 | 2 | 2 | 570 | 15% | 800 |
| Leeds | 0.04 | 6 | 1 | 1 | 270 | 14% | 300 |
| Gothenburg | 0.04 | 14 | 2 | 1 | 430 | 12% | 1,400 |
| Antwerp | 0.04 | 4 | 1 | 1 | 170 | 12% | 700 |
| Hamburg | 0.03 | 15 | 1 | 1 | 340 | 11% | 800 |
| Bristol | 0.02 | 14 | 2 | 1 | 430 | 15% | 900 |
| Dusseldorf | 0.02 | 6 | 1 | 1 | 170 | 11% | 4,000 |
| Frankfurt | 0.01 | 8 | 2 | 0 | 260 | 10% | 2,900 |

Where the UK's centres perform less favourably is in international patent applications, with the UK's best performing city, London, ranking 6th – behind Paris, Munich, Stuttgart and Stockholm. Oxfordshire and Cambridgeshire achieve only middling status, while many of the UK regional cities are positioned towards the bottom of the table.

3.1.3 Life Sciences in Asia

The Asia Pacific (APAC) region is also home to a flourishing life sciences sector, most notably in China, Japan, South Korea and Singapore. The region accounts for around 30% of global pharmaceutical spending.¹⁴ Healthcare expenditure in APAC is also forecast to reach to \$2.4 trillion by 2022 – and is growing at a faster rate than in the US or Europe.¹⁵

The lack of available data at a city or regional level across the APAC region means we have not undertaken a comparison between clusters in the UK and those within the Asia Pacific. However, it should be noted that many high-quality centres in China are emerging, bolstered by strong support from the government. China, which is already by some estimates the world's second

¹⁴ Expanding into Asia-Pacific: Life Science Opportunities and Strategies for Success, LEK.
<https://www.lek.com/sites/default/files/insights/pdf-attachments/Expanding-into-Asia-Pacific-v2.pdf>

¹⁵ Expanding into Asia-Pacific: Life Science Opportunities and Strategies for Success, LEK.
<https://www.lek.com/sites/default/files/insights/pdf-attachments/Expanding-into-Asia-Pacific-v2.pdf>

largest pharmaceutical market, has identified life sciences as an industry key to the country's future growth. The Chinese government has also recently committed to investing huge sums to support cutting edge areas of medicine – including a \$9 billion investment commitment to precision medicines over the next decade.¹⁶

Similarly, the Japanese life sciences sector has received special support and investment from the government. Recent initiatives have included targets to grow stem cell treatments into a ¥26 trillion (\$249bn) sector by the end of 2020 by creating one of the world's fastest approval processes. Japan also created six National Strategic Special Zones – regions that offer eased regulations and tax benefits – encourage the creation of new drugs and medical devices.¹⁷

3.2 The Geography of UK Life Sciences

As is evident from the above comparisons, the preeminent centre for life sciences in the UK are the areas in and around London, Cambridge and Oxford – often referred to as the 'Golden Triangle'. These areas collectively represent one of the world's foremost knowledge-intensive clusters, encompassing world-leading universities and research institutes, a highly skilled workforce and a broad base of companies across both the life sciences and high-tech sectors. Five of the world's top ranked universities for life sciences are located within the golden triangle: The University of Cambridge, the University of Oxford, UCL, Imperial and Kings College.¹⁸ The cluster supports more than 1,500 life sciences firms, which collectively generate a Gross Value Added worth more than £8.4 billion per annum to the UK economy.¹⁹ Some of the world's largest research institutes also lie within the golden triangle – including the Sanger Centre, the Francis Crick Institute and the Harwell Campus.

Building on this thriving ecosystem's strengths in science, technology and innovation is a major component of the UK government's Industrial Strategy, both to support growth across the wider nation and to sustain the UK's international competitiveness. This has led to increasing focus on the Oxford-Cambridge Arc – the corridor of land that covers the counties of Oxfordshire, Buckinghamshire, Northamptonshire, Bedfordshire and Cambridgeshire. The Arc is home to almost four million people and has been estimated to contribute £111 billion annually to the UK economy. By 2050, the area has the potential to contribute around £191.5 billion annually, primarily due to its strengths in science, technology and high-value manufacturing.²⁰

¹⁶ Expanding into Asia-Pacific: Life Science Opportunities and Strategies for Success, LEK.

<https://www.lek.com/sites/default/files/insights/pdf-attachments/Expanding-into-Asia-Pacific-v2.pdf>

¹⁷ How Japan is Creating New Opportunities for Life Sciences Companies, Harvard Business Review.

<https://hbr.org/sponsored/2018/02/how-japan-is-creating-new-opportunities-for-life-sciences-companies>

¹⁸ World University Rankings, Times Higher Education. https://www.timeshighereducation.com/world-university-rankings/2020/subject-ranking/life-sciences#!/page/0/length/25/sort_by/rank/sort_order/asc/cols/stats

¹⁹ Cambridge: Driving Growth in Life Sciences, AstraZeneca.

https://www.astrazeneca.com/content/dam/az/media-centre-docs/article_files/articles-2018/Astrazeneca-Clusters-Report-Exec-Summary%20FINAL%202.pdf

²⁰ Cambridgeshire and Peterborough Local Industrial Strategy, Cambridgeshire and Peterborough Combined Authority.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/818886/Cambridge_SINGLE_PAGE.pdf

Beyond the Oxford-Cambridge Arc, there is also another major corridor of life sciences activity running from Cambridge to King's Cross, incorporating Stevenage in the middle. Stevenage is home to an excellent infrastructure for life sciences research and commercialisation, based around the Bioscience Catalyst, which was developed by GSK, the Wellcome Foundation and the UK government. The site, which is adjacent to a GSK R&D facility, comprises dedicated space for early stage ventures and scale-ups, and is home to the government-backed Cell and Gene Therapy Manufacturing Catapult. Firms based on the Bioscience Catalyst have raised more than £1.6 billion since the centre opened its doors in 2012.²¹ The spreading south of the sector from Cambridge, the emergence of King's Cross as a global life science hub and the success of the Stevenage development, has the potential to create a cluster of global scale in the 46 miles between the two nodes. Indeed, the UK Innovation Corridor (linking King's Cross to Cambridge) has the potential to be more significant than the Ox-Cam arc, given the existing good transport infrastructure and the "in-fill" of activity along the length of the Corridor. It should be noted that the distance between San Francisco and San Jose (the two ends of "Silicon Valley") is 40 miles.

Location of life sciences firms in the UK

Source: Office for Life Sciences, 2020.



While in London the life sciences sector is comparatively less mature than in Cambridge and Oxford, it has grown rapidly over the last few years. Indeed, in the decade up to 2018, life sciences

²¹ Stevenage Bioscience Catalyst, <https://www.stevenagecatalyst.com/>

employment in the capital has risen by about a quarter.²² King's Cross, due to its excellent transport connections and the presence of the Crick Institute, the London Bioscience Innovation Centre and UCL, has emerged as the epicentre of the capital's life sciences sector. Global firms including GSK have recently set up operations in the cluster. In August 2020, Merck announced plans to build a £1bn HQ opposite King's Cross station. The 270,000 sq. ft. site will be the company's first set of labs outside the US that carry out early-stage research to discover new medicines, and is expected to house 800 people when it opens in 2025.²³ New commercial office, research facilities and laboratory space aimed at life sciences firms are also being developed in the area, including the proposed British Library extension. The scheme will deliver 600,000 sq ft of commercial space adjacent to the Francis Crick Institute, as well as housing the Alan Turing Institute (the national centre for data science research).²⁴

Other centres are also emerging across other parts of the capital. White City, where Imperial University is developing a 23-acre campus focused on scientific research and entrepreneurship, has recently seen Autolus, Synthace and Novartis relocate to the burgeoning West London cluster. Developments on London's Southbank, including Royal Street, the London Institute of Healthcare Engineering and the King's Health Partners masterplan, have the potential to create a new cluster stretching from Waterloo to London Bridge.

Beyond the Golden Triangle, activity in the life sciences sector is spread broadly across the UK, often aligned with the main life science university locations. The sector is strong in the North West of England, with companies such as AstraZeneca still having a major presence as well as Unilever. The North is also home to a combination of both large med-tech companies such as Smith and Nephew and FUJIFILM, as well as a host of small companies in innovative digital and med-tech sectors. Leeds supports 200 med-tech companies and, with Sheffield, has a strong presence in orthopaedic med-tech. Reckitt Benckiser and Smith and Nephew have major production facility for over-the-counter products in Hull and are both major UK exporters. Small and mid-sized med-tech companies form a cluster in the Midlands, while the Edinburgh-Glasgow corridor is home to several global firms such as Thermo-Fisher. South Wales has a burgeoning med-tech cluster and is home to multiple CROs, while Northern Ireland excels in diagnostics.²⁵ Growing these regional centres is likely to emerge as a key part of the government's 'levelling up' agenda, given that life sciences is a growing sector of international significance. The challenge for both government and the leading life science centres will be to ensure that "levelling up" is not done so at the expense of further building on the country's existing strengths. Those existing centres of excellence will need to be prepared to "fight their corner" over the coming years to ensure they do not suffer relative to other global centres.

²² Knowledge Networks: London and the Ox-Cam Arc, NLA. <https://nla.london/insights/knowledge-networks-london-and-the-ox-cam-arc>

²³ Merck Plans to Build £1bn UK research hub in Central London, Financial Times. <https://www.ft.com/content/c96e79e1-ec9b-49db-9c32-a1fc789f1c3a>

²⁴ British Library Plans a £500m extension, Financial Times. <https://www.ft.com/content/83e7b358-1eae-11e7-b7d3-163f5a7f229c>

²⁵ Life Science Industrial Strategy, Office for Life Sciences. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/650447/LifeSciencesIndustrialStrategy_acc2.pdf

3.3 UK Life Sciences Industrial Strategy

The strength of the life sciences sector in the UK is in part the result of many successive industrial strategies, including the foundation of Celltech in 1980 by Prime Minister Margaret Thatcher, the creation of R&D tax credits by the Labour Government in 2000, and the current Government's commitment to 'make the UK the leading global hub for life sciences.'²⁶

In August 2017, Sir John Bell, of the University of Oxford, submitted to the government the Life Sciences Industrial Strategy. The document outlined an extensive programme of ambitious recommendations to government to support the UK's life sciences sector, including the creation of the Health Advance Research Programme (HARP), to undertake large infrastructure projects and so-called 'moonshot' programmes; the creation four UK companies with a market capitalisation of more than £20 billion in the next decade; attracting ten investments in manufacturing facilities of up to £250 million each; increasing by half the number of clinical trials in the UK; and attracting 2,000 new discovery scientists into the UK; and making the UK one of the world's fastest adopters of new medicines.²⁷ The Life Sciences Industrial Strategy was followed by the Sector Deal, which was backed by 25 global companies, and provides a multi-billion pounds funding pot for research, health data and other innovation.²⁸ It will be important over the next few years that Cambridge is able to fight hard to secure some of the significant initiatives that will be forthcoming as a result of the increased funding and focus on the sector.

3.3.1 Life Science Industrial Strategy Update

Substantial progress has been made on the recommendations of the UK industrial strategy since its publication. The NHS has committed to supporting the best value new treatments and technologies through the Accelerated Access Collaborative (AAC) and new Long-Term Plan. The AAC, an umbrella organisation for health innovation, is supporting a host of proven innovations that have a potential benefit to up to 500,000 patients. The AAC has also agreed coordination plans to support the adoption of cutting-edge techniques in advanced therapy medicinal products, tumour-agnostic therapies, and the use of AI in diagnostics and screening.

To better support efforts by UK companies to scale, investment programmes have been created to improve access to capital. In October 2019, the government announced a dedicated £600m life sciences scale-up investment fund was to be established through the British Business Bank although there is no evidence this has yet formally launched and the amount, while welcomed by the industry, is insufficient to make a significant difference if distributed across the UK. Alongside the scale-up fund announcement, the government has also expanded its investments in promising life sciences firms via British Patient Capital – a £2.5 billion government fund to increase the amount of long-term funding available to British firms. In July 2020, the body invested \$65 million

²⁶ Life Sciences: Catalysing Investment and Growth, UK Bioindustry Association.

<https://www.bioindustry.org/uploads/assets/uploaded/cf63473a-0e6e-491f-827250457cc39aed.pdf>

²⁷ Life Science Industrial Strategy, Office for Life Sciences.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/650447/LifeSciencesIndustrialStrategy_acc2.pdf

²⁸ Future of UK Life Sciences, Economist Intelligence Unit.

<http://www.eiu.com/graphics/marketing/pdf/Future-of-UK-Life-Sciences-EIU.pdf>

to a fund managed by SV Health Investors, which will invest in companies working in precision medicines.²⁹

The UK has also launched a renewed Life Sciences Opportunity Zone (LSOZ) offer, through which the government will support science parks in attracting investment, with Cambridge BioMedical Campus named as one of the LSOZ.³⁰ Policies to incentivise investment into the sector have also been sharpened, including tax relief support for schemes such as Enterprise Investment Schemes and Venture Capital Trusts. The Financial Conduct Authority is working with large pension funds to enable investment into high-growth companies, including those in the life sciences sector.

Improving access to healthcare data was identified as a key component of the life sciences industrial strategy. Considerable efforts have subsequently been undertaken to improve the UK's stock of medical data. The UK Health Data Research Alliance has been founded to facilitate common processes for accessing data between NHS digital, NHS England, Public Health England, Genomics England, UK Biobank and a number of hospital trusts. NHS Digital, NHSX and partners are also establishing a new approach for the utilisation of GP Data for planning and research, and enabling secure linkage of this to other key datasets such as hospital data.

Better management and linking of data will enable applications of AI, an area in which considerable progress has been made. A national Artificial Intelligence Lab was established in 2019 to support the development and deployment of AI solutions. The lab is part of NHSX and bring together the sector's leading academics, specialist and technology firms to work on applications of AI in healthcare, including earlier cancer detection, new dementia treatments and more personalised care. Supporting these efforts are programmes to ensure the UK has the necessary technical and statistical skills to effectively utilise AI: A national programme launched last year will provide £200 million to fund 1,000 PhDs in AI.³¹ Health Education England has also created a Digital Fellowships in Healthcare to support NHS organisations in upskilling clinical staff in specialist digital skills.³²

Investments have also been made to enhance the UK's capabilities in genomic healthcare. In September 2019, a consortium of life sciences companies, The Wellcome Trust and the government collectively invested £200 million to deliver whole genome sequencing of the half a million participants of the UK's Biobank. The resulting data will enhance efforts to understand how genetics combine with lifestyle and environment to cause diseases.³³ The UK's largest ever health research programme, The Accelerated Detection of Disease programme, was also launched in

²⁹ British Patient Capital commits \$65m to SV Health Investors, to invest in life-changing biotechnology companies, British Patient Capital. <https://www.britishpatientcapital.co.uk/british-patient-capital-commits-65m-to-sv-health-investors-to-invest-in-life-changing-biotechnology-companies/>

³⁰ UK Life Science Opportunity Zones announced, Pharma News https://pharmafield.co.uk/pharma_news/uk-life-science-opportunity-zones-announced/

³¹ Government backs next generation of scientists to transform healthcare and tackle climate change, Gov UK. <https://www.gov.uk/government/news/government-backs-next-generation-of-scientists-to-transform-healthcare-and-tackle-climate-change>

³² Topol, <https://topol.hee.nhs.uk/digital-fellowships/>

³³ UK Biobank leads the way in genetics research, UK Biobank. <https://www.ukbiobank.ac.uk/2019/09/uk-biobank-leads-the-way-in-genetics-research-to-tackle-chronic-diseases/>

2019. The programme will collect genomic and phenotypic data from 5 million volunteers, and make it available for researchers.

Considerable investments have also been made to build capabilities in the manufacture of advanced medicines. £146 million was committed to medicines manufacturing as part of the Life Sciences Sector Deal. New state of the art facilities are being created in the Medicines Manufacturing Innovation Centre in Glasgow and the Vaccines Manufacturing Innovation Centre in Harwell, near Oxford. Existing programmes in place through the Cell and Gene Therapy Catapult (CGTC) have also been bolstered by additional funding and enhanced capabilities. Manufacturing capacity at the CGTC manufacturing centre in Stevenage, a facility that enables companies to develop their manufacturing processes at scale, was doubled in September 2019 with the completion of extension works. In July 2020, the CGTC was granted a further £100 million by the government to establish a new manufacturing innovation centre in Braintree.³⁴

3.4 The Impact of Brexit

At the time of writing, however, the UK-EU transitional agreement is poised to lapse at the end of 2020 with no post-Brexit trade deal currently agreed. While most pharmaceuticals are exempt from new tariff barriers, regulatory barriers could prove a substantial additional cost. The UK life sciences sector is highly dependent on exports to the European Union: In 2018, the EU accounted for almost half of UK pharmaceutical exports, according to the Office for National Statistics. There were already signs that Brexit uncertainty was impacting sales - total pharmaceutical exports to the EU fell by 19% in 2018 year-on-year.³⁵

To mitigate further declines and help companies prepare for the changes ahead, the government has issued Brexit guidance for companies. For the typical pharmaceutical company, however, this amounts to around 80 separate documents. To mitigate the effects of a potential no deal Brexit, most companies have transferred marketing authorisations, rerouted logistics and built up stockpiles. In many cases this will have meant setting up new operations in mainland Europe.

If managed carefully, the UK Life Science Industrial Strategy explains that an EU exit may be used as a catalyst to take steps to speed the growth of the life sciences sector in the UK. Healthcare is a global business and Brexit may present an opportunity for the UK to expand and develop its global markets, as well as being a destination for inward investment that wishes to take advantage of world class science and infrastructure.³⁶

However, to capitalise on this opportunity the UK will need to forge new trade links outside the EU. There are about 40 countries that have EU free-trade agreements (FTAs), economic partnership agreements (EPAs) or mutual recognition agreements (MRAs) in place. The UK will

³⁴ Positioning statement: CGT Catapult Manufacturing Innovation Centre, Catapult.
<https://ct.catapult.org.uk/news-media/general-news/positioning-statement-cgt-catapult-manufacturing-innovation-centre>

³⁵ Future of UK Life Sciences, Economist Intelligence Unit.
<http://www.eiu.com/graphics/marketing/pdf/Future-of-UK-Life-Sciences-EIU.pdf>

³⁶ Life Science Industrial Strategy, Office for Life Sciences.
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/650447/LifeSciencesIndustrialStrategy_acc2.pdf

have to convince many of these countries to rollover existing agreements to post-Brexit Britain or sign new agreements. Additionally, the UK must strike entirely new deals from scratch with the US, China and India.

AstraZeneca has also warned that failure to secure domestic R&D funding to replace funding that had been expected from EU programmes could cost nearly 700 gross jobs and GVA worth £139 million p.a. in net terms by 2023. Additionally, failure by the UK to continue to attract and have access to the current share of the world's best R&D talent could result in the UK losing around 3,000 gross jobs and GVA worth £445 million per annum in net terms by 2023. It is important to recognise that these are some of the headwinds that the Cambridge life science sector faces.

4 Analysis of the Cambridgeshire and Peterborough Life Sciences Market

The Cambridgeshire and Peterborough Combined Authority is home to the UK's most mature life sciences market. According to the data from the Office for Life Sciences, there are around 470 firms based in the area. These firms employ around 20,000 scientists and other personnel.³⁷ The epicentre of this market is Cambridge and its immediate surrounding area – life sciences firms in and around Cambridge alone are estimated to contribute around £2.9 billion annually to the UK economy. By 2032, according to analysis from AstraZeneca and Development Economics, the cluster could generate an additional £1 billion per annum and create an additional 6,000 jobs.³⁸

4.1 Life Sciences Corporate Landscape

Commercial life sciences operations are heavily concentrated across the South Cambridgeshire with the second largest cluster being in the city of Cambridge: Of the approximately 470 life sciences companies based in the Cambridgeshire and Peterborough Combined Authority area, Cambridge and South Cambridgeshire are home to around 390 of them. A further 70 firms are based across East Cambridgeshire and Huntingdonshire, while Peterborough is home to only around 10 firms.³⁹

Number of Life Sciences Firms by Local Authority Area

| Local authority Area | Number of companies |
|----------------------|---------------------|
| South Cambridgeshire | 240 |
| Cambridge | 150 |
| Huntingdonshire | 40 |
| East Cambridgeshire | 30 |
| Peterborough | 10 |
| Fenland | 0 |

Source: Office for Life Sciences, figures are rounded to nearest 10 companies.

³⁷ Based on data from Office for National Statistics NOMIS. <https://www.nomisweb.co.uk/>

³⁸ Cambridge: Driving Growth in Life Sciences, AstraZeneca. https://www.astrazeneca.com/content/dam/az/media-centre-docs/article_files/articles-2018/Astrazeneca-Clusters-Report-Exec-Summary%20FINAL%202.pdf

³⁹ Based on data from the Office for Life Sciences. <https://www.gov.uk/government/statistics/bioscience-and-health-technology-sector-statistics-2019>

Many of global behemoths of the life science sector have a presence in the Cambridgeshire, including AstraZeneca, Amgen, Pfizer and GSK. The depth of the area's ecosystem, its world-leading research institutions, has drawn multinationals to set up or expand their operations in the cluster over recent years. AstraZeneca, which opted to relocate its global headquarters to Cambridge in 2013, is the most significant of these. AstraZeneca arrived in Cambridge through its acquisition of Cambridge Antibody Technology in 2006, which was subsequently merged with MedImmune, a later acquisition. The company's new headquarters on the Cambridge Biomedical Campus are set to open in 2021 and are expected to house 2,000 staff, many of whose roles were relocated from London and Alderley Park in Cheshire.⁴⁰

Cambridgeshire has proven to be a generally supportive environment for the establishment and growth of new firms. Indeed, around two-thirds of all life sciences firms across Cambridgeshire were founded in the two decades to 2018.⁴¹ As one key investor in the industry we interviewed for this report said, **'The reason I took up the role in Cambridge is that the quality of its early stage company base offers the opportunity for explosive growth.'** Local champion Abcam, founded in 1998, last year opened its £46 million headquarters on the Cambridge Biomedical Campus. The 100,000 sq. ft. laboratory and office facility houses over 450 Abcam staff, but has room to grow to accommodate more than 600.⁴²

% of life sciences in the Combined Authority by number of employees

| Number of employees | % of firms |
|----------------------------------|------------|
| 0-4 | 46% |
| 5 – 9 | 16% |
| 10 - 19 | 10% |
| 20-49 | 14% |
| 50-99 | 6% |
| 100-249 | 6% |
| 250+ | 2% |
| Source: Office for Life Sciences | |

As discussed above, some of the most innovate and cutting-edge treatments and techniques within life sciences are being pioneered by the sector's start-up and scale-up firms. Each year, around 15 – 25 new life sciences firms are formed in Cambridgeshire, compared with 15 – 20 in Oxfordshire and 30 – 40 in London.⁴³

⁴⁰ AstraZeneca's HQ budget balloons to 3 times original forecast, Fierce Biotech.

<https://www.fiercebiotech.com/biotech/astrazeneca-s-hq-budget-balloons-to-3-times-original-forecast>

⁴¹ Based on data from the Office for Life Sciences <https://www.gov.uk/government/statistics/bioscience-and-health-technology-sector-statistics-2019>

⁴² Inside Abcam's new £46million headquarters on Cambridge Biomedical Campus, Cambridge Independent. <https://www.cambridgeindependent.co.uk/business/inside-abcams-new-46million-headquarters-on-cambridge-biomedical-campus-9064030/>

⁴³ Cambridge Life Sciences Market Update, JLL. <https://www.jll.co.uk/content/dam/jll-com/documents/pdf/other/cambridge-life-sciences-market-overview.pdf>

Providing a more conducive infrastructure to allow these firms to scale, as Abcam has, was one of the key themes to emerge during our interviews with experts from the local life sciences sector. Indeed, while Cambridge is home to many of the world's largest life sciences firms, these companies represent a relatively small share of the total number of firms across the Combined Authority. Almost three quarters of the firms across Cambridgeshire and Peterborough employ fewer than 20 people, and only around 8% employ more than 100 people.⁴⁴ The presence of larger firms plays a vital role in a successful life sciences cluster, as such firms are able to pull talent and their supply chain partners to relocate locally, as well as making private investment into critical commercial infrastructure, such as laboratories, more viable.

It should be noted that the issue of affordable housing and transport was often raised by interviewees. These conversations were not pursued as they are outside the remit of this report and indeed, the impact extends to all growing industries in the Cambridge area, not simply life sciences.

4.1.1 The Life Sciences – Technology Nexus

Life sciences firms in Cambridge also benefit from the cluster's world-leading capabilities in computer science, software engineering and artificial intelligence. **'Cambridge is uniquely positioned to take advantage of the merging of AI and life sciences- the question is how we make the most of that'**, said one leading industry figure during interview. Many of the breakout successes of Cambridge's life sciences ecosystem within the last few of years, including Healx and Congenica, have been working at the confluence of life sciences and these fields.

Firms working on applications of emerging technology in life sciences benefit from the presence of Cambridge University, which provides some of the sharpest minds and most impactful research in the industry; as well as the large community of global firms from across the broad spectrum of technology. Arm Holdings, the world's leading designer of processors for mobile devices, was founded in Cambridge in 1990. The company, along with its new parent Nvidia, announced in September 2020 it would be creating a new AI research centre in Cambridge to focus on applications of the technology in life sciences, autonomous vehicles and other fields.⁴⁵ Elsewhere, the likes of Apple, Microsoft, Amazon and Samsung have all recently made investments to expand their operations in the city.

While Peterborough is home to only a handful of life sciences firms, it does have a strong high-tech manufacturing base. Around one fifth of turnover from businesses in Peterborough, according to figures from the CBR, comes from high-tech manufacturing, with a further 6% coming from other manufacturing.⁴⁶ Large engineering firms, including Caterpillar, have engineering bases in the city. Prototype fabrications for the first MRI machines were built just outside Peterborough at Chatteris,

⁴⁴ Based on data from the Office for Life Sciences <https://www.gov.uk/government/statistics/bioscience-and-health-technology-sector-statistics-2019>

⁴⁵ NVIDIA and Arm to Create World-Class AI Research Center in Cambridge, NVIDIA. <https://blogs.nvidia.com/blog/2020/09/13/arm-ai-research-center-cambridge-uk/>

⁴⁶ Cambridge and Peterborough Independent Economic Review, CPIER, <https://www.cpier.org.uk/final-report/>

and Stainless Metalcraft continues to produce high-end scientific products such as cryostats - chambers that can maintain very low temperatures – on the Chatteris industrial estate.⁴⁷

4.1 Life Sciences Corporate Landscape – key points

- Most life sciences activity is concentrated in Cambridge centre and to the south of the city.
- The distribution of firms in the Combined Authority skews small. There are relatively few firms that employ more than 100 people.
- The strengths in technology and life sciences are a real competitive advantage for the Combined Authority's life sciences ecosystem.

4.2 Funding

Access to capital is a critical component of any successful commercial cluster. This is especially the case in life sciences, given the large quantities of capital required to develop new medicines. Start-up and scale-up firms across Cambridgeshire have been supported by the large volumes of venture investments that have flowed into the area in recent years. Data from CrunchBase shows that more than \$950 million of venture funding was invested into life sciences firms in Cambridge between 2015 and 2020. Compared with its peers in the golden triangle, moreover, venture investments into Cambridge-based firms tend to be larger – with a median round size of \$6 million, compared with \$3.9 million in Oxford and \$1.3 million in London.⁴⁸ This is potentially due to the relative maturity of businesses in Cambridge. However, the \$950 million of venture capital invested in Cambridge life sciences companies over the past five years pails into insignificance compared to around \$17 billion raised by biopharma companies in Massachusetts over the same period.

A growing number of Cambridge-based funds have been established in the last few years to support local businesses. In June 2019, Cambridge-based Ahren announced it had raised £200 million (\$254 million) to invest in science and technology firms. Ahren is backed by some of Cambridge's best-known scientists and engineers, and has received money from the likes of Unilever, Aviva and Sky.⁴⁹ The fund has so far invested in Cambridge-based life sciences firms Adrestia Therapeutics and Bicycle Therapeutics.⁵⁰ Elsewhere, the University of Cambridge's Cambridge Innovation Capital (CIC) raised an additional £150 million in March 2019 to invest in high-tech firms. CIC has backed many local life sciences companies, including Inivata, a spinout of Cancer Research UK's Cambridge laboratory; and CMR Surgical, a medical robotics company.⁵¹

⁴⁷ Cambridge and Peterborough Independent Economic Review, CPIER, <https://www.cpier.org.uk/final-report/>

⁴⁸ Based on data from CrunchBase. <https://www.crunchbase.com/>

⁴⁹ Scientists' \$250m fund aims to keep start-ups in the UK, Financial Times. <https://www.ft.com/content/d66a8d84-9748-11e9-8cfb-30c211dcd229>

⁵⁰ Ahren, <https://www.ahreninnovationcapital.com/companies>

⁵¹ Cambridge fund raises £150m in year's largest UK tech round, Financial Times. <https://www.ft.com/content/27baa410-5245-11e9-b401-8d9ef1626294>

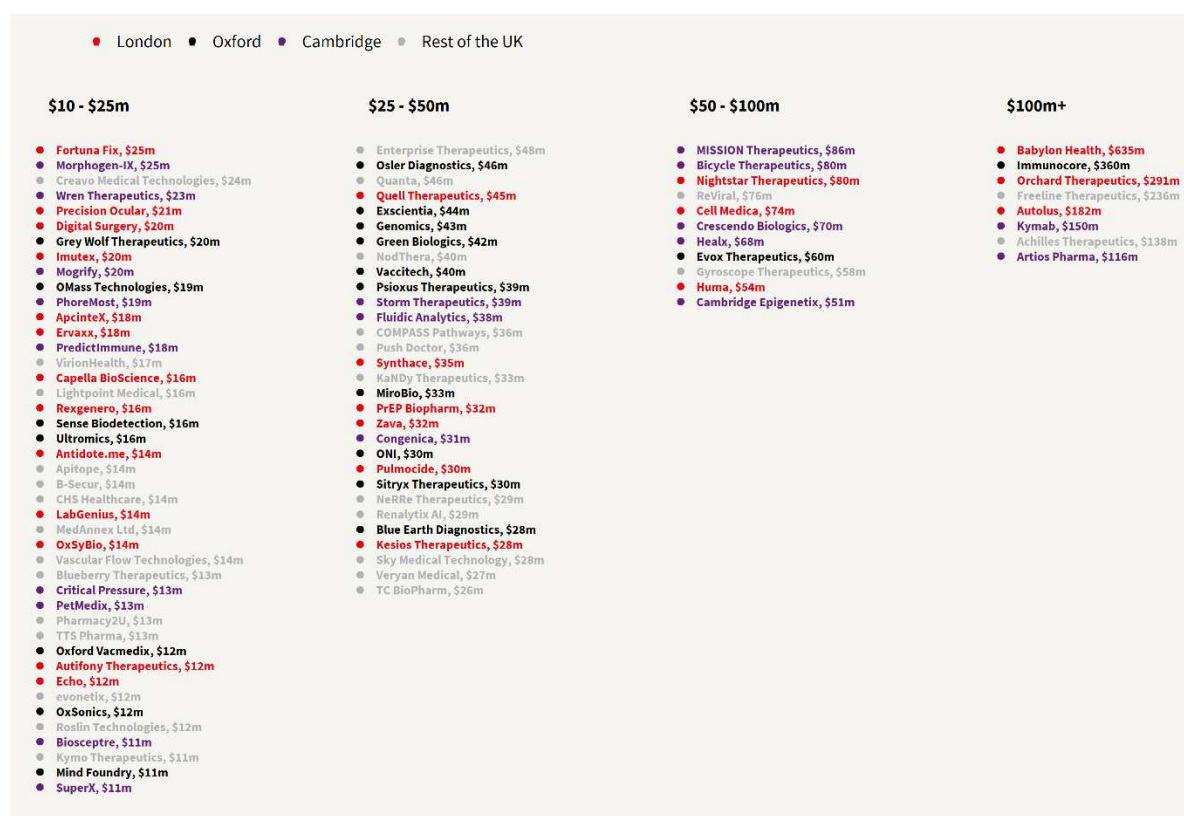
Aside from CIC, Cambridge Angels has supported start-ups and growing life science companies for many years.

The Combined Authority is also active in supporting early stage life sciences firms. It is one of several backers of Start Codon, a programme established in 2019 to provide life sciences firms with seed funding, mentoring and access to office and laboratory space. Start Codon recently raised £15 million to invest in life sciences start-ups, and is also backed by Genetech, Novartis and Cancer Research.⁵²

Elsewhere, several Cambridge-based life sciences firms have established their own programmes to provide funding and growth opportunities to young enterprises. Illumina Accelerator, run out of the biotech company's labs in Granta Park, provides start-ups with seed investment and access to Illumina's sequencing systems and reagent.⁵³

The general picture, confirmed repeatedly through interviews and surveys, is that early stage financing for life science companies in Cambridge is not in short supply.

Total venture funding into life sciences firms in London, Oxford and Cambridge, 2015 - 2020



But while the large volumes of venture investment into Cambridge have supported the area's vibrant ecosystem of private firms, Cambridge is home to relatively few publicly traded firms. We

⁵² Start Cordon closes new £15 million venture fund to translate life science innovation into successful companies, Start Cordon. https://startcodon.co/ASSETS/UPLOADS/StartCodon_Press-Release_Fund-close-and-Novartis_161120.pdf

⁵³ Illumina Accelerator, <https://www.illumina.com/science/accelerator.html>

have identified just ten public life sciences firms headquartered in Cambridge, with a median market capitalisation of £186 million. Of these, only three went through an Initial Public Offering (IPO) in the last five years: Nuformix in December 2015; Acacia Pharma in March 2018; and Bicycle Therapeutics in May 2019. By comparison, Boston and its surrounding areas are home to more than 160 publicly-traded life sciences firms, around half of which have been through an IPO since 2015.⁵⁴

The lack of public companies in Cambridge is in part because many of the breakout successes of the life sciences sector have been acquired before they were able to grow into large, independent global firms. Cambridge Antibody Technology, for instance, was sold to AstraZeneca even though it had developed a host of potential products that could have allowed it to become a major life sciences firm had it been able to navigate the capital-intensive tasks of late-stage development, manufacturing and commercialising these products.⁵⁵ Similarly, KuDOS Pharmaceuticals had developed a breakthrough treatment for breast and ovarian tumours that was undergoing clinical trials when the firm was acquired.⁵⁶ Most recently, Horizon Discovery announced its acquisition by PerkinElmer for £296 million, reducing further the number of independent publicly listed life science companies in the area.

In the 2017 UK Life Sciences Industrial Strategy, the authors stated an ambition that the UK should aim to create four life sciences firms with a market capitalisation of more than £20 billion this decade. The UK is currently home to only two such companies, AstraZeneca and GSK. Given that Cambridge is perhaps the UK's most advanced centre for life sciences, we could reasonably expect that the city and its surrounding area should be home to perhaps two of these four firms. However, leaving aside AstraZeneca, Cambridge's next two most valuable firms – Abcam and GW Pharmaceuticals – are collectively worth less than £5 billion.⁵⁷

Cambridgeshire-HQ'd publicly listed life sciences firms

| Company name | Market cap (£m) |
|-------------------------|-----------------|
| AstraZeneca | 108,509 |
| Abcam | 2,636 |
| GW Pharmaceuticals | 2,346 |
| Bicycle Therapeutics | 281 |
| Acacia Pharma Group | 177 |
| Horizon Discovery Group | 146 |
| SDI Group | 61 |
| Sareum Holdings | 26 |
| Nuformix | 15 |
| Feedback | 12 |

⁵⁴ The data used here are from Refinitiv Eikon and refer to public companies in the healthcare sector.

⁵⁵ Life Science Industrial Strategy, Office for Life Sciences.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/650447/LifeSciencesIndustrialStrategy_acc2.pdf

⁵⁶ While this transaction occurred in 2005, it's noteworthy that the prohibitive costs of conducting the clinical trials were cited by the then CEO as a reason for selling the firm to AstraZeneca.

<https://www.theguardian.com/business/2005/dec/24/3>

⁵⁷ Data from Refinitiv Eikon

Notes:

- Market cap at 07 October 2020.

Source: Refinitiv Eikon

Supporting firms in accessing public markets is key to the long-term growth of companies in the life sciences sector. This is not only because the public markets provide much deeper pools of capital than is usually seen with venture and other forms of private funding, but, more importantly, venture funds typically seek to exit their investments within 5-10 years – providing little patience for the long-term investments that building a business of significant global scale requires. Without strong local public markets, the scale of venture capital investment seen in Boston will not be achievable as investment model that enables large scale venture investments at good valuations struggles to work. Moreover, the public markets provide a key societal good in democratising access to firms and a route to sharing in their successes by allowing individuals (or their pension funds) to purchase shares.

4.2 Funding – key points

- While investment in Cambridge life science companies looks strong compared to other European clusters, it is just a fraction of that in Boston and arguably insufficient to reliably build globally significant businesses.
- The poorly developed public equity markets and paucity of IPOs is holding back development of the sector in the UK, and Cambridge in particular.

4.3 Employment and Skills

The UK Office for National Statistics publishes annual estimates of employment within different Standard Industrial Classification (SIC) categories. We have combined several of these categories into a definition of life sciences. On this basis, we estimate the total life sciences employment in Cambridgeshire and Peterborough amounts to around 20,000 people. The vast majority of this employment is concentrated in Cambridge and South Cambridgeshire, and comprises roles focused on research and development into biotechnology and natural sciences.

Furthermore, comparing the same figures for other life sciences centres in the UK, the Combined Authority performs extremely favourably: We estimate that life sciences employment in Cambridgeshire and Peterborough is around 60% larger than in Oxfordshire, and around four times larger than in either Greater Manchester or Edinburgh.

Breakdown of life sciences employment in the combined authority

| SIC code | Description | South Cam. | Cambridge | Peterborough | Huntingdonshire | East Cam. | Fenland | Total |
|----------|--|------------|-----------|--------------|-----------------|-----------|---------|--------|
| 72110 | Research and experimental development on biotechnology | 1,000 | 350 | 0 | 45 | 10 | 0 | 1405 |
| 72190 | Other research and experimental | 11,000 | 4,500 | 125 | 225 | 200 | 10 | 16,060 |

| | | | | | | | | |
|-------------------------------------|---|---------------|--------------|------------|------------|------------|-----------|---------------|
| | development on natural sciences and engineering | | | | | | | |
| 21100 | Manufacture of basic pharmaceutical products | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 21200 | Manufacture of pharmaceutical preparations | 800 | 5 | 0 | 0 | 10 | 0 | 815 |
| 26600 | Manufacture of irradiation, electromedical and electrotherapeutic equipment | 100 | 30 | 0 | 0 | 0 | 0 | 130 |
| 32500 | Manufacture of medical and dental instruments and supplies | 150 | 75 | 45 | 100 | 10 | 0 | 380 |
| 46460 | Wholesale of pharmaceutical goods | 175 | 250 | 500 | 250 | 35 | 0 | 1210 |
| All life sciences employment | | 13,225 | 5,210 | 670 | 620 | 265 | 10 | 20,000 |

Source: ONS Nomis, 2018

Estimated life sciences employment by city

| Location | Estimated life sciences employment |
|---------------------------------|------------------------------------|
| London | 30,000 |
| Cambridgeshire and Peterborough | 20,000 |
| Oxfordshire | 12,500 |
| Leeds | 6,100 |
| Greater Manchester | 5,400 |
| Edinburgh | 5,300 |
| Glasgow | 3,600 |
| Birmingham | 3,500 |
| Nottingham | 3,200 |
| Bristol | 1,700 |
| Cardiff | 1,400 |
| Newcastle | 800 |
| Aberdeen | 700 |

Source: ONS Nomis, 2018

4.3.1 The Skills and Talent Challenge

The positive growth prospects for the life sciences sector are set to create thousands of new jobs across the UK over the next decade. According to the Life Sciences 2030 Skills Strategy, the sector is likely to need 133,000 new roles across the UK to meet forecasted growth in demand and to

replace retirees by 2030. Around 90,000 of these jobs will be in the medical technology sector, with the remaining 43,000 in biopharmaceuticals.⁵⁸

Filling these vacancies will not only be a challenge due to the numbers involved, but also because the skills requirements of the sector are evolving. A 2019 report by ABPI identified shortages of technical skills in immunology and genomics, areas of critical importance to the development of new medicines; as well as a shortage of technical skills, such as data science. There is likely to be a considerable shortfall in areas of interdisciplinary overlap between medical fields and data analytics, such as computational chemistry, chemometrics and chemoinformatics.⁵⁹

While the Combined Authority is home to a large employment base and some of the world's most talented scientists, interviewees consistently mentioned skills shortages as an area of concern. In particular, retaining those working in bioinformatics and related fields is a challenge. As one interviewee working in this field said **'One of the issues we face is that data scientists and bioinformaticians are lured away to London by much bigger salaries. We can't compete on salary, but we simply aren't producing enough people with these skills to compensate'**.

It was also made clear to us in our interviews that skills shortages in the sector are not only related to scientific and technology fields, but also to more generalist skills in business management and entrepreneurship. As one industry leader commented, **'We need people with the commercial management skills to take companies to the next level, but these are few and far between. Buying them in is not the answer as they are just as rare, if not more so, in the rest of the UK'**. The shortage of commercial management skills was one of the most frequently commented-upon points.

4.3.2 The Combined Authority's Future Talent Pipeline

Much of the sector's future talent will still be enrolled in education programmes. Cambridge University, as the world's top-rated university in life sciences, is central to helping address the talent demands of the sector and shaping some of the sharpest minds, while Anglia Ruskin University is also a key player in addressing skills shortages.

The Higher Education Statistics Agency (HESA) provides data on undergraduates, postgraduates and other students enrolled in full time and part time programmes at UK higher education institutions. According to this data, there are currently 8,375 students enrolled in life science related programmes at the University of Cambridge in 2018 - 2019, compared with 8,065 in 2014 - 2015.⁶⁰ There are also an additional 10,965 students enrolled in these programmes at Anglia Ruskin University.

⁵⁸ Life Sciences 2030 Skills Strategy, Science Industry Partnership.
<https://www.scienceindustrypartnership.com/media/2071/sip-life-sciences-2030-skills-strategy-print-version-final.pdf>

⁵⁹ Bridging the Skills Gap in the Biopharmaceutical Industry, ABPI.
https://www.abpi.org.uk/media/6657/190124-final-abpi-bridging-the-gap-in-the-biopharmaceutical-industry_v3.pdf

⁶⁰ Programmes related to Life Sciences are subjects aligned to medicine, biological sciences, physical sciences, mathematics, computer science and engineering and technology.

It is important to recognise that many students enrolled in subjects suitable for life sciences employment will not enter the industry after graduating. Many who do enter the combined authority's life sciences sector will migrate from other parts of the UK (and beyond). However, ensuring that a large proportion of Cambridge's newly graduated talent opt to remain in Cambridge after completing their studies will be an important component of meeting the labour needs of the life sciences sector going forward.

According to several people we spoke to during our interviews, some of the most talented individuals leaving university are increasingly opting to relocate to London over remaining in Cambridge. Indeed, data from the UK Office for National Statistics shows that the combined authority experienced a net negative migration of those aged between 25 and 30 over the last three years, with around 1,450 more young people moving out of the area than moving in.

London boroughs, including Lambeth, Wandsworth, Tower Hamlets and Southwark, are among the top destinations for this outward migration.⁶¹ Indeed, looking at net migration to London boroughs alone over the last three years – not taking into account the other parts of the UK where Cambridge experiences a net positive flow of young people – the combined authority experienced a net loss of around 1,750 people aged between 25 and 30.

Migration into and out of the Combined Authority from other parts of the United Kingdom, 2017 – 2019 inclusive

| Age | Moves to Combined Authority | Moves from Combined Authority | Net Internal Migration |
|------------|------------------------------------|--------------------------------------|-------------------------------|
| 0-5 | 4,156 | 4,162 | -6 |
| 5-10 | 2,586 | 2,689 | -103 |
| 10-15 | 1,691 | 1,951 | -260 |
| 15-20 | 8,630 | 10,608 | -1,978 |
| 20-25 | 27,447 | 28,720 | -1,273 |
| 25-30 | 16,194 | 17,665 | -1,471 |
| 30-35 | 10,632 | 10,490 | 142 |
| 35-40 | 6,917 | 6,800 | 117 |
| 40-45 | 4,163 | 4,040 | 123 |
| 45-50 | 3,063 | 3,212 | -149 |
| 50-55 | 2,718 | 2,960 | -242 |
| 55-60 | 1,964 | 2,446 | -482 |

⁶¹ Calculated from the Office for National Statistics Internal Migration Data: <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/migrationwithintheuk/datasets/internalmigrationbyoriginanddestinationlocalauthoritiessexandsingleyearofagedetailedestimatesdataset>

| | | | |
|--|-------|-------|------|
| 60-65 | 1,415 | 1,785 | -370 |
| 65-70 | 1,033 | 1,342 | -309 |
| 70-75 | 754 | 874 | -120 |
| 75-80 | 406 | 388 | 18 |
| 80-85 | 287 | 303 | -16 |
| 85-90 | 166 | 163 | 3 |
| 90-95 | 90 | 111 | -21 |
| 95-100 | 25 | 25 | 0 |
| Source: Office for National Statistics | | | |

Top 10 destinations for outward net domestic migration from the combined authority of 25 – 30-year olds, 2017 – 2019 inclusive

| Local Authority area | Moves in | Moves out | Net migration |
|----------------------|----------|-----------|---------------|
| Lambeth | 235 | 509 | -274 |
| Wandsworth | 180 | 408 | -228 |
| Tower Hamlets | 215 | 440 | -225 |
| Southwark | 167 | 387 | -220 |
| Islington | 196 | 378 | -182 |
| Hackney | 94 | 259 | -165 |
| West Suffolk | 535 | 684 | -149 |
| South Kesteven | 353 | 461 | -108 |
| Camden | 231 | 332 | -101 |
| Westminster | 133 | 229 | -96 |

Source: Office for National Statistics

**Top 10
destinations
for inward**

net domestic migration from the combined authority of 25 – 30-year olds, 2017 – 2019 inclusive

| Local Authority area | Moves in | Moves out | Net migration |
|------------------------------|----------|-----------|---------------|
| Central Bedfordshire | 344 | 236 | 108 |
| Nottingham | 218 | 137 | 81 |
| North Hertfordshire | 399 | 320 | 79 |
| East Hertfordshire | 172 | 97 | 75 |
| Sheffield | 246 | 177 | 69 |
| Southampton | 123 | 56 | 67 |
| Stevenage | 127 | 65 | 62 |
| King's Lynn and West Norfolk | 568 | 509 | 59 |
| Welwyn Hatfield | 110 | 53 | 57 |

| | | | |
|--|-----|----|----|
| Boston | 111 | 59 | 52 |
| Source: Office for National Statistics | | | |

4.3 Employment and Skills – Key Points

- There is a shortage of people with the technical skills to support the life science industry in the Cambridge area, especially in the convergence of AI and life sciences, seen as a key differentiator for the industry in the area
- There is a shortage of people with the commercial management skills required to grow a life science company

4.4 Universities

While the combined authority is home to several highly regarded universities and other higher education institutions, The University of Cambridge is a global leader. The University supports over 1,800 researchers and 18,000 students, and is rated by the 2020 Times Higher Education World University Ranking as the world's third best university.⁶²

Cambridge University plays a vital role in supporting the strength of the life sciences sector across the combined authority (and beyond). A leader in the pharmaceutical industry noted **'We have multiple relationships with Cambridge University and have found the experience to be positive'**. This isn't limited to large companies- none of the people interviewed raised working with the universities as a particular challenge.

In addition to being the world's top-rated institution in the field of life sciences, many breakthrough discoveries that formed the foundation of the life science industry were made by the university's researchers – including the structure of DNA (alongside Maurice Wilkins of King's College, London); monoclonal antibodies; DNA sequencing; and phage display antibody production.

⁶² World University Rankings 2020 by subject: life sciences, Times Higher Education.

Research publications produced by Cambridge University's academics across life sciences-related disciplines are some of the most impactful in the world. According to data from the CWTS Leiden Ranking, academics at the University of Cambridge produced more than 4,700 biomedical and health publications between 2015 and 2018. Just over a fifth of these papers were among the top 10% most cited in the field – the same proportion as the University of Oxford, the University of California and Harvard University.⁶³

Top 20 universities worldwide for quality of biomedical and health sciences research publications

| University | Country | # Papers | # Papers in top decile most cited | Top decile most cited as % of all papers |
|---|-----------------------|-------------|-----------------------------------|--|
| Massachusetts Institute of Technology | United States | 2196 | 668 | 30% |
| University of California, Berkeley | United States | 2240 | 488 | 22% |
| University of Oxford | United Kingdom | 6151 | 1314 | 21% |
| University of Cambridge | United Kingdom | 4715 | 992 | 21% |
| Harvard University | United States | 24791 | 5133 | 21% |
| Stanford University | United States | 8139 | 1621 | 20% |
| University of Colorado, Boulder | United States | 1027 | 199 | 19% |
| University of California, San Francisco | United States | 8892 | 1709 | 19% |
| Imperial College London | United Kingdom | 4947 | 937 | 19% |
| University College London | United Kingdom | 8073 | 1520 | 19% |
| University of California, San Diego | United States | 6564 | 1165 | 18% |
| Cornell University | United States | 6364 | 1118 | 18% |
| Columbia University | United States | 6965 | 1224 | 18% |
| Yale University | United States | 7231 | 1259 | 17% |
| University of Dundee | United Kingdom | 1114 | 194 | 17% |
| Queen Mary University of London | United Kingdom | 1733 | 302 | 17% |
| University of Glasgow | United Kingdom | 2118 | 368 | 17% |
| University of Texas Southwestern Medical Center at Dallas | United States | 4124 | 707 | 17% |
| Washington University in St. Louis | United States | 6366 | 1085 | 17% |
| London School of Hygiene & Tropical Medicine | United Kingdom | 1667 | 284 | 17% |

⁶³ CWTS Liden Ranking 2020, <https://www.leidenranking.com/downloads>

Source: CWTS Leiden. Based on % of publications in the top decile for number of citations between 2015 and 2018. Excludes institutions who published less than 1,000 papers.

The university's strengths at the cutting-edge of life sciences research are also bolstered by its credentials in adjacent fields of artificial intelligence and machine learning. Cambridge University is home to the Cambridge Centre of AI Medicine, which brings together some of most influential scientists across the both AI and medicine to research applications of emerging technology in precision medicine, biomedical discovery and the design of clinical trials.⁶⁴

The university's academic strengths in teaching and research produces a stream of intellectual property and spin-out companies. Around 25 new spinout life sciences firms from the University of Cambridge were formed in between 2014 and 2018 – more than those spun from universities in Manchester, Leeds and Edinburgh combined. These companies have to date received around £334 million of venture investment.⁶⁵

The University of Cambridge is also closely involved with the provision of laboratory and research space that enables spinouts and other life sciences firms to grow. Indeed, Cambridge Science Park, the UK's first science park, was founded by Cambridge's Trinity College in 1970 and modelled on similar initiatives undertaken by American universities to spur greater links between higher education and industry. The park has since grown to accommodate 130 firms, including life sciences firms Bayer, Novogene and Amgen.⁶⁶ Similarly, St John's college founded the St John's Innovation Centre in 1987 to provide space for fast-growing firms in the high-tech sector. The success of the original centre spurred the subsequent development of several adjacent buildings, and the park is now home to several life sciences firms, including ProductLife Group, Endomag and Coalesce. The college announced plans in July 2020 to develop two new buildings on the site, totalling an additional 170,000 sq ft of office and R&D space.⁶⁷

While Anglia Ruskin University lacks the prestige and capabilities of the University of Cambridge, it still ranks within the top 350 universities globally and, as stated above, there are 10,965 students currently enrolled in life science-related programmes at the university. In addition, the establishment of the University of Peterborough, which is set to welcome its first cohort of students in September 2022, potentially offer a platform for the creation of new technical and scientific degrees more closely aligned to the needs of the Combined Authority's life sciences firms.

4.4 Universities – Key Points

- The universities in Cambridge underpin the strength of the life science sector
- There is no strong sense among people from the corporate world that working with the universities is a challenge that needs to be addressed

⁶⁴ Cambridge Centre for AI in Medicine. <https://ccaim.cam.ac.uk/>

⁶⁵ Based on data from Beauhurst. <https://www.beauhurst.com/>

⁶⁶ Cambridge Science Park. <https://www.cambridgesciencepark.co.uk/about-park/>

⁶⁷ Two major new buildings proposed for St John's Innovation Park, Cambridge Independent. <https://www.cambridgeindependent.co.uk/business/two-major-new-buildings-proposed-for-st-john-s-innovation-park-9117625/>

4.5 Commercial Real Estate

For the most part, the Combined Authority's life sciences firms are found across the network of large and expanding science parks located around Cambridge and South Cambridgeshire. The growth of life sciences within these areas has kept the commercial property market buoyant and spurred further development. Since 2015, JLL has tracked more than 680,000 sq. ft. of publicly disclosed lettings of offices and laboratory space from life sciences firms within and around Cambridge – though as many of the smaller lettings in the sector are not disclosed, even this figure is likely to underestimate overall demand. Prime office rents in Cambridge have risen to £48.50 per sq. ft. per year at the end of Q2 2020, up almost 8% on a year earlier. Cambridge is now the UK's most expensive market for business accommodation outside of London. South Cambridgeshire however, offers more accessible rental rates.

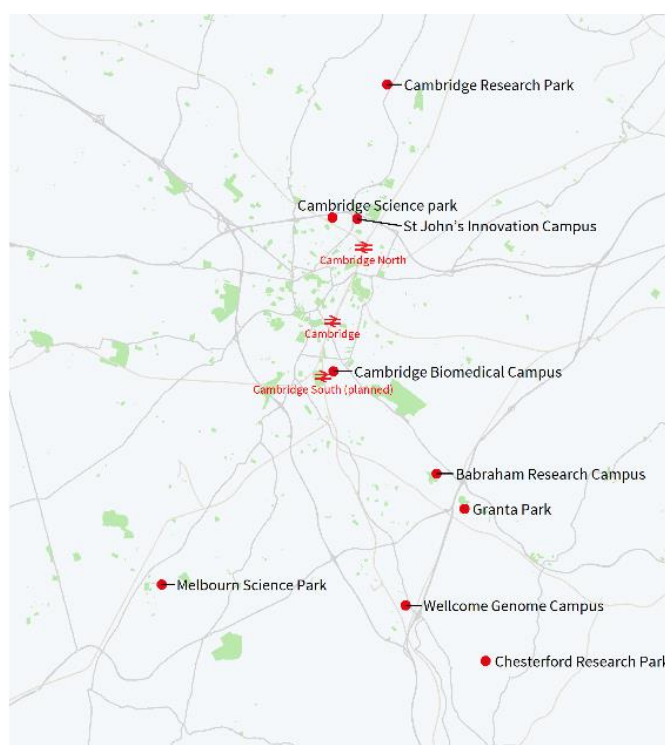
While higher office and laboratory rents may initially be expected to have a negative impact on the growth of the industry, this is not always the case. Increases in rents make the economics of developing new commercial life sciences facilities more viable - enabling the public sector to step away from a previously essential role in delivering facilities for life science companies and freeing up funds for other uses. For well-funded therapeutics and diagnostics companies, property costs are a small component of total expenditure compared with the costs of salaries or developing new products - so within limits, rising rents have a relatively limited overall impact. Conversely, consistently low rents can constrain business cases for developing new facilities and lead to a shortage of space to accommodate growth.

4.5.1 Cambridge's Life Science Parks

As discussed above, Trinity College-backed Cambridge Science Park and St John's Innovation Park are two of the oldest and most important commercial centres for life sciences firms within the combined authority. Cambridge Science Park recently expanded its offering to life sciences firms with the opening of the 40,000 sq. ft. Bio-Innovation Centre in 2019, delivered in part through an investment partnership between Trinity College and TUSPark, the development body of China's Tsinghua University. Construction is also underway on another plot which will deliver three office and R&D buildings, while consent has been given on a further building that could provide an additional 50,000 sq. ft. of Grade A office and specialist laboratory space.⁶⁸ However, Cambridge city represents only a fraction of the physical growth capacity of the Cambridgeshire cluster. By comparison all the parks in South Cambridgeshire are seeking to expand at much greater rates, with Granta Park alone seeking to bring to the market a further 1,000,000 sq. ft.

⁶⁸ Cambridge Science Park. <https://www.cambridgesciencepark.co.uk/about-park/future/new-buildings/>

Location of Key Life Sciences Business Parks in Cambridgeshire and Peterborough



North of the Cambridge Science Park and St John's Innovation Park lies the Cambridge Research Park, which provides a mix of office, laboratory and industrial space. Life sciences firms based on the park include Horizon Discovery Group, BioChrom and Stemcell Technologies.

On the southern fringes of Cambridge itself lies the Cambridge Biomedical Campus (CBC), the largest cluster of medical and life sciences research in Europe. The campus has been transformed since 2009, when planning permission was granted to develop 1.8 million sq. ft. of medical, laboratory and office space. Three hospitals are located on the campus, as well as several research institutes, charitable organisations and a growing number of life sciences firms – including AstraZeneca, GSK and Abcam. In February 2020, the government announced that Cambridge Biomedical Campus had been designated one of six new Life Science Opportunity Zones. The only one its kind in Cambridgeshire, the designation means that the campus will receive government support in attracting investment.⁶⁹ Many interviewees mentioned the opportunity presented by CBC and felt that its potential had yet to be realised. A common comment was summed up by one local business leader, **'Cambridge Biomedical Campus currently lacks vibrancy or a heart. It needs somewhere for people to gather and bump into each other'**. This is partly a reflection of the fact that the campus is still in its formative stages, but also presents an opportunity.

Transformation of CBC could be on the horizon with a new phase of development on the campus which has the potential to deliver an additional 800,000 sq. ft. of commercial and clinical floorspace, anchored around Abcam's global HQ. The Campus is also the proposed location of the Cambridge South train station which, subject to plans being approved, is set to open in 2025.

⁶⁹ £10 million boost to improve patient care with new technologies, Gov.uk.

<https://www.gov.uk/government/news/10-million-boost-to-improve-patient-care-with-new-technologies>

Six miles south of Cambridge lies the Babraham Research Campus, which co-locates the Babraham Institute with early-stage life sciences firms across 300,000 sq. ft. of research, services and commercial floor space. The campus, which is backed by UKRI, is home to one of the oldest bioincubators in the UK and was created to provide space for young firms with an ambition to scale to an IPO – it specialises in providing pre-fitted space on a flexible basis. More than 60 life science firms are based on the site.⁷⁰ Near to the Babraham Research Campus is Granta Park, a 120-acre commercial park that houses the operations of Pfizer, Illumina, Medimmune and Gilead.

Further south lie both the Wellcome Genome Campus and the Chesterford Research Park. While the Wellcome Campus currently provides only a small amount of space for businesses, it does house the Sanger Institute, one of the world's foremost centres for genomics research; and the BioData Innovation Centre, a specialist facility that provides flexible space for genomics and biodata companies. Illumina, Congenica and Genomics England all have a presence on the Wellcome Campus.⁷¹ The Chesterford Research Park, located three miles south of the Wellcome campus, provides a mix of office and labs space targeted at life sciences firms. Global firms including AstraZeneca and Charles River, as well as a host of local and smaller life sciences companies, have operations on the park.

Nine miles south-west of Cambridge is the Melbourne Science Park, which although currently majority occupied by its owner technology firm TTP, accommodates AstraZeneca and a number of smaller life sciences firms. This park is being marketed for sale in the last quarter of 2020 and will likely increasingly focus on life sciences.

4.5.2 The Shortage of Grow-on Space

Between these nine science parks, the Combined Authority is home to the most mature property infrastructure for life sciences firms in Europe. However, vacancy rates are running at just a few percent and we heard repeatedly during our interviews that there is an acute shortage of space for start-up and scale-up firms. While facilities such as Babraham are intended to address the requirements of early-stage firms, the existing stock of specialist laboratory and flexible workspaces for these businesses across the combined authority has proven insufficient to meet the current level of demand. One of the key challenges at Babraham is that start-up companies on the site have grown to the point that there is no space to accommodate the next generation of businesses, in part because the growing companies themselves have nowhere to move on to. Derek Jones, CEO of Babraham Bioscience Technologies commented **‘Because there is nowhere for the companies at Babraham to grow on to, it means the campus struggles to accommodate the start-up businesses it was intended for’**.⁷² However, supporting and encouraging requested expansions at adjacent sites like Granta Park could alleviate this problem.

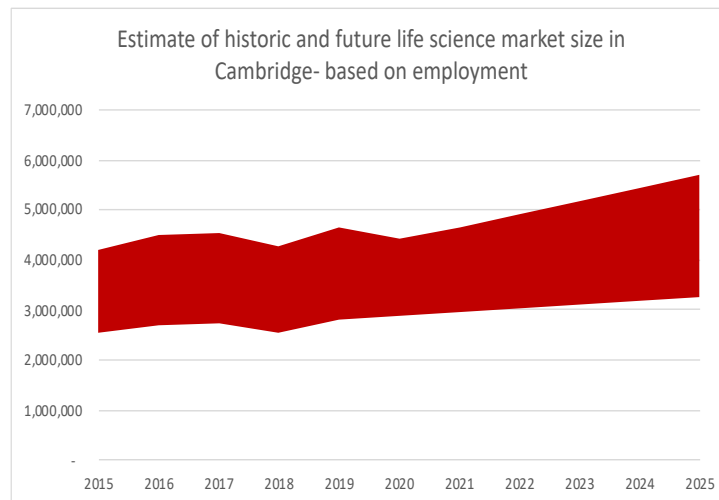
4.5.3 The long-term position

There is a total of approximately 3.2 million square feet of space on the science parks in the Cambridge area that are dedicated wholly or predominantly to life sciences. Using employment

⁷⁰ The Economic Impact of the Babraham Research Campus, Babraham Research Campus. <https://www.babraham.com/media/2077/brc-impact-report-210520-na-web.pdf>

⁷¹ BioData Innovation Centre. <https://www.wellcomegenomecampus.org/aboutus/bic/>

data over recent years and by estimating a range of space used per employee, we have estimated the amount of additional grow-on space needed by life science companies in Cambridge by 2025 to be up to 1.3M sq ft. This does not allow for inward investors which, with the right positioning of the Cambridgeshire cluster, could amount to as much again in realisable demand.



[Historic CAGR 2.6%, future CAGR 2.6-5.2%. Space/employee ranging from 150 to 250 sq ft]

Whilst we are aware of a substantial amount of life science space potentially in the development pipeline, much of this is meeting with resistance from planners and at best this would address the needs at the top end of the range, with no allowance for future growth. This suggests that the availability of space for life science companies will remain tight.

Both the UK government, via the Industrial Strategy for Life Sciences and Sector Deal, and the Combined Authority share an ambition to grow the life sciences sector in Cambridge. Much of this growth, however, will come from start-up and scale-up firms for whom high-quality and affordable laboratory and workspace is just as vital as sourcing capital and talented staff.

4.5 Commercial Real Estate – Key Points

- There is currently a shortage of start-up and grow on space for current firms and virtually no major opportunities to accommodate major inward investors in the Combined Authority area
- The current life science parks have the capacity to grow to absorb a 40% increase in employment in the sector, but resistance from planners will keep availability of space tight and the current infrastructure could struggle to accommodate growth beyond that

4.6 Hospitals and the NHS

Hospitals and healthcare infrastructure, along with universities, research institutes and private firms, are often another critical component of a successful life sciences cluster. Healthcare providers, including local NHS trusts, are likely to play an increasingly important role in supporting innovation in life sciences over the next decade, given the stated ambition of Life Sciences Industrial Strategy to make the UK one of the fastest adopters of innovative new forms of treatments.

The Cambridgeshire and Peterborough combined authority area is in the relatively unique position of facilitating close collaboration between internationally recognised research institutes, world-class universities and excellent hospitals. This is exemplified by partnerships such as the Cambridge University Health Partners (CUHP), which brings together the University of Cambridge, the Cambridge and Peterborough NHS Foundation Trust, Cambridge University Hospitals NHS Foundation Trust and Royal Papworth Hospital NHS Foundation Trust to collaborate on research and other initiatives to improve patient healthcare.

The expansion of the Cambridge Biomedical Campus has provided a potential hotbed for collaboration between hospitals, research institutes and universities because of the co-location of these entities on one site. For instance, researchers from Addenbrookes Hospital, one of the three hospitals located on the Campus, working alongside researchers from the Cambridge University announced in July 2020 that they had developed a new, ‘game-changing’ method to diagnose oesophageal cancer. The method relies on a Cytosponge test - a small pill on a string that the patient swallows, which then expands into a sponge when it reaches the stomach. A medical practitioner can then retrieve the sponge by pulling the string, which collects cells from the oesophagus as it’s removed. The technique proved ten times more effective at diagnosing Barrett’s oesophagus, a condition that can lead to oesophageal cancer, than conversational techniques. The research was funded by Cancer Research UK who, along with Addenbrookes Hospital and the University of Cambridge’s Medical Research Council Cancer Unit, are also based on the Cambridge Biomedical Campus.⁷²

Ensuring that these sorts of collaborative practises can be maintained and supported between the Combined Authority’s life sciences firms, research institutes, universities and the five different NHS trusts that cover the Combined Authority will be imperative to extending the area’s competitive advantage in the life sciences sector, as well as improving the healthcare outcomes of the local population. Supporting initiatives to foster partnerships on research, centralise and share data or trial innovative new medical interventions will be essential to building on the Combined Authority’s strengths. Moreover, the design and master-planning of future developments should give due consideration to how schemes can better integrate healthcare providers, research institutes and life sciences firms.

4.6 Hospitals and the NHS – Key Points

- The Combined Authority area is in the unique position of facilitating close collaboration between internationally recognised research institutes, world-class universities and excellent hospitals.
- Supporting initiatives to foster partnerships on research, centralise and share data or trial innovative new medical interventions will be essential to building on the Combined Authority’s strengths

⁷² ‘Sponge on a string’ test to transform oesophageal cancer diagnosis, MRC Cancer Unit. <https://www.mrc-cu.cam.ac.uk/news/sponge-on-a-string>

4.7 Knowledge Networks & Organisational Structures

In addition to the area's hard infrastructure for life sciences, the Combined Authority is also supported by a soft infrastructure of formal and informal networks that connect scientists, researchers, academics, investors and other professionals. These networks play a vital role in the dissemination of knowledge, development of new initiatives and the provision of early-stage funding.

Key networks operating within the Combined Authority area include One Nucleus, which provides networking opportunities, events and training to those working in the life science sector across Cambridge, London and the East of England; and the Cambridge Network, a similar organisation focused on the broader high-tech sectors within Cambridge. Elsewhere, investor networks play a vital role in supporting early stage ventures with seed and angel funding - Cambridge Business Angels, for instance, has invested into Cambridge-based life sciences firms including Healx, Stemnovate and Arecor.

A major component of the informal networks is a core of very experienced and successful life science entrepreneurs in Cambridge, many of whom achieved their first success one or more decades ago. These individuals give their time and advice to support up and coming businesses and the development of the sector, which is an extremely valuable contribution to the industry locally. However, we heard during our interviews that because this network of mentors and experienced professionals is informal it relies on "knowing someone who knows someone". This model works very well in a relatively small industry, with many interviewees referring to Cambridge as being "like a village", but the life science sector in Cambridge has grown to the point where such an informal approach rarely functions to its best effect. Furthermore, a common comment from the interviews was that there is little visibility of the next generation of leadership for the sector that could pick up the reins when the current generation retires.

Similarly, while there are many networks and agencies that act as advocates for Cambridgeshire's strengths in life sciences, for outsiders looking to invest or grow in the area there is no single point of entry. According to insiders we spoke to during our interviews, this results in the knowledge networks for life sciences in the combined authority feeling fragmented and disorganised. "The Cambridge networks work very well when you are on the inside, but getting in can be a real challenge". Particularly concerning were comments made that **'for those looking to invest in life sciences in Cambridge, there is no obvious person or organisation to contact'**. Similarly, a couple of senior individuals interviewed referred to a comment from a visit by the CEO of one of the world's largest life sciences firms, who said he'd been given eight different sets of information about the sector in Cambridge, paraphrasing his comments as "you guys need to get your act together".

4.7 Knowledge Networks & Organisational Structures – Key Points

- Cambridge benefits from a wealth of experienced life science entrepreneurs who make a valuable contribution to supporting the industry.
- There is some concern that the next generation of leaders of the sector are not obvious.
- The informal nature of the networks in Cambridge has traditionally been a strength, but there are signs that the industry is growing to a scale where the informality does not work as well.
- Cambridge potentially misses out on opportunities by not having a coordinated front to present to the outside world.

5 Recommendations

Cambridge is home to arguably the most successful life science cluster outside of the United States. It could, therefore, be asked that if it has come this far without a coordinated strategy, why does it need one now?

As is evident from the previous chapter, while Cambridge is certainly home to a world-class life sciences sector, there are evidently improvements that can be made. Previous sections of this report have shown that other UK centres are advancing rapidly, especially London. Recent decisions by MSD and GSK to expand into King's Cross show that Cambridge is no longer the de facto location of choice for global life science firms – even for those, such as MSD, which is setting up specialist research and development-focused facilities. Furthermore, we would also contend that the Cambridge life sciences cluster is now reaching a scale and sophistication at which the existing ad-hoc and informal approach to supporting the sector will be less impactful. Throughout our interviews with those working in the sector, many interviewees commented that the Cambridge ecosystem was 'like a village'. While this was not intended as a critical comment, it's hardly a desirable description of a centre aiming to maintain and enhance its competitiveness vis-à-vis the likes of London, Boston and Beijing.

This section provides 11 recommendations to enhance Cambridge's life sciences sector structured around three themes of building companies of scale, optimising the network and enhancing talent and skills. While there are many more initiatives that could be included, we believe that focusing on a small number of impactful areas is more likely to be achievable and to galvanise the industry behind them, than a raft of smaller measures. Similarly, we have not attempted to provide a solution to the oft-repeated challenge of gaining access to the NHS or improving the flow of intellectual property out of the NHS. These goals may be impacted by some of the initiatives listed below, but the challenges are so embedded and long-standing they require their own strategy. We understand the CUHP is doing just that so have avoided duplicating effort.

5.1 Building the Financial and Management Capacity for Growth

Cambridge is home to a world-leading community of firms that are not only at the cutting-edge of advances in medicine, but also in overlapping areas of technology including artificial intelligence and machine learning. As was discussed in previous sections of this report, applications of artificial intelligence within life sciences will transform all stages of healthcare and create enormous opportunities for value creation. Space is being created for new global behemoths to be forged at the apex of life sciences and technology, and Cambridge is extremely well-placed to take advantage of this. To realise the benefits of this shift, however, the Combined Authority must prioritise policies that support efforts by firms to scale, rather than simply be acquired early in their life cycle and subsumed into a parent company.

The UK Life Sciences Strategy sets the goal of the UK producing four companies with a market capitalisation in excess of £20 billion within the decade. The Combined Authority should aim for at least two of these firms to be based in Cambridge.

The presence of large-scale companies in the community has many benefits and, by targeting the creation of two, £20 billion companies, there will be many side effects, not least the creation of

companies that don't achieve the £20 billion target but are substantial, global businesses in their own right. The outcomes will be, among other things, the creation of a further wave of world-beating firms, job creation, skills development and a planned delivery of infrastructure.

The advantage of the two £20 billion firms aim is that it is simple, easy to rally around, fits with the UK Life Science strategy and, if even only partially achieved, will propel Cambridge even further up the global life science league tables.

Achieving this will require a concerted effort on multiple fronts. We recommend the following initiatives.

5.1.1 Establish a New £1 billion Life Sciences Innovation Fund

In June 2008, the state government of the Commonwealth of Massachusetts launched the Massachusetts Life Sciences Fund. The \$1 billion ten-year fund aimed to transform the life sciences industry in the American state by investing in companies, infrastructure and programmes for training and skills development.

Over the next decade, the life sciences sector in Massachusetts experienced a Cambrian moment. Venture capital funding to life sciences firms ballooned from \$700 million in 2010 to around \$5.6 billion in 2018.⁷³ Over the same years, the number of life sciences firms jumped by 50%, and large pharmaceutical firms began to relocate to the area. Massachusetts is now home to 18 of the world's top 20 pharmaceutical companies.

Although the Massachusetts Life Science Fund was concerned with more than venture investment it is evident that the availability of capital is an important factor in the growth of the life sciences sector. Availability of capital plays a critical role in shaping business strategy. When a company develops its plans, it is rational for managers to consider the perceived availability of capital: low levels of funding encourage steady, organic growth, a particular type of company and business model and, sometimes, lower ambitions. Higher levels of funding do the opposite.

The availability of capital also spurs higher rates of business incorporation. For example, the Oxford Sciences Innovation Fund was established by the University of Oxford and several commercial partners to back science-based businesses. The £600 million fund has invested in almost 20 life sciences firms since 2015. In parallel, the number of spin outs from Oxford University has jumped: 28 firms were spun out from Oxford between 2014 and 2018, up from 13 during 2010 – 2014. The same pattern applies to Cambridge, before and after the advent of Cambridge Innovation Capital. Compare that with four universities (Nottingham, Birmingham, Warwick & Leicester), which together recorded the same biological science research power as Cambridge (i.e. the same strength of research base), but where there has been no significant investment fund available locally. In this case, there has been no growth in the number of life science spin outs.

⁷³ Based on data from CrunchBase. <https://www.crunchbase.com/>

Number of life sciences spinouts from universities in Cambridge, Oxford and the Midlands

| | Biol Sci Resch Power-REF 2014 | Pre OSI & CIC LS Spin outs 2010-2014 | Post OSI & CIC LS Spin outs 2014-2018 | % increase in spin outs |
|---|--|---|--|--|
| Oxford | 761 | 13 | 28 | 115% |
| Cambridge | 640 | 8 | 25 | 213% |
| Nottingham, Leicester, Birmingham, Warwick | 652 | 9 | 9 | 0% |

If the impact of the availability of capital on the growth of the life science sector is accepted, then increasing local funds should further stimulate sector growth beyond that which has been achieved since the advent of the CIC fund. Moreover, greater availability of capital should lead to greater company scale.

This report therefore proposes the development of a plan for a £1 billion fund. A £1 billion life science fund of this size for Cambridge is of sufficient scale to both encourage the development of companies with ambition to achieve scale and to further encourage start-up and spin-out formation. It would also attract companies to the Cambridge region, possibly from outside the UK.

5.1.2 Lead on the drive to improve UK public equity markets for life sciences.

American companies are able to scale in large part because they have access to deep pools of capital in the public equity markets. The public equity markets in the UK for life science companies lack the scale and sophistication of the American markets and consequently many high potential companies are either acquired rather than list or choose a US stock market listing, which may end in a relocation to that country. This situation is unlikely to change unless the volume and scale of activity increases.

Consequently, Cambridge should take a leadership role in considering what initiatives might stimulate an increase in the number and scale of life science companies listed on the London Stock Exchange and then look to drive the implementation of those initiatives.

This is clearly a far less tangible initiative, requiring organisation and leadership rather than a specific investment. However, to ignore this is to ignore one of the main reasons why the sector is being held back.

5.1.4 Create a “Future Leaders Programme” to Build Commercial Management Skills of the Sector

If scale-up companies are to be developed, they will need people with the commercial skills to lead them. The shortage of such skills was a repeated comment among interviewees. Consequently, initiatives should be considered to address this shortfall.

We recommend creating a world class initiative that develops the next generation of leadership talent. There are a number of programmes that could be reviewed as exemplars:

- *Saltire Fellows*. This is a Scottish initiative whereby future leaders in the life science industry are put forward for a 12-month programme that includes mentoring, on-the-job experience and lectures, including a period at Babson College in the United States. Each year a cohort of 10-15 is selected and that group remains in contact after the programme and creates a support infrastructure as they progress through to senior positions. <https://www.scotland.org/study/saltire-scholarships>
- *Kaufman Fellows*. This is a prestigious two-year programme established by the venture capital industry. Those enrolled in the programme work at venture capital firms, and are provided with a two-year structured curriculum as well as access to coaching, networking events and international summits. <https://www.kauffmanfellows.org/>

Cambridge is already fortunate in having a world leading business school which could provide the core of a programme and confer the relevant prestige to the programme. It is also well blessed with a large number of potential mentors to provide additional support.

5.1.5 Develop a culture that aspires to scale

As important as the availability of funding to grow life science companies of scale is the establishment of a culture where aspiring to build a multi-billion-dollar company becomes the norm. This might be achieved through a raft of initiatives, but one would be to actively celebrate those companies that are on track to achieve scale.

Each year an independent, highly regarded panel would select the 5-10 “Ones to watch” – companies with the potential to become one of the £20 billion companies. Such designated companies should receive a raft of tangible benefits such as: a significant cash award; fast tracked grant approvals; reduced cost facilities; an assigned mentor or team of mentors. Few, if any, of these companies would achieve a £20 billion but aspiring to do so would be a game changer for the sector.

5.2 Building Network Capacity for Growth

Common phrases that emerged during our interviews on the strengths of the Cambridge’s ecosystem included, ‘it’s like a village’ and it’s ‘very effective when you know where to go’. This small scale, intimate approach has served the community well, but the Cambridge is now at a scale where ad hoc and informal networks don’t provide a complete enough infrastructure to effectively disseminate knowledge and promote the area to outsiders. Greater structure and coordination are needed. We recommend the following.

5.2.1 Develop a Coordinating Body for the strategic initiatives

If the strategy is to be successful a leadership team will need to be created with a salaried director role to lead implementation. Key aspects of the “Cambridge Life Science Strategy Director” role will be to:

- Drive forward the establishment of the £1B fund

- Instigate the “one’s to watch” initiative
- Ensure life science space planning is undertaken and monitored
- Develop and implement the Future Leaders programme
- Lead on securing research funding and national infrastructure projects
- Act as the main life sciences contact for the newly established agency to promote Cambridge Life Sciences (below)

This report therefore recommends the CPCA makes available funding for a Cambridge Life Sciences Strategy Leadership role and supports the creation of a strategy board. This is probably the single most important recommendation in this report and, if an appointment is well made, it would pay back the cost many times over.

We note that Cambridge University Health Partners (CUHP) has also recently created a vision paper for the local life sciences sector, along with some recommended steps to deliver that vision. The findings and proposals of the CUHP paper (included in Appendix 2) are consistent with this strategy and we recommend a combined approach to delivering a strategy for the sector.

5.2.2 Establish a Single Agency to Promote Cambridge around the UK and Internationally

A common comment was the need for Cambridge Life Sciences to have a “better front door”- an obvious entry point into the local ecosystem. We understand a new body, Cambridge &, is being established which could potentially take this role, supported by the Life Sciences Strategy Director. There is clearly no point in replicating an existing effort, so this report simply recommends supporting and assessing the effectiveness of the proposed Cambridge & initiative.

5.2.3 Leverage the Ox-Cam Arc, the UK Innovation Corridor and the Golden Triangle

While Cambridge is home to the UK’s most developed centre for life sciences, when grouped into the Golden Triangle it is part of one of the world’s foremost knowledge centres and preeminent clusters for life sciences. The Combined Authority has leveraged Cambridge’s position in this geographic grouping through partnerships with other local authorities in the Oxford-Cambridge Arc, an area that has world-leading capabilities not only in life sciences, but also in technology, advanced manufacturing, aviation and space tech. This has resulted in a clear set of economic priorities that stakeholders within the area are working towards and petitioning the UK government to support.

Similarly, the UK Innovation Corridor (linking King’s Cross to Cambridge) has even greater potential to be a world leading cluster because of its scale and existing connectivity. This report recommends the Combined Authority actively supports the Innovation Corridor initiative.

Efforts between the authorities should be coordinated to lobby central government for funding, promote the area for national and international investment, and partner on programmes to support the life sciences sector within the Golden Triangle.

5.3 Building Talent & Skills Capacity for Growth

A good supply of scientists and other highly skilled professionals will be fundamental to the growth of the life sciences sector. Analysis by AstraZeneca has suggested that growth in Cambridge's life sciences sector could create an additional 6,000 roles by 2032⁷⁴ and it could well be much greater than that if the growth initiatives in this report are successfully implemented.

Filling these roles will not only require that a sufficient supply of talent is provided, but also that those entering the sector are equipped with the right skills. Participants in the interviews conducted for this report consistently mentioned that Cambridge potentially faces an acute shortage of technical skills, especially in bioinformatics, data analytics and those working at a general technician level. We recommend the following.

5.3.1 Create New Technical Education Programmes to Support Skills Required by Life Sciences Firms

The combined authority, in partnership with the area's higher education institutions, should identify where education programmes could be created or better adapted to meet the needs of the life sciences sector. The establishment of the new University of Peterborough presents a once in a generation opportunity to create a suite of new scientific and technical degrees closely aligned with the needs of the combined authority's life sciences businesses. As the University ramps up its offering, it should be mindful of how emerging areas of skills shortages within the sector – including immunology, genomics, bioinformatics and data analytics – could form the basis of degree programmes or specific modules. Moreover, Anglia Ruskin University is already well placed to deliver graduates with the appropriate technical skills and should be supported to do so.

A programme of continuous engagement should also be put in place with combined authority's businesses to identify and track how their skills requirements evolve, and how this can be incorporated into the offerings of higher education institutions.

One challenge that may be made to our recommendations is that efforts to further enhance life sciences education within the combined authority will have little practical effect on the strengths of the local ecosystem, as many graduates will relocate to other centres in the UK and abroad after they complete their studies. We would respond by suggesting that if the combined authority's graduates relocate to other parts of the UK, this will likely boost the strength of the sector overall, with long term benefits to Cambridge. Furthermore, the more Cambridge is seen to be the leading centre in the supply of new talent, the more likely it is that firms will opt to grow their headcount in the area over other parts of the UK. This will help create a virtuous circle, in which more jobs are created, and graduates increasingly opt to remain in the combined authority to take up these jobs.

5.3.2 Support for alternative routes into life sciences employment

Alongside efforts to expand and enhance life sciences programmes at higher education institutions, alternative routes into employment in the sector, such as apprenticeships, should

⁷⁴ Cambridge: Driving Growth in Life Sciences, AstraZeneca.
https://www.astrazeneca.com/content/dam/az/media-centre-docs/article_files/articles-2018/Astrazeneca-Clusters-Report-Exec-Summary%20FINAL%202.pdf

also be encouraged. We understand that Anglia Ruskin University has already begun working with players in the life sciences sector to provide higher level National Vocational Qualifications, apprenticeships and other technical courses. The Combined Authority should look work with ARU and other providers to expand such offerings.

Currently, apprenticeships tend to be underutilised by smaller and medium enterprises, due to the requirement to provide training and additional administration cost that are often involved bringing in apprentices. Given that almost three quarters of life science firms across the combined authority employ fewer than 20 people, however, encouraging greater utilisation of apprentices within SMEs could have a significant impact on overall employment. Funding via the Apprenticeship Levy has already made it more economically viable for smaller firms to utilise apprentices, and we would recommend a concerted effort by the combined authority area to promote apprenticeships within the sector.

In addition, the combined authority's Skills Brokerage Service could play an important role in raising the profile of STEM subjects in schools, which will pay dividends to the life sciences sector over the medium to long term. Efforts should be made to ensure that local life sciences firms are appropriately engaged and represented in the programme.

5.3.3 Create new programmes to upskill in the tech- life science convergence

There is a considerable shortage of skills in the overlap between life sciences and emerging technologies, particularly artificial intelligence. This shortage will become more acute over the next decade, as applications of AI become more prevalent across all areas of healthcare. We recommend that the combined authority, in partnership with the area's higher education institutions, establishes programmes to upskill or retrain its workforce in the convergence between life sciences and technology.

National efforts are already underway to establish new educational programmes in AI. The UK Office for Students, for instance, last year launched a competition for universities to develop their own AI postgraduate conversion courses.⁷⁵ Such programmes will offer students from a diverse range of disciplines a path towards a career in AI. The combined authority should encourage the area's universities to provide such programmes, as well as promoting their uptake by students who've studied life sciences-related degrees.

Programmes should also be identified to support those already in the workforce to upskill in AI. The cutting edge of medicine and technological innovation will evolve and develop over the next decade – maintaining Cambridge's competitive advantage in these areas will require a commitment to lifelong learning and support for those looking to upgrade their skills.

5.3.4 Improve the Diversity and Inclusion of the Sector

As with other industries, promoting better representation of different ethnic, gender, demographic, socio-economic and other identity groups within life sciences firms must be a key

⁷⁵ Government backs next generation of scientists to transform healthcare and tackle climate change, Gov.uk. <https://www.gov.uk/government/news/government-backs-next-generation-of-scientists-to-transform-healthcare-and-tackle-climate-change>

priority for the sector. According to a 2020 study by executive search firm Liftstream, just 14.8% of board directors across 132 public and private life sciences firms in the UK are female. The same study also estimated that just 7.3% of board directors at these companies belonged to a racial or ethnic minority group.⁷⁶ Beyond the moral imperative of working to address such shortcomings, it should also be recognised that improving the representation of the sector will be a key mechanism to ensure the supply of talent: the more people from across different societal groups who see life sciences as an inclusive and lucrative sector to work in, the larger the supply of talent will be.

The combined authority should seek to improve representation in the life sciences sector by encouraging firms to publicly disclose as much data on the diversity of their workforces, at all levels, as possible. The combined authority should also consider prioritising funding to firms that can demonstrate a broad representation among their leadership, and have implemented rigorous diversity and inclusion strategies covering areas such as recruitment, retention and advancement policies.

5.4 Building Physical Capacity for Growth

5.4.1 Ensure future provision is made of facilities for scale-ups and start-ups

There is currently a shortage of grow-on space within the Cambridge area with the result that expanding companies are occupying facilities meant for start-ups, such as at Babraham. While there is currently land available to build further life science infrastructure, and indeed new space is being planned, it will be important to ensure that the availability of development land with the appropriate planning use is sufficient to meet the needs of at least a 40% increase in employment in the sector. A very conservative estimate of the new space required to accommodate such growth suggests that more than one million sq. ft. of additional life sciences space is required.

This report therefore recommends a detailed space planning exercise is undertaken, taking into consideration the amount of potential life sciences space that could be supplied at the existing and planned sites. This should then be matched against forecast demand along multiple growth trajectories and progress monitored. Planning and zoning decisions can then be made in the context of future demand so as to ensure the availability of land for life science development doesn't fall short of that needed.

Further to this, there is an immediate need for space to accommodate start-up companies. These are well catered for at Babraham campus, but there is currently no more space to accommodate them on site. The building of incubator facilities for start-up companies is less commercially viable than for more established businesses. Without space to accommodate start-ups it is likely that their creation could be slowed, they could end up in sub-optimal locations or be forced to move out of the area completely.

Consequently, consideration should be given to supporting the development of further start-up facilities.

⁷⁶ UK Life Sciences 2020 Board and Leadership Diversity, LiftStream, <https://www.liftstream.com/life-sciences-diversity.html>

Summary of Recommendations

| Theme | Description | Recommendations to address |
|--|--|---|
| Building the Financial and Management Capacity for Growth | Cambridge and South Cambs are home to a world-leading community of start-up and scale-up firms, but very few home-grown global companies. To better support the life sciences ecosystem, the Combined Authority must prioritise policies that help firms to scale, rather than simply be acquired early in their life cycle and subsumed into a parent company. | Establish a new £1 billion Life Sciences Innovation Fund. |
| | | Lead on the drive to improve UK public equity markets for life sciences companies |
| | | Create a “Future Leaders Programme” to build commercial management skills of the sector |
| | | Support the development of a culture that aspires to scale |
| Building Network Capacity for Growth | While the Combined Authority is home to a fantastic network of firms, entrepreneurs, scientists and advocacy groups, local efforts by these networks to promote and enhance the sector are often uncoordinated and overlapping – making them less effective. Policies should be adopted that help coordinate these efforts. | Develop a coordinating body for the strategic initiatives and appoint a “Life Sciences Strategy Director” to drive the implementation of these initiatives. |
| | | Support the establishment of a single agency to promote Cambridge around the UK and internationally |
| | | Leverage the Ox-Cam Arc, the UK Innovation Corridor (linking King’s Cross to Cambridge) and the Golden Triangle |
| Building Talent & Skills Capacity for Growth | Realising the anticipated growth of the life sciences sector is dependent on addressing the dual challenges of both supplying enough scientists and other professionals to the sector, and also ensuring that these individuals are equipped with the right mix of skills. Policies should be adopted to address both challenges – encouraging greater uptake of life-science related subjects at all levels of education, creating new routes into life sciences employment, and upskilling workers in emerging tech-enabled roles. | Create new technical education programmes to support skills required by life sciences firms |
| | | Support for alternative routes into life sciences employment |
| | | Create new programmes to upskill in the tech- life science convergence |
| | | Improve the diversity and inclusion of the sector |
| Building Physical Capacity for Growth | Ensuring future provision is made for facilities for scale-ups, start-ups and inward investing companies is dependent on a transformation in | <i>Implementing</i> life science employment growth within site areas currently consented for new buildings but stalled |

| | | |
|--|---|---|
| | <p>planners' appetite and openness to growth in the sector. Given the established dominance of South Cambs (240 vs 150 firms), the more accessible property and rental prices, and the longer term and more difficult to resolve constraints to the expansion sites in Cambridge city around transport and space availability, much greater, and more coordinated, effort between the Combined Authority and South Cambs District Council should be undertaken to expand out the existing South Cambs sites. However, this should be in a manner that minimises environmental and spatial impacts, by maximising the use of each site's assets as laid out in the recommendations and in descending priority.</p> | <p><i>Densifying</i> life science employment within site areas currently consented for new building but with the potential to be utilised more effectively</p> |
| | | <p><i>Intensifying</i> life science employment within current buildings, by encouraging and incentivising firms from other sectors to relocate to alternative parks, freeing up space for life science firms and creating dedicated, and networked, life science villages</p> |
| | | <p><i>Expanding</i> life science employment through new planning applications within current sites' established employment areas</p> |
| | | <p><i>Expanding</i> life science employment through new planning applications adjacent to current sites' established employment areas</p> |

6 Next Steps

Following the receipt of this report, we would anticipate the establishment of a steering group to coordinate adoption of the recommendations and to develop detailed implementation plans. We would also propose the creation of a salaried director role to lead the further development and implementation of the strategy.

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9 About JLL

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Appendix 1: The Global Life Sciences Sector

Understanding the key trends and challenges in the global life sciences sector is important to understanding Cambridgeshire and Peterborough's place within it, and the opportunities and threats that are emerging. We have here provided a summary of the main trends shaping the sector, as well as key areas of investment.

The coronavirus pandemic has underscored the importance of a vibrant life sciences sector to public health, and focused the world's attention on critical efforts by governments, universities and life sciences firms to develop a vaccine. As the pandemic spread in the first half of 2020, precipitating historically unprecedented falls in output, life sciences firms demonstrated their resilience: across the major American, European and Asian equity indices, Life sciences firms have added around a quarter of a trillion dollars in market capitalisation since the start of the 2020.⁷⁷

Even prior to the pandemic, moreover, the life sciences sector was experiencing a period of robust growth. Long term macro-economic and demographic trends, such as the ageing of the world's population, the growth of the consumer class in many emerging markets and the growing burden of chronic diseases that will accompany significant changes in demography, are creating new opportunities for the sector. Globally, the sector is expected to reach over \$2 trillion in gross value by 2023, according to estimates from Accenture.⁷⁸

Of these long term macro-economic forces, the implications of an ageing population are particularly pronounced. The share of the over-65s as a proportion of the world's population has doubled in the last fifty years. By the middle of the century, one quarter of the population of Europe and North America will be over the age of 65. Managing the more complex healthcare needs of an ageing population will be expensive, requiring a shift towards more proactive long-term health management and better utilisation of emerging treatment techniques and technologies.⁷⁹

Key Global Firms in the Life Science Industry

| Company Name | Country of Headquarters | Market Cap \$bn | Number of Employees '000s |
|------------------------|-------------------------|-----------------|---------------------------|
| Johnson & Johnson | USA | 390 | 132 |
| UnitedHealth Group Inc | USA | 314 | 325 |
| Roche Holding AG | Switzerland | 294 | 98 |
| Novartis AG | Switzerland | 213 | 109 |
| Pfizer Inc | USA | 211 | 88 |
| Merck & Co Inc | USA | 202 | 71 |
| Abbott Laboratories | USA | 194 | 107 |

⁷⁷ JLL analysis of Eikon data.

⁷⁸ New Science: BioPharma's New Growth Machine, Accenture.

https://www.accenture.com/_acnmedia/Accenture/Conversion-Assets/Secure/pdf-no-index-2/Accenture-Life-Sciences-New-Science.pdf

⁷⁹ Transforming healthcare with AI: The impact on the workforce and organizations, McKinsey.

<https://www.mckinsey.com/industries/healthcare-systems-and-services/our-insights/transforming-healthcare-with-ai>

| | | | |
|------------------------------|----------------|-----|-----|
| Thermo Fisher Scientific Inc | USA | 185 | 75 |
| Danaher Corp | USA | 161 | 60 |
| Abbvie Inc | USA | 152 | 30 |
| Medtronic PLC | Ireland | 148 | 90 |
| Eli Lilly and Co | USA | 140 | 34 |
| AstraZeneca PLC | United Kingdom | 139 | 71 |
| Amgen Inc | USA | 138 | 23 |
| Bristol-Myers Squibb Co | USA | 138 | 30 |
| Novo Nordisk A/S | Denmark | 129 | 43 |
| Sanofi SA | France | 127 | 100 |
| CSL Ltd | Australia | 96 | 25 |
| GlaxoSmithKline PLC | United Kingdom | 91 | 99 |
| Source: Eikon, October 2020 | | | |

1.1 Global Trends in Life Sciences

While the long-term outlook for life sciences is positive, firms in the sector are currently navigating a period of profound transition. The advance of new technologies, such as artificial intelligence, and cell & gene therapies are reshaping work in the sector. Declining returns on research and development activities are forcing the global pharmaceutical firms to reassess how and where research is undertaken. The competitive landscape is also becoming more nuanced as firms across the sector find new ways to combine, collaborate and compete with each other.

1.1.1 Technology and the Emergence of ‘New Sciences’

Life sciences and technology are converging, leading to the emergence of ‘New Sciences’, which leverages technologies such as advanced analytics, artificial intelligence and new devices to generate new revenue streams, expedite research and development, and deliver better healthcare outcomes.⁸⁰

Data, analytics and artificial intelligence

Applications of data and advanced analytics in the life sciences sector are upending traditional approaches to diagnostics, drug development and care delivery. According to research from Markets & Markets, the global life science analytics market is projected to be worth \$42 billion by 2025, up from \$22.1 billion in 2020.⁸¹

⁸⁰ New Science: BioPharma’s New Growth Machine, Accenture.

https://www.accenture.com/_acnmedia/Accenture/Conversion-Assets/Secure/pdf-no-index-2/Accenture-Life-Sciences-New-Science.pdf

⁸¹ Markets and Markets. <https://www.marketsandmarkets.com/Market-Reports/pharmaceutical-life-science-analytic-market-174990653.html#:~:text=%5B301%20Pages%20Report%5D%20The%20global,13.7%25%20during%20the%20forecast%20period>

Analytical techniques including statistical modelling, machine and deep learning, commonly referred as artificial intelligence (AI), are increasingly being applied in the sector to aid diagnosis, optimise clinical trials and accelerate the development of new medicines. Because AI software can process massive amounts of genomic, molecular, cellular and biology data, it can quickly identify new compounds, treatments, biological targets, pathways and clinical trial participants, as well as potentially predicting a new medicine's efficacy and safety.⁸²

Firms pioneering these techniques include Healx, a Cambridge-based company that specialises in using artificial intelligence to repurpose existing medicines to treat other illnesses. Healx has created its own network of medical information, known as Healet, that unearths connections between discoveries using machine learning. This information is then used to identify where existing medicines, or combinations of them, could be repurposed to treat other illnesses. In December 2019, Healx announced a partnership with Boehringer to focus on rare neurological diseases, and has recently turned its attention to identifying potential treatments for covid-19.⁸³

Elsewhere, Novartis has established Data42, an initiative aimed at using artificial intelligence to analyse the firm's massive clinical trials dataset to identify leads for new drugs.⁸⁴ Using insights gleaned from data, Novartis hopes that it will become possible to develop new drugs 'in silico' – using software, rather than from advances in labs. Similarly, GSK have recently established a £10 million AI lab at King's Cross, where its scientists and data specialists are collaborating on applications of AI with scientists from the Francis Crick and Alan Turing Institutes, as well tech giant Nvidia.⁸⁵

Devices and the Medical Internet of Things

The Internet of Things (IoT) describes the network of sensors, actuators, wearables and other devices that can connect and exchange information over the Internet. The promise of the IoT is that by connecting more devices to the network, insights and operational efficiencies can be created in managing supply chains, generating energy and running public infrastructure.

Within life sciences, the growth of IoT offers particular opportunities for medical technology firms, as one key application of the IoT is embedding smart sensors into medical devices - enabling the remote capturing and monitoring of patient data. Bayer's Betaconnect autoinjector, for instance, pairs with users' phones to enable their data to be shared with medical professionals.⁸⁶

⁸²Life Science Tech, Vision 2019, Accenture. https://www.accenture.com/_acnmedia/109/Accenture-Life-Sciences-Tech-Vision-2019.pdf

⁸³ Biotechs harness AI in battle against Covid-19, Financial Times. <https://www.ft.com/content/877b8752-6847-11ea-a6ac-9122541af204?desktop=true&segmentId=7c8f09b9-9b61-4fbb-9430-9208a9e233c8>

⁸⁴ The data42 program shows Novartis' intent to go big on data and digital, Novartis. <https://www.novartis.com/stories/discovery/data42-program-shows-novartis-intent-go-big-data-and-digital>

⁸⁵ Medicines giant GlaxoSmithKline launches £10 million Kings Cross artificial intelligence hub to find new cures, Evening Standard. <https://www.standard.co.uk/business/glaxo-gsk-ai-machine-learning-kings-cross-a4538461.html>

⁸⁶ Bayer wins FDA approval for MS electronic autoinjector and app, PM Live. http://www.pmlive.com/pharma_news/bayer_wins_fda_approval_for_ms_electronic_autoinjector_and_app_1195765

Applications of the medical IoT has the potential to create new revenue streams and transform med tech firms into service providers. Data collected by IoT devices could be used to monitor patients in real time, shape more personalised treatment programmes and enable predictive modelling of medical outcomes. However, it has also allowed non-traditional players to enter the sector. Many consumer wearables are now equipped with medical-grade sensors: Apple, for instance, was granted Grade 2 FDA approval in 2018 for its Apple Watch product, which can notify users and healthcare professionals if it detects an irregular heartbeat.⁸⁷

1.1.2 Research and Development Challenges

While the fundamentals of the life sciences sector are extremely strong, the financial viability of investing in the development of new medicines is considerably challenging. Research and development activities in the sector are notoriously difficult, time-consuming and costly.

Over the last decade, pharmaceutical firms poured around \$1.5 trillion into research and development.⁸⁸ Since 2010, however, Deloitte calculates that the average cost of developing a new drug has almost doubled to \$2.2 billion, while the value of average forecast peak sales for a new treatment has more than halved. Consequently, expected return on investment from drug development has declined precipitously – falling from 10.1% in 2010, to just 1.8% in 2019.⁸⁹ Moreover, one third of the costs of developing a new drug are spent during the initial drug discovery phase, during which tens of thousands of molecules are screened, with only a small number ever making it to clinical trials.

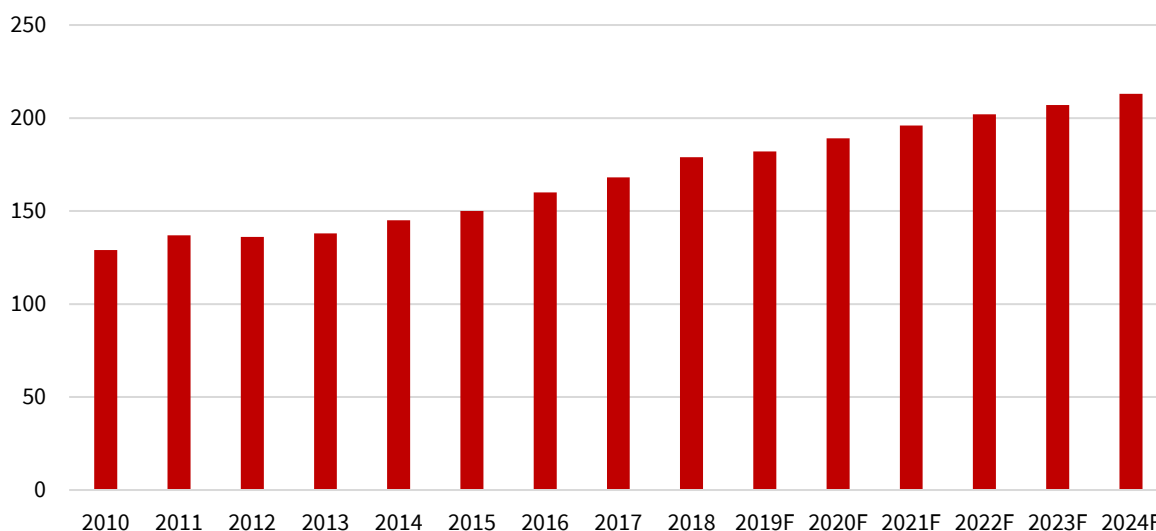
The challenges with research and development are in part why firms are enthusiastically exploring applications of artificial intelligence in drug development, as well as bolstering their pipelines by acquiring other players. Moreover, it is causing pharmaceutical companies to rethink how they are structured and where they are located. The drive to become embedded in thriving life science ecosystems of academia and entrepreneurial companies is causing large pharmaceutical companies in particular, to question the wisdom of out-of-town campuses and instead set up shop in the leading life science hubs.

⁸⁷ ECG app and irregular heart rhythm notification available today on Apple Watch, Apple. <https://www.apple.com/newsroom/2018/12/ecg-app-and-irregular-heart-rhythm-notification-available-today-on-apple-watch/>

⁸⁸ World Preview 2019 to 2020, Evaluate Pharma. https://info.evaluate.com/rs/607-YGS-364/images/EvaluatePharma_World_Preview_2019.pdf

⁸⁹ Ten Years On: Measuring the Return from Pharmaceutical Innovation 2019. <https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/life-sciences-health-care/deloitte-uk-ten-years-on-measuring-return-on-pharma-innovation-report-2019.pdf>

Worldwide Total Pharmaceutical R&D Spend in 2010-2024, \$bn



Source: Evaluate Pharma

1.1.3 Acquisitions, Partnerships and a Shifting Competitive Landscape

Technological advances and lower returns on research and development activities has spurred greater volumes of mergers and acquisitions in the life sciences sector. Around \$1.6 trillion of mergers and acquisitions have taken place over the last decade, according to analysis by PharmaIntelligence.⁹⁰

The momentum behind acquisitions will likely continue as larger groups look to make bets on emerging areas in cell and gene therapies, oncology and rare illnesses (see below). This was part of the rationale for the \$74 billion merger of Bristol-Myers Squibb and Celgene in 2019 - Celgene had previously acquired Juno for \$9 billion, a leader in cell therapies. Similarly, Roche acquired Spark Therapeutics, a specialist in gene therapy, at the end of 2019 for \$4.4 billion.⁹¹ UK-based Nightstar Therapeutics, a clinical-stage gene therapy company focused on treatments for inherited retinal disorders, was also acquired by Biogen for \$877m in June 2019.⁹²

Life sciences firms are not only looking to M&A as a route to expanding their pipelines or bolstering their competitive position, but also to augment their capabilities in emerging areas of technology. In 2019 alone, life sciences companies announced plans to acquire 37 technology companies. These deals included Thermo Fisher acquiring HighChem, a Slovakia-based developer of mass spectrometry software that analyses complex data and identifies small molecules and their

⁹⁰ A Decade of Biopharma M&A and Outlook for 2020, Pharma Intelligence.

<https://pharmaintelligence.informa.com/~media/informa-shop-window/pharma/2020/files/whitepapers/ma-whitepaper.pdf>

⁹¹ A Decade of Biopharma M&A and Outlook for 2020, Pharma Intelligence.

<https://pharmaintelligence.informa.com/~media/informa-shop-window/pharma/2020/files/whitepapers/ma-whitepaper.pdf>

⁹² Biogen closes \$800m Nightstar Therapeutics acquisition, Pharmaceutical Technology.

<https://www.pharmaceutical-technology.com/news/biogen-nightstar-therapeutics-acquisition/>

fragments. Elsewhere, Roche acquired Flatiron Health for \$1.9 billion in 2018.⁹³ Flatiron Health specialises in using natural language processing, a form of artificial intelligence, to enable faster research into cancer treatments.⁹⁴

Even if they're not acquiring other firms, many life sciences companies are establishing partnerships with technology specialists to enhance their capabilities. AstraZeneca and Novartis, for instance, both announced in 2019 that they were entering major partnerships with BenevolentAI, a specialist technology firm that uses AI to help scientists identify new ways to treat diseases and personalise medicines.⁹⁵

The convergence of fields

The increasing convergence of technology and life sciences is reshaping the sector. Not only are life sciences firms augmenting their technical capabilities, technology companies are expanding into life sciences. Verily Life Sciences, a subsidiary of Google's parent company, raised \$1 billion in venture funding in 2019 – the largest ever single venture investment into a life sciences firm.⁹⁶ Google itself announced in 2019 that it was partnering with Sanofi to create a new innovation lab focused on personalised treatments.⁹⁷ Elsewhere, Microsoft and Novartis signed a multi-year collaboration agreement last year focused on applications of AI in healthcare.⁹⁸

The growth of new sciences is also forcing life sciences firms to expand their stock of technical and digital talent. Novartis, for instance, now employs around 800 data scientists and bio-statisticians.⁹⁹ The competition for highly skilled talent, particularly in fields including statistical analysis, data science and software engineering, will also become more intense as life sciences firms and those from other sectors draw more intensely from the same technical talent pool.

Alongside this, the growth of new technology-led business models within life sciences have made the sector more attractive to venture and private equity investors. Consequently, flows of venture capital into start-up and scale-up firms have grown markedly in the last five years. In the UK alone, we estimate that more than \$5.2 billion of venture funding was invested into life sciences firms between 2015 and 2020 – more than double the same figure for the five years prior.¹⁰⁰ Over time,

⁹³ 2020 Global Life Sciences Outlook, Deloitte.

<https://www2.deloitte.com/content/dam/Deloitte/global/Documents/Life-Sciences-Health-Care/gx-lshc-di-2020-global-life-sciences-outlook.pdf>

⁹⁴ Roche to acquire Flatiron Health to accelerate industry-wide development and delivery of breakthrough medicines for patients with cancer, Roche. <https://www.roche.com/media/releases/med-cor-2018-02-15.htm>

⁹⁵ Intelligent Drug Discovery Powered by AI, Deloitte.

https://www2.deloitte.com/content/dam/insights/us/articles/32961_intelligent-drug-discovery/DI_Intelligent-Drug-Discovery.pdf

⁹⁶ Alphabet's Life Sciences Tech Unit Verily Raises \$1 billion from investors, Reuters.

<https://www.reuters.com/article/us-alphabet-verily-idUSKCN10X1UJ>

⁹⁷ Sanofi and Google to develop new healthcare Innovation Lab, Sanofi. <https://www.sanofi.com/en/media-room/press-releases/2019/2019-06-18-07-00-00>

⁹⁸ Novartis and Microsoft join forces to develop drugs using AI, Financial Times.

<https://www.ft.com/content/93e532ee-e3a5-11e9-b112-9624ec9edc59>

⁹⁹ Novartis and Microsoft join forces to develop drugs using AI, Financial Times.

<https://www.ft.com/content/93e532ee-e3a5-11e9-b112-9624ec9edc59>

¹⁰⁰ JLL analysis of data from CrunchBase. <https://www.crunchbase.com/>

increasing flows of investment into smaller firms may make it easier to develop and commercialise products independently of larger players – making it more difficult for larger firms to simply acquire innovation.

The upshot of all this is that the competitive environment for life sciences firms is becoming more complex and nuanced. The boundaries between technology and life sciences will continue to converge, redefining work processes and forcing life sciences businesses to augment their skills requirements. At the same time, growing levels of investment will support a more vibrant ecosystem of start-ups, scale-ups and smaller firms. Locations that are strong in both technology and life sciences and, moreover, can jointly harness those strengths, should be well positioned.

Partnerships between life sciences and technology firms

| Life Sciences Company | Technology company | Partnership |
|-----------------------|--------------------|--|
| AstraZeneca | ProtenQure | Multiyear collaboration to use quantum computing for drug discovery |
| BMS | Concerto HealthAI | Analysis of real-world oncology data to generate insights and real-world evidence |
| Gilead | Insitro | Use Insitro's platform for developing disease models for non-alcoholic steatohepatitis |
| Janssen | Iktos | Use Iktos's virtual design technology for discovery of small molecules |
| Merck | Iktos | Use Iktos's virtual design technology for discovery of small molecules |
| Novartis | Microsoft | Develop an AI innovation lab for personalised medicines |
| Pfizer | CytoReason | Standardisation and organisation of Pfizer's data for integration with the company's immune system model |
| Sanofi | Google | Develop an virtual innovation lab for analysis of real-world data |

Source: Deloitte

1.2 Key areas of innovation

Three major areas of innovation and investment within life sciences currently are gene therapy, Immuno-oncology and oncology.

1.2.1 Gene Therapy

Large pharma companies will likely need to keep acquiring and making bets on cell and gene therapy companies.¹⁰¹ According to Allied Market Research, the global gene therapy market valued at \$584 million in 2016 and is estimated to reach \$4.4 billion by 2023. Manufacturers are also preparing for growth in this market. In a flurry of M&A activity, manufacturers are expanding their gene therapy capability to drive the next major leg of industry growth.¹⁰²

1.2.2 Immuno-oncology

Immuno-oncology line extensions are predicted to significantly contribute to growth. GlobalData estimates that the total immuno-oncology market will grow to \$35 billion by 2024, up from \$14 billion in 2019. Checkpoint inhibitors will drive the growth, growing from \$10 billion in 2019 to \$25 billion by 2024. The pipeline of immunotherapies is particularly active and includes almost 300 assets with 60 separate mechanisms being evaluated in Phase I or Phase II clinical trials, which is a significant jump from the four mechanisms in Phase III trials or under regulatory review. These immunotherapy trials are being conducted across 34 different tumour types, indicating the broad-based application of this new approach to cancer treatment.¹⁰³

1.2.3 Oncology

Despite its rapid growth, immuno-oncology is a fraction of the broader market for cancer drugs, which is expected to be worth \$200 billion by 2022. According to the IQVIA Institute for Human Data Science, the U.S. market alone will reach \$100 billion in 2020. By some estimates, 30 percent of the revenue growth in the pharma industry will come from oncology, and nine of the top 20 products will be oncology products¹⁰⁴. Oncology is expected to remain the dominant therapy segment.

¹⁰¹ 2020 Global Life Sciences Outlook, Deloitte. <https://www2.deloitte.com/global/en/pages/life-sciences-and-healthcare/articles/global-life-sciences-sector-outlook.html>

¹⁰² 2019 Life Sciences Outlook, JLL. <https://www.jll.co.uk/en/trends-and-insights/research/2019-life-sciences-outlook-innovation-is-alive-and-well>

¹⁰³ 2019 Life Sciences Outlook, JLL. <https://www.jll.co.uk/en/trends-and-insights/research/2019-life-sciences-outlook-innovation-is-alive-and-well>

¹⁰⁴ 2019 Life Sciences Outlook, JLL. <https://www.jll.co.uk/en/trends-and-insights/research/2019-life-sciences-outlook-innovation-is-alive-and-well>

Appendix 2: Benchmarking UK life sciences in a global context

The competitive position of life sciences in the UK is supported by a world-leading research landscape and science base. The UK government invests more in health research and development than any market in Europe¹⁰⁵ – a competitive strength that will be bolstered by the recent government commitment to boost overall R&D spending to 2.4% of GDP by 2027. Four of the world's top 20 universities for life sciences are located in the UK (Cambridge, Oxford, UCL and Imperial), while UK research accounts for almost a fifth of the top 1% of global life sciences academic citations.¹⁰⁶ Around 14% of UK university graduates study programmes in natural sciences, mathematics and statistics – approximately double the proportion in the United States, France and Italy.¹⁰⁷

To assess the maturity of the UK's life sciences sector in a global context, we have provided a summary of the UK's competitive position across several metrics, including research and development spending; the value of pharmaceutical and medical technology exports; participation in global research studies; foreign direct investment into life sciences; and capital raised from life sciences Initial Public Offerings (IPOs).¹⁰⁸ This is important because it provides the framework within which the Cambridge life sciences sector sits.

2.1 Government spend on health research and development

The UK government spend on health R&D was \$3.0bn in 2017, making the country second only to the US in health R&D spend among comparator countries. As shown in the table below, the UK spend was approximately double that of Germany and Japan.

Government spend on health research and development, 2017

| | Spend (\$m) |
|-----------|--------------|
| USA | 33,710 |
| UK | 3,034 |
| Germany | 1,670 |
| Japan | 1,275 |
| France | 1,099 |
| Spain | 1,048 |
| Italy | 914 |

¹⁰⁵ Life Science Competitiveness Indicators, Office for Life Sciences.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/811347/life-sciences-competitiveness-data-2019.pdf

¹⁰⁶ Life science Industrial Strategy Update, Office for Life Sciences.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/857348/Life_sciences_industrial_strategy_update.pdf

¹⁰⁷ Life Science Competitiveness Indicators, Office for Life Sciences.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/811347/life-sciences-competitiveness-data-2019.pdf

¹⁰⁸ Unless otherwise stated, the data presented here is drawn from the Office for Life Sciences' 2019 Life Science Competitiveness Indicators report.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/811347/life-sciences-competitiveness-data-2019.pdf

| | |
|-------------|-----|
| Netherlands | 250 |
| Sweden | 79 |
| Belgium | 67 |
| Ireland | 53 |

2.2 Global exports

UK exports of pharmaceutical products had a value of \$33.3bn in 2017. While this places the UK fifth amount comparator countries, it should be noted that the value of UK exports was less than half that of Germany in the same year. The value of UK pharmaceutical exports was also considerably lower than that of Switzerland, the United States and Belgium.

The UK also performs poorly in international comparisons of medical technology exports, with the total value of medical exports reaching just \$4.0bn in 2017, around one tenth of the value of exports from the United States, and around a fifth of that of Germany.

While the UK is very strong in discovering new products, it is evidently much less so in developing and manufacturing them.

Global exports of pharmaceutical products by exporting country, 2017

| | Exports (\$m) |
|-------------------|---------------|
| Germany | 84,192 |
| Switzerland | 71,706 |
| USA | 46,936 |
| Belgium | 45,604 |
| UK | 33,299 |
| Netherlands | 38,806 |
| Ireland | 39,246 |
| France | 32,151 |
| Italy | 26,981 |
| India | 14,276 |
| China | 14,986 |
| Singapore | 10,123 |
| Canada | 6,337 |
| Japan | 4,955 |
| Republic of Korea | 3,210 |
| Mexico | 1,490 |
| Brazil | 1,326 |
| Russia | 738 |

Global exports of medical technology products by exporting country, 2017

| | Exports (\$m) |
|-------------------|---------------|
| USA | 33,352 |
| Germany | 20,864 |
| Netherlands | 12,422 |
| China | 11,094 |
| Mexico | 8,118 |
| Belgium | 7,696 |
| Japan | 6,830 |
| Ireland | 5,714 |
| France | 4,747 |
| Singapore | 4,486 |
| Switzerland | 4,229 |
| UK | 4,029 |
| Italy | 2,854 |
| Republic of Korea | 2,385 |
| Canada | 1,583 |
| India | 911 |
| Brazil | 187 |
| Russia | 147 |

2.3 Share of patients recruited to global studies

The UK share of patient recruited to global studies across all trial phases in 2017 was just under 3%, placing it behind only the United States, Germany and Spain among comparator countries. The United States, however, is far and away the global leader – accounting for one third of patients recruited to global studies.

Share of patients recruited to global studies (all trial phases), 2017

| | % |
|-------------|------------|
| USA | 32.6 |
| Germany | 3.3 |
| Spain | 2.9 |
| UK | 2.7 |
| Canada | 2.6 |
| France | 1.9 |
| Italy | 1.5 |
| Netherlands | 1.4 |
| Australia | 1.1 |
| Switzerland | 0.2 |

2.4 Life sciences foreign direct investment

The value of life sciences foreign direct investment into the UK reached £1.1 billion in 2018 – behind only the US, China and Ireland and up by more than a third on the previous year. Total life sciences foreign direct investment in the UK in 2018 was also three times the level recorded in 2014.

Life sciences foreign direct investment - capital expenditure

| | Expenditure (\$m) |
|-------------------|-------------------|
| USA | 3,254 |
| China | 2,852 |
| Ireland | 1,764 |
| UK | 1,107 |
| India | 521 |
| Germany | 540 |
| Switzerland | 188 |
| France | 939 |
| Canada | 664 |
| Republic of Korea | 305 |
| Australia | 94 |
| Japan | 277 |
| Italy | 120 |
| Russia | 116 |
| Sweden | 6 |

4.1.5 Global life science Initial Public Offerings (IPOs)

The UK had two life sciences IPOs in 2018, equating to a 1% of the global life sciences IPOs. This is a comparable share to Germany, Japan and Switzerland. The United States had the largest share of life sciences IPOs in 2018, with 40%, followed by China, with around 19%. The relatively poor position of the UK and other European countries in this table should be a matter of concern for the industry as it is access to the deep pools of funding provided by the public equity markets that facilitates a company to achieve scale.

Share of global life science Initial Public Offerings (IPOs) in 2018

| | Global share of number of life sciences IPOs |
|-------------------|--|
| USA | 40% |
| China | 19% |
| Republic of Korea | 9% |
| Canada | 6% |
| Sweden | 4% |
| Australia | 4% |
| India | 4% |
| Nordic countries | 3% |
| France | 2% |
| Singapore | 2% |
| Germany | 1% |

| | |
|-------------|-----------|
| Japan | 1% |
| Switzerland | 1% |
| UK | 1% |

Appendix 3: Cambridge University Health Partners Life Sciences Vision

While the CPCA Life Sciences strategy work was being undertaken, Cambridge University Health Partners (CUHP) has also developed a vision for the future success of the life sciences sector in Cambridge. Although viewing the subject through a different lens, the approach to developing the sector and delivering the vision is consistent with the strategy set out in this document. The CUHP paper is included here for reference.

Life Sciences Cambridge

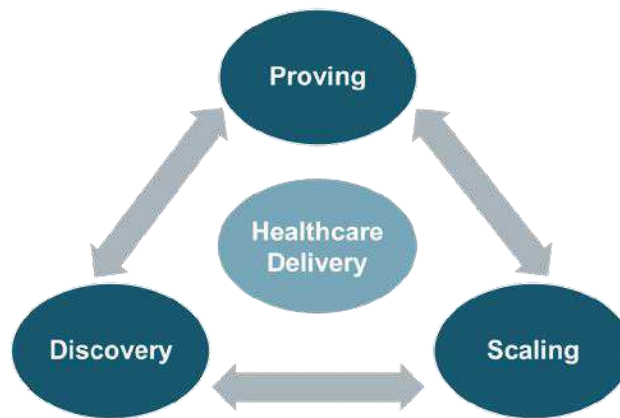
THE WORLD BEYOND 2030

- The **burden of global disease** has been shifted by forces of climate change, urbanisation and globalisation, increasing the value placed on science and innovation
- Healthcare is **personalized** and delivered through hybrid digital and physical **community based provider networks** with a focus on **prevention and early diagnosis**
- **Socioeconomic inequality and ageing populations** lead to increased pressures on public services and funding
- **Technology, digitalisation, data and artificial intelligence** have increased productivity across every sector
- **Digital and physical connectivity** facilitate knowledge transfers between sectors and places, resulting in increasingly complex systems and economies
- **Flexible and remote working** have become the norm, with individuals choosing when to work and where to live based on attractiveness and assets

OUR VISION

Accelerating the cycle of discovering, proving and scaling healthcare innovations to improve lives

- **Improving lives** by reducing the global burden of disease and disability with our local population at the centre
- **Discovery** powered by the *Knowledge Engine*, delivering breakthrough insights into the underlying mechanisms of disease, novel treatments and improved systems for care delivery
- **Proving the value of discoveries from Cambridge and beyond** in real world populations and health systems using integrated health, social and economic data
- **Scaling** breakthrough life science discoveries through the parallel development of versatile commercial models to deliver impact at pace



HOW WE WILL BE DISTINCTIVE

A concentration of exceptional expertise and experience with the culture, infrastructure and systems in place for collaboration and pace

- **Critical mass of research talent** in the key disciplines of the future with flexible career paths that encourage movement between academia, industry and funders
- **Concentration of companies** across different sectors and stages bringing global perspective and commercial skills
- **Intellectual entrepreneurialism and freedom of thought** to take risks and pursue novel directions
- **Proximity and physical co-location** of expertise across delivery, discovery and commercialisation
- Access to and ability to use integrated **high quality health, genomic, biological, social and economic data** including on local stable research ready population
- National and **global links** stretching beyond the personal making Cambridge as the gateway to global talent, knowledge and scale of data
- Access to **funding and facilities** that are appropriate to and support discovering, proving and scale up in a flexible manner with sharing of core technology

OUR PROPOSITION TO CORE STAKEHOLDERS

Ability to deliver globally differentiated and impactful outcomes in a place they want to be

- Local population: **world class personalised healthcare, jobs** in life sciences of every kind, **great place to live and work** that celebrates diversity
- Researchers, clinicians and professionals: ability work at **leading edge of science and care** with opportunities for flexible career paths and competitive remuneration
- Entrepreneurs: access to funding, expertise, talent, shared resources and **ability to rapidly prove** value; integrating discovery expertise with commercial operations
- Health and care providers: **local integration; commercial partnerships; and a population dataset** that enables value based care delivery and innovative treatments
- Research funders and investors: discoveries that **deliver impact sooner** in the real world; a growth mindset rooted in improving lives and valuing commercial skillsets

- Technology / life science companies: access to **ideas that cross boundaries**, a place where employees want to be that provides opportunities to rapidly test new concepts
- Developers / commercial agents: development of facilities in **full partnership** with focus on maximising long term benefit for all
- Local and national government: enhanced **UK global reputation and competitiveness**, through research business opportunities facilitated throughout the UK

HOW WE WILL JUDGE OUR SUCCESS

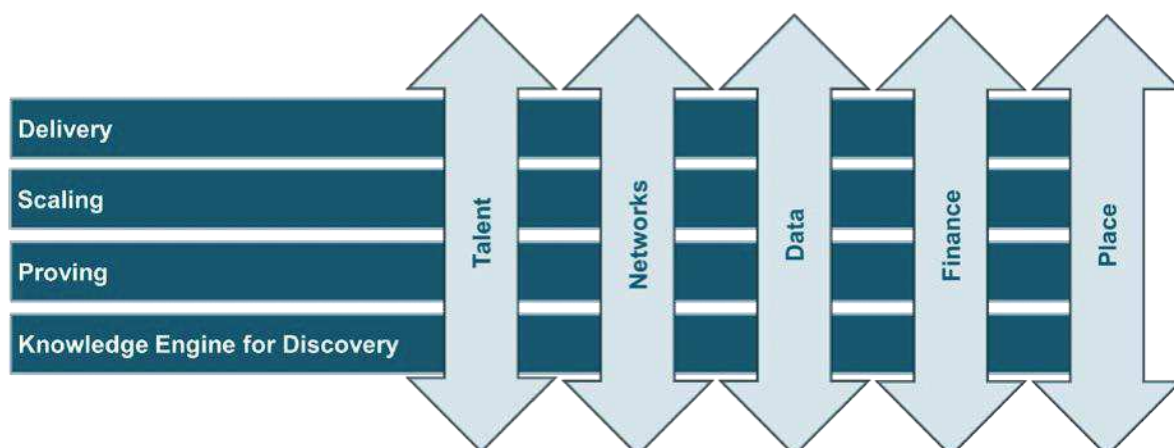
Translating our Vision to measurable outcomes that demonstrate our competitiveness not just in outcomes but in speed of obtaining them

- **Improving lives:** Health status of our local population, number of treatments attracting national and global patients, number of patients treated with innovative / novel / pre-launch treatments
- **Discovering:** Patent files and high quality publications, number of breakthrough discoveries, conversion of patents to innovation or commercial success
- **Proving:** Enquiries run on key data assets, number of innovations being tested or trialled within healthcare providers, speed of proving impact
- **Scaling:** Time to market, funding available, size of IPOs **WHAT CAMBRIDGE WILL HAVE TO DO TO GET THERE**

Addressing the gaps and continuing to improve the underlying five pillars (talent, networks, data, finance and place) that underpin the knowledge engine and scaling up resultant discoveries

To deliver on this value proposition, compared with where we are today, Cambridge needs to:

- Continue to foster and develop the **culture** and **skills** required for discovery and beyond
 - Adapt to post-COVID-19 balance of remote versus co-located working
 - Commit to support specialisms beyond traditional life science knowledge engine – to include data, AI, machine learning, commercialisation
 - Create a culture that expects talent to move between and work across different institutions, take risk, value diversity and drive impact from discoveries
 - Have a competitive attitude towards remuneration



- Evolve our **mechanisms and supporting capabilities for partnerships** internally and externally to
 - — Create the agile delivery model for formation of virtual and physical institutions around specific problems
 - — Identify and develop core shared infrastructure and assets
 - — Develop our Integrated Care System and Primary Care Networks in a way that optimizes care and facilitates discovery, proving and scaling of innovations
 - — Create the standard legal and commercial arrangements that facilitate collaboration, the sharing of data and the co-development of IP
 - — Connect talent within and across the cluster via networks and partnerships capitalising on the unique ‘college’ approach to interacting, working and living
 - — Develop our common front door, concierge for researchers, industry or investors coming to Cambridge and work collectively on external promotion
- Put responsibly sourced, stewarded, robust and reliable **data** to work by
 - — Using it explicitly to improve delivery of care, fuel discovery by connecting and data to drive health innovation and discovery
 - — Identifying the highest value opportunities for further investment in creation, enrichment and combination of high quality data
 - — Laying the groundwork for long term ‘digital mimic’ of the population; and the health system
 - — Forming links and access arrangements to global data sources to expand power of insights
- Facilitate access to **finance** and funding mechanisms to empower public and private sector endeavours
 - — Collaborate and invest in actively seek out and attract funding
 - — Fill the gaps in current funding proposition e.g., cross over investors
 - — Refine, report and promote the value proposition
- Develop our **place** via physical infrastructure to
 - — Allow for the types of research and collaborations which are necessary providing flexible space to accommodate needs at different stages and fast tracking priority developments
 - — Create fit-for-the-future healthcare facilities which support innovative models of care
 - — Ensure local clusters are exemplars, with effective and sustainable long term transport solutions and infrastructure to support productive and liveable communities

THE ROLE OF THE CAMBRIDGE BIOMEDICAL CAMPUS (CBC) WITHIN THIS VISION

A compelling place to deliver world class healthcare facilitating breakthrough discoveries and a rapid pathway to global impact

Within the Cambridge cluster, the CBC will be the innovation district distinguished by the colocation of health and care delivery with research institutions and industry that benefit from this proximity

- Vibrant healthcare delivery is at the heart of any successful life science cluster. Access to patients, those that treat them and live with them and generate a deep understanding their needs is crucial for discovery, scale up and proof. In turn research and continuous service improvement benefits patient care.
- Given the current concentration of services Cambridge will continue to make CBC the healthcare campus for the region for public health, primary, mental health, private facilities and specialist care
- Physical proximity facilitates collaboration, exchange of ideas and a common sense of understanding and purpose. Therefore collocating the research and industry that benefits from collaboration with healthcare delivery and each other will be the priority including
 - — Flexible facilities for disease themed teams or companies looking to conduct research, prove and scale up healthcare innovations
 - — Dedicated collaboration space to enable the exchange of tacit knowledge and informal collaboration
 - — University or foundations focusing on healthcare improvement research
 - — Permanent disease / condition based research institutions
 - — Additional commercial life science company headquarters both pre and post IPO
- Particularly in a modern age with options for virtual working, the CBC also has to attract talent by creating attractive work environments that are easy to access while also providing leisure and support facilities.

Appendix 4 – One-page CPCA Life Sciences Sector strategy summary

Cambridge and Peterborough Combined Authority Life Sciences Strategy

Summary of Recommendations



Cambridge has a long and proud history at the cutting edge of life sciences research and is the leading cluster outside of growth to date has arguably been through “constructive chaos”, which has served the sector well. However, the cluster has reached a level of maturity where that approach may no longer be appropriate. Cambridge plays a crucial role within the UK Life Science sector, but has grown more slowly than other clusters in recent years. Hence it is important, recognising the role it plays, and value add it provides nationally, that there is continued support and investment from Government to ensure Cambridge continues to remain competitive.

| Theme | Strengths & Weaknesses | Observations | Recommended Actions |
|---|--|--|--|
| Building the Financial & Management Capacity for Growth | <p>Strengths:</p> <ul style="list-style-type: none"> -start-up base and support system -funding for early stage companies <p>Weaknesses:</p> <ul style="list-style-type: none"> -Series C+ funding -Few companies of scale -Lack of commercial leadership talent | To better support the life sciences ecosystem, the Combined Authority must prioritise policies that help firms to scale, rather than simply be acquired early in their life cycle and subsumed into a parent company. | <ul style="list-style-type: none"> • Establish a new £1 billion Life Sciences Innovation Fund • Lead on the drive to improve UK public equity markets for life sciences companies • Create a “Future Leaders Programme” to build commercial management skills of the sector • Support the development of a culture that aspires to scale |
| Building Network Capacity for Growth | <p>Strengths:</p> <ul style="list-style-type: none"> -multiple established networks -experienced entrepreneurs <p>Weaknesses:</p> <ul style="list-style-type: none"> -inefficient and confusing networks -lack of single voice to speak to govt and inward investment | Policies should be adopted that help coordinate networks and interactions with external parties.. | <ul style="list-style-type: none"> • Develop a coordinating body for the strategic initiatives and appoint a “Life Sciences Strategy Director” to drive implementation • Support the establishment of a single agency to promote Cambridge around the UK and internationally • Leverage the OxCam Arc, the UK Innovation Corridor (linking King’s Cross to Cambridge) and the Golden Triangle |
| Building Talent & Skills Capacity for Growth | <p>Strengths:</p> <ul style="list-style-type: none"> -top graduate and post doctoral talent -Existing high employment pool of 20,000+ <p>Weaknesses:</p> <ul style="list-style-type: none"> -Shortage of people with technical skills, especially in the convergence of AI and life sciences, seen as a key differentiator for the Cambridge industry | Work with education providers in the area to further develop education and training programmes and align with industry needs. University of Peterborough presents opportunity to create new scientific and technical degrees aligned with needs of areas life sciences businesses. | <ul style="list-style-type: none"> • Create new technical education programmes to support skills required by life sciences firms • Support for alternative routes into life sciences employment • Create new programmes to upskill in the tech life science convergence • Improve the diversity and inclusion of the sector |
| Building Physical Capacity for Growth | <p>Strengths:</p> <ul style="list-style-type: none"> -Well established and substantial specialist provision of space for life science companies <p>Weaknesses:</p> <ul style="list-style-type: none"> -Need for additional capacity - esp. grow on -Need to address transport & housing issues | Ensure planning policies make provision for facilities to enable growth of the sector. Coordination between the Combined Authority and Cambridge City Council/South Cambs District Council should be undertaken to expand out the existing Cambridge and South Cambs sites. | <ul style="list-style-type: none"> • Implement life science employment growth within site areas currently consented for new buildings but stalled • Densify life science employment within currently consented sites • Intensify life science employment within current buildings by encouraging firms from other sectors to relocate to alternative parks • Expand life science employment through new planning applications within and adjacent to established areas |

Appendix 3

Digital Sector Strategy April 2021 Update

| | Key questions | Key answers | Key interventions |
|-----------------------------------|---|---|---|
| To the CPCA Digital Sector | How can the CPCA Digital Sector continue to access high-quality, diverse talent? | Collaborate on high-quality digital training for young people and teachers, and reskilling for adults. Develop a region-wide culture of employer engagement in education. | -Digital businesses to engage with existing STEM skills development and career guidance programmes. |
| | How can Digital Sector businesses innovate and grow in a post-Covid CPCA? | Much of CPCA's success in innovation is based on its culture of networking. Access to networking is essential for idea-sharing, inspiration, customer acquisition, hiring and encouraging investment. | -When social distancing guidance relaxes, digital businesses to engage in large-scale networking activities that promote knowledge transfer and customer acquisition, e.g. Cambridge Tech Week. |
| To CPCA | Is CPCA digital infrastructure fit to deliver a world-class digital sector? Is the digital infrastructure fit for a post-Covid world? | CPCA must guarantee internationally competitive networks that combine the speed and security needed to work from home. Covid-19 has changed the use of telecommunications networks, and while they have coped they are not yet world-class. High Performance Computing (HPC) resource is in high demand and an area in which CPCA is lacking. | -Target 1GB/s broadband speeds across the region by 2022. -Prevent any future housing or infrastructure project to take place without the installation of ultra-fast internet connectivity. -Commit to an HPC Roadmap to retain CPCA's primacy in fields such as supercomputing and AI. |
| | How can CPCA produce high-quality, diverse talent that meets the needs of the digital sector? | Ensure high-quality digital training for young people and teachers, and reskilling for adults. Develop a region-wide culture of employer engagement in education. Attract talent into the region with affordable housing and high quality local amenities. | -Ensure high quality digital education and training opportunities, ranging from digital literacy, advanced programming skills up to doctorates, as well as reskilling programmes, are available and accessible for young people, teachers and adults throughout the region. |
| | How can a thriving, local digital sector enable a prosperous community across the whole of CPCA? | A thriving digital sector has complex supply chain demands that can be met by local businesses, if potential customers are aware. | -Fund opportunities for digital businesses to meet local suppliers through face-to-face networking and intra-regional programmes, e.g. Cambridge Tech Week. |
| | How can CPCA become the best place to start and grow a digital business? | Starting and growing a business requires an idea, talent, space, finance, suppliers, customers - to name a few! Such things are present in the region to a degree, but CPCA needs to improve signposting, access and quality. | -Develop high-quality, supportive business premises across the region for start-ups. -Establish a CPCA Digital Innovation Fund with a particular focus on convergence activities and businesses setting up outside of Cambridge. -Increase the visibility and accessibility of financial information throughout the region. |
| | How can the digital sector deliver good jobs and greater earning power for more CPCA citizens? | While the digital sector grows, other industries are also digitalizing their processes. Encouraging the adoption of digital technologies in key sectors for CPCA such as life sciences, manufacturing and agriculture will increase the number of skilled jobs in the region. | -Establish Leadership Councils for Technology in Manufacturing, Logistics and Agriculture. -Establish "Launchpads" (sector-specific business premises) for the development and trial of digital technologies in key sectors. -Fund high-impact networking and knowledge transfer activities between the digital sector and industry, e.g. Cambridge Tech Week. -Expand on projects such as "Digital Manufacturing on a Shoestring" which support the uptake of digital manufacturing among SMEs. |
| To the UK Government | How can the UK Government apply CPCA's strengths to its goals of becoming an innovative economy? | The City of Cambridge is the most innovative city in the UK, producing almost three times the number of patent applications per capita than any other city. The UK Government must support CPCA in promoting this attractive brand overseas. | -The UK Government must position the CPCA brand as a global innovation powerhouse to encourage inward investment by technology companies into the country. |
| | How can the UK Government capitalize on CPCA's strengths in digital to meet the Grand Challenges? | The UK Government must look to CPCA for leadership on Artificial Intelligence. The City of Cambridge is already home to the world's foremost Artificial Intelligence departments – Amazon, Microsoft, Samsung - as well as innovative AI start-ups. | -Coordinate the energies of the public and private sector to cement CPCA as a global centre of expertise in Artificial Intelligence. |



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 7.7

Growth Works Management Review May 2021

To: Cambridgeshire and Peterborough Combined Authority Board

Meeting Date: 30 June 2021

Public report: Yes

Lead Member: Austen Adams, Chair of the Business Board

From: John T Hill, Director of Business and Skills

Key decision: No

Forward Plan ref: n/a

Recommendations: The Combined Authority Board is recommended to:

- a) Note the appointment of Nitin Patel of the Business Board as a voting member of the Growth Works Investment Evaluation Panel;
- b) Note the appointment of Mike Herd of the Business Board and Councillor Lis Every of the Skills Committee to be members of the Programme Management Committee;
- c) Note the financial and non-financial performance of Growth Works and request any required changes to reporting going forward; and
- d) Note the appointment of Nigel Parkinson Non-Executive Director and Independent Chairperson of the Cambridgeshire and Peterborough Business Growth Company Limited (Growth Co) as a voting member of the Growth Works Investment Evaluation Panel.

Voting arrangements: Note only item, no vote required.

1. Purpose

- 1.1 The Combined Authority Board is recommended to note the appointment of Nitin Patel as a voting member of the Growth Works Investment Evaluation Panel and note the appointments of Mike Herd and Councillor Lis Every to be members of the Programme Management Committee.
- 1.2 These proposals were considered at the Business Board meeting on 19 May 2021 and the Skills Committee on 14 June 2021. Following discussion, the Business Board and Skills Committee resolved unanimously to the nominations above.
- 1.3 The Combined Authority is recommended to note the appointment of Nigel Parkinson as a voting member of the Growth Works Investment Evaluation Panel. This proposal was discussed at the Board meeting of the Cambridgeshire and Peterborough Business Growth Company Limited (Growth Co) on 1 June 2021 and following discussion, the Growth Co Board recommended the proposal to the Combined Authority for noting.
- 1.4 The Combined Authority Board is also recommended to note the financial and non-financial performance of Growth Works as set out in the paper to Skills Committee on 14 June 2021.
- 1.5 The report can be viewed via the link below:

[Skills Committee meeting 14 June 2021 - Item 2.3 refers](#)

2. Considerations

- 2.1 None

3. Financial Implications

- 3.1 The financial implications are as set out in the Business Board paper (see link below).

4. Legal Implications

- 4.1 None.

5. Appendices

- 5.1 Appendices to the report to the Business Board can be viewed at:

[Business Board meeting 19 May 2021 - Item 2.4 refers](#)

- 5.2 Appendix 1 to the Business Board report: Four service lines outcomes and indicators during mobilisation phase

5.3 Appendix 2 to the Business Board report: Deliverables by June 2021

6. Background Papers

6.1 None

