



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

## **CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY**

**Wednesday, 25 October 2017**

**10:30a.m. – 1:00p.m.**

East Cambridgeshire District Council,  
The Grange, Nutholt Lane,  
Ely, Cambs CB7 4EE

### **AGENDA**

**Open to Public and Press**

| <b>Number</b> | <b>Agenda Item</b>                      | <b>Mayor/<br/>Lead Member/<br/>Chief Officer</b> | <b>Papers</b> | <b>Pages</b> |
|---------------|---|--|---------------|--------------|
|               | <b>Part 1 – Governance items</b>        |  |               |              |
| 1.1           | Apologies and Declarations of Interests | Mayor  | oral          | -            |
| 1.2           | Minutes – 27 September 2017             | Mayor  | yes           | 4 - 10       |
| 1.3           | Petitions                               | Mayor  | oral          | -            |
| 1.4           | Public Questions                        | Mayor  | oral          | -            |
| 1.5           | Forward Plan                            | Mayor  | yes           | To follow    |

| Number | Agenda Item   | Mayor/<br>Lead Member/<br>Chief Officer               | Papers | Pages    |
|--------|---|---|--------|----------|
|        | <b>Part 2 – Non Key Decision</b>  |   |        |          |
| 2.1    | Market Town Masterplans: St Neots   | Deputy Mayor & Portfolio Holder for Economic Strategy | yes    | 11 - 64  |
|        | <b>Part 3 - Key Decision</b>  |   |        |          |
| 3.1    | Priority Transport Schemes  | Portfolio Holder for Transport and Infrastructure     | yes    | 65 - 80  |
|        | <b>Part 3 - Non Key Decision</b>  |   |        |          |
| 3.2    | Funding requests in place of Greater Cambridgeshire Greater Peterborough Local Enterprise Partnership | Mayor as Portfolio Holder for Governance              | yes    | 81 - 84  |
|        | <b>Part 4 – Budget and Fiscal decisions</b>   |   |        |          |
| 4.1    | Budget Preparation and Consultation Proposals   | Portfolio Holder for Fiscal                           | yes    | 85 - 94  |
| 4.2    | Budget Update   | Portfolio Holder for Fiscal                           | yes    | 95 - 102 |
|        | <b>Part 5 – Date of next meeting</b>  |   |        |          |
| 5.1    | Date: Wednesday 29 November 2017 at 10.30 am<br>Venue -South Cambridgeshire District Council.         | Mayor   | oral   | -        |

The Combined Authority currently comprises the following members:

Mayor: J Palmer

Councillors: J Clark, S Count, L Herbert, J Holdich, R Howe, C Roberts and P Topping

LEP Chairman M Reeve

Substitute members: Councillors A Bailey, D Brown, W Fitzgerald, R Hickford, K Price, W Sutton & N Wright; LEP substitute member to be confirmed

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

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

Public speaking on the agenda items above is encouraged. Speakers must register their wish to speak by making a request in writing to the Monitoring Officer no later than 12.00 noon three working days before the meeting. The request must include the name, address and contact details of the person wishing to speak, together with the full text of the question to be asked.

For more information about this meeting, please contact Michelle Rowe at the Cambridgeshire County Council's Democratic Services on Cambridge (01223) 699180 or by email at

[michelle.rowe@cambridgeshire.gov.uk](mailto:michelle.rowe@cambridgeshire.gov.uk)



## **CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY: MINUTES**

**Date:** Wednesday 27 September 2017

**Time:** 10.00am – 10.40am

**Present:** J Palmer (Mayor)  
J Clark – Fenland District Council, L Herbert – Cambridge City Council,  
R Hickford (substituting for S Count – Cambridgeshire County Council),  
J Holdich – Peterborough City Council, R Howe – Huntingdonshire District  
Council, P Topping – South Cambridgeshire District Council and M Reeve  
(Greater Cambridgeshire Greater Peterborough Local Enterprise  
Partnership (GCGP LEP))

**Observers:** Councillor J Ablewhite (Police and Crime Commissioner), J Bawden  
(Cambridgeshire and Peterborough Clinical Commissioning Group)

**In Attendance:** Councillor J Peach - Vice Chairman Cambridgeshire and Peterborough  
Fire Authority and Councillor J Batchelor – Chairman, Combined Authority  
Overview and Scrutiny Committee

### **80. APOLOGIES AND DECLARATIONS OF INTERESTS**

Apologies received from Councillors S Count, K Reynolds and C Roberts. There were no declarations of interest.

### **81. MINUTES – 26 JULY 2017 & 4 SEPTEMBER 2017**

The minutes of the meetings held on 26th July 2017 and 4th September 2017 were agreed as a correct record, subject to the following amendment to the minutes of the meeting of 26th July 2017:

Minute 66 – Officer and Support Structure: second bullet, third sentence – change ‘education’ to ‘skills’.

### **82. PETITIONS**

No petitions were received.

### **83. PUBLIC QUESTIONS**

No public questions were received.

#### **84. MEMBERSHIP OF THE COMBINED AUTHORITY - AMENDMENTS**

The Board was invited to note the appointment of Councillor G Bull by Huntingdonshire District Council to replace Councillor D Brown as substitute member of the Combined Authority for the remainder of the 2017/18 municipal year. The Board was further invited to approve the nomination of Councillor J Peach as the substitute observer for the Cambridgeshire and Peterborough Fire Authority.

It was resolved unanimously to:

1. note that Huntingdon District Council appointed Councillor Graham Bull to replace Councillor Daryl Brown as Councillor Robin Howe's substitute to the Combined Authority for the remainder of the municipal year 2017/2018;
2. approve the nomination of Councillor John Peach as the substitute observer for the Cambridgeshire and Peterborough Fire Authority.

The Mayor invited Councillor J Peach to join the Board for the remainder of the meeting.

#### **85. APPOINTMENT OF INTERIM CHIEF FINANCE OFFICER AND SECTION 151 OFFICER**

The Board considered a recommendation to confirm the appointment of Alex Colyer as interim statutory Chief Finance Officer and Section 151 officer following the resignation of the previous post holder. The appointment would be for three days per week until 30 September 2017 and for four days per week from 1 October 2017 to 31 March 2018.

It was resolved unanimously to:

1. confirm the appointment of Alex Colyer as interim statutory Chief Finance Officer and S151 Officer to the Combined Authority.

#### **86. EMPLOYMENT COMMITTEE AND APPOINTMENT OF MAYORAL ADVISER AND CHIEF OF STAFF**

The Board received a report setting out proposals on the size and composition of the Employment Committee and inviting members to note the appointment of Tom Hunt as Mayoral Adviser and Chief of Staff to the Mayor.

The Monitoring Officer stated that the recommendations relating to the Employment Committee followed on from the officer structure paper considered at the previous meeting and were required to begin the process of recruiting senior staff. It was proposed that two seats on the committee would be rotated between those members of the Board who were not permanent committee members and that one of these would be the relevant Portfolio holder. The recommendation required the approval of two thirds of voting members of the Board including the GCGP LEP representative. The Board was also invited to note the appointment of Tom Hunt as Mayoral Adviser and Chief of Staff to the Mayor. Following Mr Hunt's appointment as the Mayor's political

assistant with effect from 17 July 2017 the Mayor had increased the responsibilities of the role to include a requirement to assist the Mayor in dealings with central government to promote the interests of Cambridgeshire and Peterborough. This was in common with the practice being adopted by other Mayoral Combined Authorities and Elected Mayors of local authorities and followed the structure of the London Mayoral office.

A Member commented that whilst there had been early discussion of the Mayor's intention to appoint a political adviser, at the time that the appointment was made there was no budget for it and no advertised process by which the appointment would be made. The Member felt that there should be a demonstrably open and transparent appointment process to provide assurance that the best person for the job was appointed. They noted that the Overview and Scrutiny Committee had commented on this issue and asked that the Board should look at the Code of Conduct for political advisers used by central government and other Mayoral Combined Authorities with a view to adopting this.

The Mayor sought the advice of the Monitoring Officer on whether the Code of Conduct for political advisers used by central government could be adopted by the Combined Authority. The Monitoring Officer advised that a Code of Conduct for political advisers could be included within the Combined Authority's Constitution. Officers would review the practice elsewhere and bring recommendations to a future meeting for decision.

It was resolved unanimously to:

1. agree the Employment Committee consisted of six members to include:
  - a) The Mayor as Chair
  - b) The Statutory Deputy Mayor as Vice-Chair
  - c) The Constitutional Deputy Mayor,
  - d) Councillor Lewis Herbert (to maintain political balance)
  - e) Two other Board members taken in rotation which must include the relevant Portfolio Holder when interviewing for to a particular Chief Officer post; Board members and their substitutes might also substitute for the core membership.
2. note the appointment made by the Mayor of Tom Hunt as Mayoral Adviser and Chief of Staff on the terms and conditions set out in the report;
3. review the Code of Conduct for political advisers working in central government with a view to adopting this into the Combined Authority's Constitution at a future meeting.

## **87. FORWARD PLAN**

The Board noted the Forward Plan of Executive Decisions dated 15 September 2017, which had been circulated with the agenda. The Mayor stated that the Forward Plan was updated on a regular basis and was available online for public inspection (a copy of the current version was available at the following link <https://cmis.cambridgeshire.gov.uk/ccclive/Documents/PublicDocuments.aspx>)

It was resolved unanimously to:

1. approve the Forward Plan of Executive Decisions.

## **88. DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT (DCLG) HOUSING INFRASTRUCTURE FUND**

The Portfolio Holder for New Homes and Communities stated that details of the Government's Housing Infrastructure Fund had been received shortly before the Parliamentary Recess, allowing very little time to prepare the comprehensive response required. Fortunately district, city and county councils had already done a significant amount of preparatory work on this issue which provided a strong base from which to examine potential bids. Three schemes had emerged from this process as strong contenders and external evaluation of these by one of the country's leading property investment companies, CBRE, had identified the Cambridge Northern Fringe East bid as most likely to be successful against the Government's published criteria. Regeneration of this brownfield site had been a longstanding ambition of both South Cambridgeshire District Council and Cambridge City Council, but it had not been progressed due to the prohibitive cost of removing a 1920s water treatment plant from the site. Any bid submitted would be in competition with schemes proposed by other authorities so it was imperative to submit the strongest bid possible. Whilst recommending the Cambridge Northern Fringe East scheme at this time the strength of both the Huntingdon Third River Crossing and the Wisbech Garden Town schemes was clearly acknowledged in the report. It was recommended that business cases for both of these projects should continue to be developed in recognition of the need for more schemes of this type if the Combined Authority was to meet its aim of delivering an additional 100,000 new homes across the area. The Greater Cambridge Greater Peterborough Local Enterprise Partnership (LEP) had endorsed the recommendation of the Cambridge Northern Fringe East scheme and this would be noted by Government as a strength.

Members of the Board offered the following comments in discussion of the report:

- All three schemes contained in the report represented great opportunities for Cambridgeshire and the Board was fortunate to have such strong contenders to select from;
- The Combined Authority remained committed to supporting infrastructure schemes across its geographical area to provide equality of life opportunities for all Cambridgeshire and Peterborough's residents and to support prosperity across the region;
- The Cambridge Northern Fringe East scheme was considered to stand an excellent chance of success against bids from other authorities;
- An Observer commented that the Huntingdon Third River Crossing scheme had been referenced in the original devolution deal and felt this should be at the forefront of the methodology used for selecting which scheme should be put forward. South Cambridgeshire and the City already benefited from the Greater Cambridge Partnership (formerly known as the City Deal) so there was an argument for choosing a scheme in a different area to provide greater equity of growth across the county. It

would also address road safety issues in the area. Another Member endorsed these comments and acknowledged that the recommended scheme would cost more and deliver less homes in a more prosperous part of the county. However, they were satisfied that the Cambridge Northern Fringe East scheme did overall represent the best opportunity for success against the specified bidding criteria, including being more demonstrably deliverable within the timescale specified by Government;

- A Member stated that they saw this and future projects as a means of extending health opportunities to the north of the county and expressed the hope that recognition of health, education and wellbeing issues should be placed ahead of purely financial considerations at some point in the Board's deliberations. The Portfolio Holder for New Homes and Communities acknowledged the importance of these considerations and highlighted the key role of political leaders in facilitating relationships between business and those parts of the county which stood to benefit most from enhanced economic, health and educational opportunities;
- An Observer asked whether public health and sustainability issues had been included in developing the bids. The Chief Executive stated that this was not part of the specified criteria, although there was recognition of the wider value added. However, the importance of considering both public health and sustainability issues in the context of strategic proposals going forward was recognised;
- Members highlighted that external evaluation of the schemes by CBRE, one of the country's leading property investment companies, had identified the Cambridge Northern Fringe East bid as the one most likely to be successful against the published criteria;
- The GCGP LEP representative restated the LEP's support for the Cambridge Northern Fringe East bid, noting in particular its deliverability within the timescale specified in the bidding criteria. The LEP also emphasised the value of the proposed Huntingdon Third River Crossing and of ensuring that the private sector and business community remained sighted on future proposals.

The Mayor stated that he had received a letter that morning from Councillor John Batchelor, the Chairman of the Combined Authority Overview and Scrutiny Committee, recording the Committee's support for the Cambridge Northern Fringe East bid (copy attached at Appendix 1). At the invitation of the Mayor, the Chairman joined the table and stated that the Overview and Scrutiny Committee had considered the proposals at its meeting on 21 September 2017. The Committee felt that the Cambridge Northern Fringe East bid best satisfied the requirements of Government and offered the best opportunity to demonstrate the role of the Combined Authority in securing significant new investment into the region. The Overview and Scrutiny Committee had been pleased to have the opportunity to make a positive contribution to the decision-making process in relation to the prospective bids.

Summing up, the Mayor highlighted the commitment within the recommendations to deliver the two additional schemes of strategic importance identified through this process by developing business cases to target future investment at Huntingdon Third River Crossing and Wisbech Garden Town. This would be in addition to the 7,600 new



homes on a brownfield site, including a proportion of affordable housing, which was contained within the Cambridge Northern Fringe East bid.

It was resolved unanimously to:

1. Submit the Cambridge Northern Fringe East bid to the Housing Infrastructure Fund Forward Funding Pot in the sum of £193m which will unlock the potential for 7,600 new homes which will in turn support new jobs in the Cambridge Science Park and in Greater Cambridge more generally;
2. Note the endorsement of this bid by the Greater Cambridge Greater Peterborough LEP. This will be noted by Government as a strength;
3. Commit to deliver the two additional schemes of strategic importance identified through this process by developing business cases to target future investment at:
  - Huntingdon Third River Crossing
  - Wisbech Garden Town
4. Note and endorse the Marginal Viability Funding bids to be submitted by the District Councils.

## **89. DATE OF NEXT MEETING**

It was resolved unanimously to note the date of the next meeting: Wednesday 25 October 2017 at 10.00am at East Cambridgeshire District Council, The Grange, Nutholt Lane, Ely

Mayor

Mayor of the Combined Authority  
The Grange  
Nutholt Lane  
Ely  
CB7 4EE



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

Monday 25<sup>th</sup> September 2017

Dear Mayor Palmer,

I am writing on behalf of the Overview and Scrutiny Committee of the Combined Authority.

At the Overview and Scrutiny Committee meeting held on the 21<sup>st</sup> September 2017 the committee members agreed that they would like to add their support to the proposal for the Cambridge Northern Fringe East bid to the Forward Funding Pot and in particular the proposed bid for £193m which will unlock the potential for 7,600 new homes.

Yours sincerely

Cllr John Batchelor  
Chairman of Overview & Scrutiny Committee



|   |                            |
|---|----------------------------|
| <b>CAMBRIDGESHIRE AND<br/>PETERBOROUGH COMBINED<br/>AUTHORITY BOARD</b> | <b>AGENDA ITEM No: 2.1</b> |
| <b>25 OCTOBER 2017</b>  | <b>PUBLIC REPORT</b>       |

## **MARKET TOWN MASTERPLANS: ST NEOTS**

### **1.0 PURPOSE**

- 1.1. The ten market towns of Cambridgeshire and Peterborough, and the city of Ely, represent the places where much of the planned housing growth will occur over the next twenty years. They will be home to approximately a third of the population of the Combined Authority area. It is therefore hugely important that market towns thrive and are successful as prosperous economic centres, and are vibrant, great places to live. Previous economic strategies have not always recognised their role, nor has there been co-ordinated investment plans that enable them to achieve their full potential.
- 1.2. St Neots was chosen by the Combined Authority as the starting point for a renewed focus on market towns, and the 100 Day Plan committed investment to develop a Masterplan. This report brings the first phase of the St Neots Masterplan to the Board. The key conclusion is that St Neots is a place that has great potential as a leading example of a thriving modern day market town, but this needs to be unlocked by creating an investment programme and a new partnership and delivery team.
- 1.3. The Masterplan analysis concludes that from a coordinated programme of investments an additional £185m/annum Gross Value Added (GVA) will be created by the end of the plan period. The first stage of work has identified a package of £5.8m of early stage investments – these would enable future growth as well as make a real difference for the existing residents and visitors of St Neots.
- 1.4. However, the forecast growth of GVA in St Neots of 40% falls well short of the Combined Authority goal to double GVA in all areas of the region. The strategic implication from this analysis is that our target to double Cambridgeshire and Peterborough's GVA can only be met if the ceiling on new homes and new jobs, with related investments, is significantly increased.

- 1.5. It is considered essential to the development of future plans for St Neots that the A428 expressway and the rapid transit (light railway) system connecting St Neots with Cambridge are both commissioned and built by the early 2020s.

| <b><u>DECISION REQUIRED</u></b>   |  |
|---|--|
| <b>Lead Member:</b>   | <b>Cllr Robin Howe<br/>Portfolio Holder for Economic Strategy</b>              |
| <b>Lead Officer:</b>  | <b>Martin Whiteley, Chief Executive</b>  |
| <b>Forward Plan Ref: 2017/018</b>   | <b>Key Decision: Non key decisions for these recommendations</b>               |
| <p>The Combined Authority Board is recommended to:</p> <ul style="list-style-type: none"> <li>a) Welcome the analysis and findings of the first phase of the Masterplan for St Neots,</li> <li>b) Endorse the development of the next phase of the Masterplan through the creation of a “St Neots Masterplan Partnership”</li> <li>c) Note that a total investment programme of up to £5.8m is needed to unlock the growth potential of St Neots within existing plans</li> <li>d) Request that officers work with the St Neots Masterplan Partnership to develop a business case for collective investment in the proposed programme, and bring forward investment proposals to this Board as part of that approach</li> <li>e) Establish that any proposals for Combined Authority investment that are brought forward are in line with the Authority’s Investment Strategy as set out in paragraph 3.8</li> <li>f) Note the intention to promote the development of masterplans for market towns in Cambridgeshire, as part of the Combined Authority’s wider economic strategy</li> </ul> | <p><b>Voting arrangements</b></p> <p>Simple majority of all voting members</p> |

## **2.0 CONTEXT**

- 2.1 Through the negotiation of the devolution deal with Government the Combined Authority area has committed to double the size of the Cambridgeshire and Peterborough economy over the next 25 years, adding nearly £20bn of Gross Value Added (GVA).

2.2 Cambridgeshire is home to ten market towns (or areas of similar size), and the City of Ely:

- Chatteris
- Ely
- Littleport
- Huntingdon
- March
- Ramsey
- Soham
- St Ives
- St Neots
- Whittlesey
- Wisbech

2.3 These communities currently have a collective population of around 180,000 people; set to rise by 2036 to over 250,000 people. As a collective, this will mean that the population growth in our market towns is on par with our population growth in our two main cities. This growth needs to be met with renewed focus and strategic investment planning.

2.4 The Combined Authority has formed an independent Economic Commission to provide a powerful evidence base that will inform an inaugural local Industrial Strategy for Cambridgeshire and Peterborough. The local industrial strategy will highlight the future economic sectors for the area and the places where these sectors are likely to grow and flourish. Market town masterplans are considered a key means of turning the local industrial strategy into realisable delivery plans. They have the potential to provide a mechanism enabling every market town in our area to realise its potential and be a vibrant and prosperous place in its own right. While market town masterplans will be developed using a generic approach, our market towns are all different. The approach will recognise this, identifying the unique and defining features of each market town.

2.5 St Neots is the largest town in our area. It has a population in excess of 40,000, with feeder communities which rely on St Neots as a hub for services. The catchment of St Neots is in the region of 80,000. St Neots is set to see a further population increase of 2% per year for the next 20 years.

2.6 The analysis undertaken as part of the Masterplan for St Neots has worked with local partners to combine existing evidence and strategies with new research and engagement to assess where the greatest opportunities and potential challenges lay for this community.

### **3 MASTERPLAN FOR ST NEOTS**

#### **Developing a Masterplan**

3.1 The Combined Authority engaged experts Inner Circle to work with local partners to develop the first iteration of a Masterplan for St Neots, which would act as a catalyst for change in St Neots itself as well as a prototype for further Masterplans across the county. It has always been intended that this Combined Authority investment will provide local partners with a starting point with which they can jointly own and develop further a Masterplan for the town.

- 3.2 The starting point for this work has naturally been the considerable effort and engagement undertaken by the local community and key stakeholders in planning for the future of the town, namely; the St Neots Neighbourhood Plan, the draft Huntingdonshire Local Plan, and the Market Town Transport Strategy. Inner Circle worked with the local community to understand the value which could be added by a Masterplan, and the opportunity presented by devolution and the extra investment in growth it has brought via the Combined Authority.
- 3.3 This process reached some immediate and fundamental conclusions about the principle of a Market Town Masterplan:
- A Masterplan can add value by summarising the collective ambitions and priorities of partners into a single strategy – it can bring together in a single list the most important actions needed to unlock key opportunities
  - Developing a Masterplan can bring new weight and evidence to existing plans, and it can surface new thinking or fresh opportunities
  - A Masterplan will only be successful if it sets out an exciting vision for the future which the community recognises and which local partners can support and work together to deliver
- 3.4 In St Neots the first phase of Masterplan development has highlighted a market town which has contributed significantly to the county's recent growth and which now sits at a crossroads of opportunity and challenge:
- St Neots is an “engineering and manufacturing dynamo” which contributes around 20% of Huntingdonshire's total GVA, plays a significant role for the county as a whole, but crucially needs support to strengthen and to take on opportunities presented by leaving the EU
  - St Neots Town Centre is in decline despite its wide catchment, and needs a targeted package of support to make better uses of the unique assets and attractions of the town – this will support new growth but will also bring significant added benefit to the existing residents of the town
  - St Neots is strategically positioned within the East / West corridor between Cambridge and Oxford, and the opportunities for greater connectivity and high-value job creation that may be presented by that in the future
  - There is an outward commute of over 8000 people from St Neots each day, including 1000 people that live in St Neots and work outside of Cambridgeshire and Peterborough. When inward commuting is taken into account, St Neots experiences something like a net loss of 25% of GVA to areas outside of Cambridgeshire and Peterborough
- 3.5 The analysis summarises that current planned growth for St Neots will deliver 4000 new homes, 3500 new jobs and will result in an increase in GVA of £185m. It also highlights that this growth is dependent on a number of interventions and investments which local partners must undertake to unlock this growth. The full draft of the Masterplan for St Neots is included as Appendix A.

3.6 Within this, this first iteration of the Masterplan identifies the need for a coordinated set of investments and interventions that are required in the following strategic areas:

- Town Centre Regeneration,
- Transportation,
- Industry, and;
- Housing

The work to date has identified a total potential investment programme of up to £5.8m which is necessary to support the planned growth of St Neots within existing plans. The report notes that further work is needed to develop this in detail and further understand the complete investment package needed for the town. This is attached as Appendix A.

3.7 A programme of investment for St Neots will only be truly successful if it is part of a coordinated effort from all key partners, and if each partner is willing to take significant and bold steps towards redevelopment.

3.8 Furthermore, any Combined Authority investment proposals brought forward as part of the business case should be aligned, as much as possible, to the principles of the Cambridgeshire and Peterborough Investment Strategy, namely:

- Borrowing against capital – The Government has committed to grant Mayoral Combined Authorities the ability to borrow against their capital devolved funds, thereby enabling a more flexible approach to investment and multiplying the total capital available
- Recycling capital – Recycling capital means recovering and reinvesting the benefits into other projects where possible, thereby maximising the ability to leverage private sector inward investment and socio-economic outputs
- Investment by way of debt or equity – The funding approach towards individual projects will draw upon a blend of public and private sources of capital to efficiently bring projects forward. Capital can be supplied in the form of debt (fixed term basis, typically secured against the asset) or equity (recoverable via an agreed coupon and/or profit share should predetermined criteria be met).

3.9 As a result of this work the following conclusions and recommendations are made for the Board:

- a) To welcome the analysis and findings of the first phase of the Masterplan for St Neots,
- b) To endorse the development of the next phase of the Masterplan through the creation of a “St Neots Masterplan Partnership”
- c) To note that a total investment programme of up to £5.8m has been identified so far as needed to unlock the growth potential of St Neots within existing plans

- d) To work through the St Neots Masterplan Partnership to develop a business case for collective investment in the proposed programme, and bring forward investment proposals to this Board as part of that approach

## **Masterplan for St Neots – Phase 2**

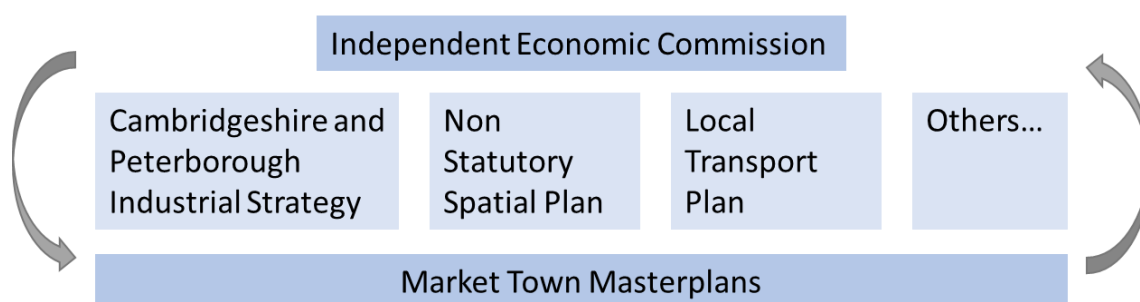
- 3.10 In addition to these immediate recommendations for the actions needed to progress the Masterplan for St Neots, the work to date also raises further strategic considerations for the Combined Authority.
- 3.11 The Combined Authority has committed to double the size of the Cambridgeshire and Peterborough economy through generation of nearly £20bn of extra GVA. The current analysis undertaken for the Masterplan for St Neots has concluded that within existing planned growth, the GVA uplift in this market town will only hit 40%, falling 60% or £285m short of doubling.
- 3.12 Ahead of the analysis and economic forecasting which will come forward as part of the independent Economic Commission, the assessment for St Neots (which has been tested with the technical group attached to the Economic Commission) serves as an early indication of the challenge this area will face in achieving our overall ambition for economic growth within current parameters and expectations. Further GVA generation may be possible within St Neots by focussing partnership activity around reducing the amount of net outward commuting from the town (which is a recommendation for the next phase of development of the Masterplan for St Neots), but ultimately the current allocation of new homes and jobs for St Neots within the Local Plan places a cap on the growth potential within the town.
- 3.13 For the St Neots Masterplan the implications of this are that local partners will need to build upon the work presented today, and develop an even bolder second phase Masterplan. This will need to bring fresh thinking and solutions considering, for example:
- The importance of addressing education and skills provisions - how initiatives like apprenticeship academies and technical training colleges could be invested in to provide the skilled technical workforce for the next generation of St Neots industries
  - how the introduction of enterprise zones and tax incentives could attract more businesses to locate to or grow in St Neots, and capture more of the 8000 workers that commute out of the town every day
  - the opportunities presented by the vastly improved connectivity of the East – West corridor could benefit St Neots and its surrounding communities
  - The way in which the public sector estate in St Neots could be better and more efficiently utilised
  - Related to the East – West corridor, the opportunities that would be presented to St Neots by the introduction of a rapid mass transport link between St Neots and Cambridge (where the Combined Authority has already invested in feasibility work to progress this)



- 3.14 The Combined Authority will work with partners to scope out the terms of reference for this second phase of development of the Masterplan, bring these wider strategic themes and ideas into play.

### **Achieving our wider growth ambitions**

- 3.15 For the area as whole there are also implications. If Cambridgeshire and Peterborough is to realise its growth ambition as set out in the devolution agreement with Government, the local Industrial Strategy, the Non Statutory Spatial Plan, and the Market Town Masterplans which underpin those, will need to evidence and describe where that growth will be realised within existing plans – and where it will be generated beyond existing plans.
- 3.16 Based upon the work to date to establish a Masterplan for St Neots, and the experience built up through the Wisbech 2020 Vision, it is proposed that the Combined Authority continues to advocate and implement a Market Town Masterplan approach that underpins future economic and strategic planning – where every town in Cambridgeshire has its own Masterplan that informs, and is informed by, the evidence base from the independent Economic Commission and our key county-wide strategies and plans:



- 3.17 It is proposed that the development of the remaining Market Town Masterplans is programmed for delivery during 2018, in alignment with the delivery of the independent Economic Commission, the Non Statutory Spatial Plan, and the Local Transport Plan.
- 3.18 It is proposed that as part of the budget preparation process and consultation for the next financial year, that proposals are brought forward to develop a Masterplan for every market town in the county.

## **4 FINANCIAL IMPLICATIONS**

- 4.1 The report sets out a funding requirement for up to £5.8 million to bring forward the first phase of the Masterplan. It is not anticipated, however, that the Combined Authority will be the sole investor in this phase of the programme. Further, as set out paragraph 3.8, a number of funding mechanisms are being considered for this and other CA programmes that could reduce the call on the Authority's resources in the medium and longer term.

- 4.2 At this stage no provision has been made for funding the identified works within the Combined Authority's budget. As the programme moves forward further consideration will be given to this matter and the balance of funding requirements between the CA and other strategic partners.

## **5 LEGAL IMPLICATIONS**

- 5.1 The Masterplan is a form of spatial planning policy, however as the Masterplan is proposed to be complementary to the Local Planning Authority's Local Plan policies, the development of the Masterplan is a decision which can fall within the Combined Authority's general power of competence.
- 5.2 The Combined Authority has a general power of competence by virtue of Article 7 of the Cambridgeshire and Peterborough Combined Authority Order 2017. This power enables it to undertake the recommendations outlined in this report.
- 5.3 The Masterplan is currently within the development phase and, as it will be brought back to a future Board meeting for funding and approval of the Masterplan, none of the recommendations in this report are key decisions and are therefore not subject to call-in by the Overview and Scrutiny Committee.

## **6 SIGNIFICANT IMPLICATIONS**

- 6.1 There are no other statutory matters to bring to the Board's attention.

## **7 APPENDICES**

- 7.1 Appendix A – Masterplan for St Neots (first draft)

## ST NEOTS

# MASTERPLAN FOR GROWTH



DRAFT

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APPENDIX A: APPROACH USING PLACE DNA AND COMMUNITY IMPACT MODEL

## EXECUTIVE SUMMARY

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

St Neots generates

**£470m** p.a. GVA

from over

**10,500** jobs

Through the negotiation of the devolution deal with Government the Combined Authority has committed to double the size of the Cambridgeshire and Peterborough economy over the next 25 years, adding nearly £20bn of Gross Value Added (GVA). In return, the government has committed to invest £770m in the region to improve infrastructure, deliver more homes, increase skills levels and improve the quality of life for the residents.

The population of Cambridgeshire's ten market towns is set experience the same rate of growth as our two main cities and therefore the towns will contribute an equal share of economic growth. This growth needs to be met with renewed focus and strategic investment planning.

This Masterplan for Growth has sought to optimise the growth that can be delivered within the existing statutory framework including the local plan and neighbourhood plan.

As a result, the GVA will increase by £185m and the number of new jobs by 3,600. Compared to a doubling of the size of the economy of St Neots, it leaves a shortfall of £285m GVA and

4000 jobs. More work will therefore be required in the future to determine if and how this shortfall can be overcome and a subsequent update of the masterplan will be brought forward in 2018 to articulate how this can be achieved. This should not stop action being taken now to support

Our Place DNA findings, combined with on-the-ground interviews, visits and anecdotal opinions identified a thread of connected opportunities for St Neots that centre around the Place DNA themes of INDUSTRY, TRANSPORTATION, HOUSING and REGENERATION.

These themes have been used to form a connected series of remedies and actions that together provide an opportunity to grow St Neots to become an even greater contributor to the sub-region's growth.

This report sets out a clear vision and a set of principles of that offer transformational outcomes from working together towards a coordinated strategy. This first phase St Neots masterplan will revitalise the town square, open-up the waterfront and intensify the successful industrial spaces to allow business to grow and new business to move in to take advantage of the excellent skills and infrastructure network. It will support a unique combination of small and large-scale business growth, use growth to pay for new civic infrastructure, link skills development with employment growth and support community-led regeneration.

From an inter-regional perspective, the actions and programmes within the masterplan for growth will not only support the growth of the town and the other market towns, but will also support and engage with the future Cambridge, Milton-Keynes, Oxford (CaMKOx) growth and transportation corridor.

From a local perspective, the programmes set out for St Neots should be carefully combined and assessed against programmes for other market towns. This can only be achieved by carrying out similar economic and growth analysis for each town to identify local opportunities. Thereafter, the programmes will provide for complementary growth based on the strengths of each town working together within the County as a whole.

# INDUSTRY

## Phase 1

3600

local jobs growth by 2036

Producing

£150m p.a. GVA

### INDUSTRY THEMES

i1 - SUPPORT THE MANUFACTURING BASE

i2 - PROVIDE SPACE FOR KIBS AND CREATIVE SECTOR

i3 - INTERCONNECTED TRAINING

The Place DNA analysis confirmed the strength of the manufacturing sector and the contribution that it makes to the local and regional economy. The analysis also identified a correlation between existing educational levels of the population to those used within the local industry. However, businesses pointed to a deficit in appropriate skills training that is aligned with business requirements.

Manufacturing provides 16% of the total jobs in St Neots and over 26% of Gross Value Added (GVA) generated by the town. St Neots is set for a 26% growth in population to 2036, primarily through the new housing development associated with the eastern expansion of the town. The new development will bring additional commercial floorspace and jobs. This provides an opportunity to stabilise and unlock growth in the manufacturing sector by coordinating the delivery of this new housing and industry with an improved local transportation infrastructure, a local training programme and a revitalised town centre. The projected jobs growth will provide opportunity for local people to be employed locally.

# TRANSPORTATION

## Phase 1

Capturing

30%

of the outward commuting would retain

1000 jobs

in town and generate over

£35m in retained GVA p.a.

### TRANSPORTATION THEMES

t1 - CONNECTED PUBLIC TRANSPORT

t2 - PARKING STRATEGY

t3 - CAPTURE OUTWARD COMMUTERS

t4 - CONNECTION TO CaMKOx CORRIDOR

The Place DNA analysis identified a poorly connected local public transportation service and a high rate of car ownership per household. Additionally, the outward commuting of workers is substantial, which prompts a greater emphasis upon the poor local bus service.

St Neots is served by a fast rail link into London, which makes the town's location attractive for commuters (over 670,000 users per year). Capturing both the disposable income of residents and potential local workers is a component that is essential to creating GVA growth in the town. The limited public transportation links to and from the town centre to the train station, residential areas (old and new) and employment areas is hampering the connection of the town to its population. The new A428 improvements and potential CaMKOx corridor will bring with them economic opportunity. However, without a balanced and connected internal transportation system these new links may exacerbate the existing outward migration, by providing greater opportunity to commute, to the detriment of the vitality and viability of the Town Centre and local industry.



# HOUSING

## Phase 1

4000

housing units

will generate annual spending of over

£26m p.a. by 2036

1500 workers

will generate

£59.5m GVA p.a.

### HOUSING THEMES

h1 - CONNECT INFRASTRUCTURE

h2 - INTEGRATE SERVICES

The Place DNA analysis identified that the house prices at the higher end of affordability, which places pressure on the level of earnings required to purchase a home. This in turn promotes outward commuting to higher paid employment.

The eastern expansion of the town, primarily with housing development has the potential of widening the disconnect between east and west of the Town. The District is aware of this potential and engaging with the development team to co-ordinate development with the needs of the town. Initiatives contained in this Masterplan for Growth should be considered when negotiating development agreements. Moreover, it is important that all new and existing residential areas are integrated into the local transportation system. In addition, changing working and operational structures are affecting and will further affect the location and scope of provision of primary care services within the St Neots area. These changes will also affect how the town fits into the hierarchy of service provision for outlying areas. The ongoing rationalisation of accommodation may free up buildings that could be included in wider redevelopment opportunities.

# REGENERATION

## Phase 1

A co-ordinated regeneration programme will add up to

**£50m** in GVA p.a. by 2036

### **REGENERATION THEMES**

r1 - TOWN CENTRE REGENERATION PROGRAMME

r2 - DIVERSIFICATION OF RETAIL AND LEISURE OFFER

r3 - PEDESTRIAN CONNECTION

r4 – HIGH-SPEED BROADBAND

The Place DNA analysis identified a number of negative indicators that point to the town centre being under stress. The low diversity of uses within the Market Sq area, a declining footfall and low retail lease values, pedestrian connectivity from the east to west, traffic congestion at peak periods and vacant buildings causing blight, add up to an underperforming town centre. The town is covered by a broadband network that has pockets of very low upload/download speed.

It follows that a major recommendation of this report is the need to make the town centre more attractive to the existing resident, new resident, worker, employer and visitor alike. Actions are aimed at increasing footfall in and around the Market Square. through improved pedestrian links, better public spaces, bringing derelict buildings back into use and intensifying the use of available town centre development sites for a blend of modern community, retail, leisure, artisan production and office space for creative /knowledge industries to move into the centre.

## INTRODUCTION

Historically, and recently even more so, cities have been viewed as the inherent drivers of the national economy, places where production and industry shape society, housing and culture. They stand top of a hierarchy of towns, villages and smaller settlements, each feeding into the other, supporting the economies of all.

Moreover, since the 1990's, cities have become the primary focus for major economic regeneration initiatives and investment. The market, property values and the phenomenon of economic agglomeration have generated a well-oiled economic growth machine. Which is not surprising, as cities account for over 60 per cent of economic output despite covering just 8 per cent of land.

Cities have not grown at equal rate, significant growth has occurred in the most successful, including Cambridge and Peterborough. The growth rate has become so great in these cities that the land and space available to accommodate this growth in a sustainable economic form is becoming harder to find. At the same-time the surrounding towns are being left to face this expansion without being able to fully benefit from their position in the economic hierarchy to assist in the distribution of this growth.

As an answer to this issue we should start to re-enforce the historic hierarchical position of the market towns as centres of local activity, trade and social interaction. The protection provided by the market charters, which have prevented other markets operating within a radius of 6.2 miles, have created a locational benefit for the market towns in that they are precisely positioned to contribute to the wider economy without competing against themselves. By improving regional and local transportation links, housing and education we will deliver jobs and prosperity to the market towns and their neighbours.

To frame this effort Inner Circle Consulting have been commissioned by the Cambridgeshire and Peterborough Combined Authority (CA), with the support of Huntingdonshire District Council, to deliver a Masterplan for Growth for St Neots market town.

Underpinning the Masterplan for Growth in St Neots are the Draft Huntingdonshire Local Plan, the adopted St Neots Neighbourhood Plan, the Third Cambridgeshire Local Transport Plan and the Greater Cambridge and Greater Peterborough Local Enterprise Partnership Strategic Economic Plan. This document incorporates recommendations that will implement objectives outlined in those plans as far as they reference growth.

## BACKGROUND

The future for St Neots is an exciting one. The town lies at an infrastructure crossroads linking Peterborough and the north to London in the south. St Neots is strategically positioned to benefit from the sphere of influence of the proposed CaMKOx economic development corridor between Cambridge in the east to Milton Keynes and Oxford in the west. The Town has a strong manufacturing sector and there is potential for growth in key industries. It has outstanding natural features with the river and green spaces that run through the heart of the historic market town, making it an attractive place to live.

However, somehow St Neots has more to give.

Notwithstanding the towns tremendous manufacturing base, the knowledge economy is suppressed, lacking suitable premises and the Town Centre has not kept pace with modern community and consumer needs. The historic market square lacks vibrancy. There are derelict buildings in prominent positions and the river remains an under-utilised asset. The distribution of different land uses is disconnected by transport routes creating the feeling of congestion, despite a relatively low-density housing stock. Residents are concerned about access to important public services like GPs and schools.

So how can St Neots achieve good growth that boosts the economy, increases the number of high quality jobs for local people and take advantage of its natural assets to become a thriving market town?

Cambridge and Peterborough have achieved strong growth in recent years. Cambridge is a particularly clear example of how cities are succeeding in the knowledge economy through the concentration of human capital, space for growing high-tech enterprise, good quality services and strong partnerships between academic institutions, enterprise and city managers. However, St Neots, as one of Cambridgeshire's market towns has seen more marginal economic growth.

Economic growth creates prosperity for individuals and families. Business growth leads to more employment, which is important for health and wellbeing. Appropriate growth can transform lives. However economic growth is hard won and the benefits of growth do not necessarily benefit all without careful planning of local services and education / skills development for the population.

A positive planning regime that enables innovation and growth whilst protecting our historic and natural assets is essential, and in that respect Huntingdonshire District Council is prepared to become a facilitating partner.

This report sets out a commitment to delivering growth for the benefit of each and every resident.

This is the first masterplan for a market town in Cambridgeshire, others will follow. Each masterplan will be tailored for each town and support a unique combination of small and large-scale business growth, provide civic infrastructure, link skills development with employment growth, allow innovation to thrive, deliver community-led regeneration and places with culture and well-being at their heart.

The principle of this study is the assertion that funds directed for re-investment in the town and community will be reinforced and multiplied with the achievement of economic growth. This means that new jobs must be created for people who live in St Neots so that the value (GVA) that they create will be retained by the town.

The Combined Authority can be a powerful catalyst for change, but only if its efforts are joined with local circumstances and actions, and can realise a series of short, medium and long-term change that has a tangible benefit for all.

## THEMES FOR GROWTH

Here the report describes the findings for each of the four growth themes and connects the data analysis and engagement findings to programme level interventions.

### **INDUSTRY THEMES**

- i1 - SUPPORT THE MANUFACTURING BASE
- i2 - PROVIDE SPACE FOR KIBS AND CREATIVE SECTOR
- i3 - INTERCONNECTED TRAINING

### **TRANSPORTATION THEMES**

- t1 - CONNECTED PUBLIC TRANSPORT
- t2 - PARKING STRATEGY
- t3 - CAPTURE OUTWARD COMMUTERS
- t4 - CONNECTION TO CaMKOx CORRIDOR

### **HOUSING THEMES**

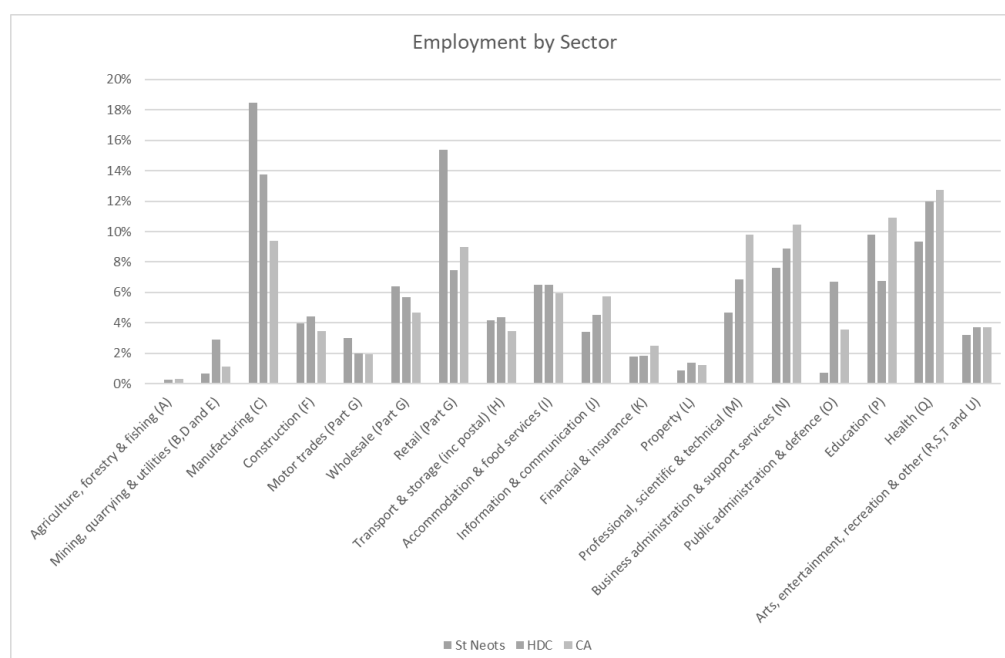
- h1 - CONNECT INFRASTRUCTURE
- h2 - INTEGRATE SERVICES

### **REGENERATION THEMES**

- r1 - TOWN CENTRE REGENERATION PROGRAMME
- r2 - DIVERSIFICATION OF RETAIL AND LEISURE OFFER
- r3 - PEDESTRIAN CONNECTION
- r4 – HIGH-SPEED BROADBAND

## INDUSTRY THEMES

The importance of the manufacturing sector in the town is reinforced with a location quotient of 1.9. A Location quotient (LQ) is a simple ratio used to determine the concentration or dominance of an industry in a defined area (St Neots) in comparison to a larger reference or benchmark region (Combined Authority - CA). In general, an LQ above 1.5 indicates that there is a degree of specialisation or concentration in that industry within the Town. The sector also contributes significantly to the wider economy. It should also be noted that the distribution of high-growth tech firms is changing, with increasing representation from diversification in general manufacturing companies, purely from the upgrading of process methodology and machinery. This re-distribution over the boundary of what is defined as manufacturing, presents opportunities for new growth.



The knowledge intensive and business support (KIBS) sector is the sector that is growing the fastest nationally in terms of GVA. This is reflected in St Neots with a local growth rate of 34% in industries that support KIBS from 2013 to 2014, compared to an overall growth rate of 13% in all sectors in the Town. However, the LQ for these KIBS supporting industries in St Neots is only 0.6, which identifies the potential for further local growth.

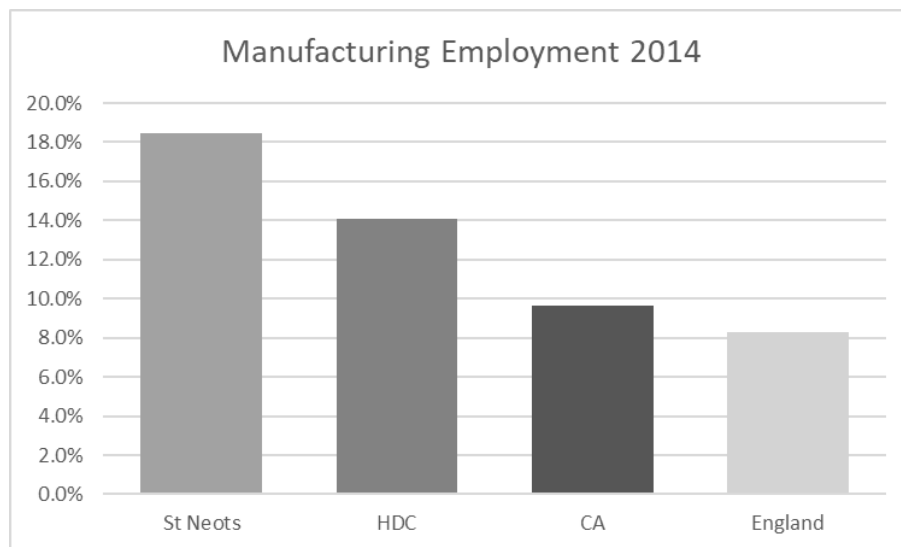
A component and contributor to the KIBS sector is the creative sector, St Neots has an active creative sector community that should be engaged to partner and to facilitate additional growth. While not being a significant contributor to the local GVA there is a synergy between the manufacturing and KIBS sectors that should be exploited. We recommend that the following actions are prioritised through partnerships between the CA and entities that are

responsible for delivering. If the actions are implemented then they will grow the manufacturing sector between 0.7 % and 1.1% p.a. to 2036. thereby delivering an additional 300 - 500 local jobs and adding a cumulative GVA to the towns economy of between £190m and £300m.

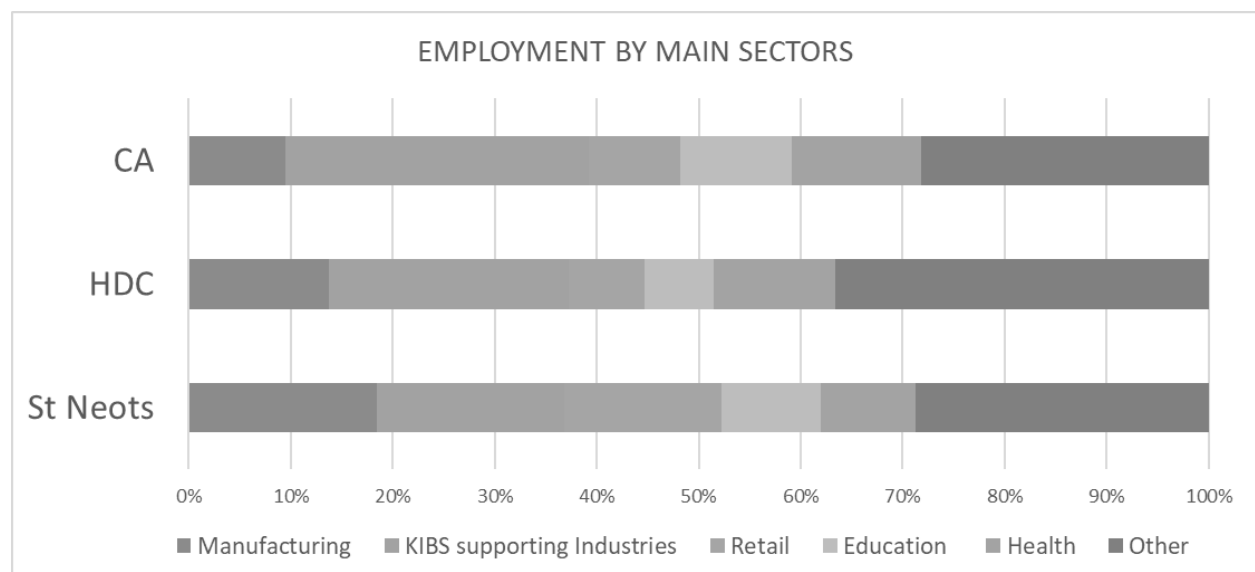
Interviews with local businesses revealed a lack of industry ready training and local training facilities that industrial companies could utilise. The creation of a local presence in high level production and manufacturing related skills training would assist local companies to connect and engage with the local community and workforce increasing the number of jobs for local people and associated GVA retained in the St Neots economy



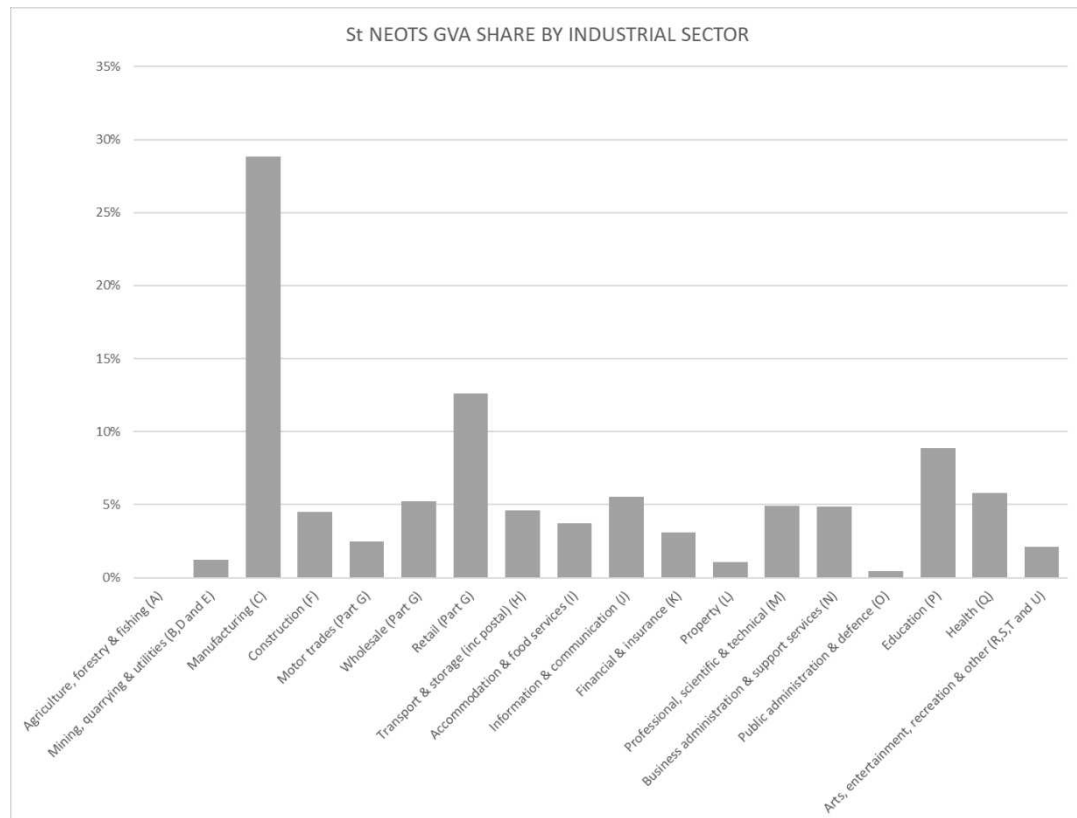
## THEME i1 - SUPPORT THE MANUFACTURING BASE



A solid characteristic of St Neots is the substantial engineering and manufacturing sector. The sector is varied but has concentration in the paper and plastics container and packaging sector and motor vehicle repairs. Many multi-national companies operate in St Neots. For example, Sealed Air are a global company and the inventors of 'Bubble Wrap' and other packaging products.



The manufacturing sector provides almost 30% of the Town's GVA and over 20% of Huntingdonshire's GVA. In this respect, the manufacturing base in St Neots is to be considered as a micro agglomeration and as such industrial land and buildings will need to have greater support from across the public sector to continue to grow and thrive. From a sub-regional perspective, the contribution of the St Neots manufacturing base plays an



important role in the balance of the overall economy of Cambridgeshire and Peterborough.

The comparison also points to a high proportion of out commuting is within the knowledge intensive sector.

A concern is the substantial market pressure aimed at conversion of commercial and industrial land use to residential. For example, a 2.6ha industrial property on Cromwell Road in the primarily industrial area is being marketed as potential residential development. To limit manufacturing loss and therefore a stalling of the Masterplan for Growth, a review of the St Neots Neighbourhood plan should be carried out to examine how it can help to protect the existing industrial land and buildings during a period of stabilisation, growth and transformation. The sector will also require support with direct intervention in the location and form of training facilities/programmes that are provided.

The impact of BREXIT may cause repatriation of business and issues with labour supply, which may be exacerbated by worker immigration restrictions. When viewed at a macro-economic level the importance of the manufacturing sector in ST Neots becomes more

evident. Some 8% of all UK employment, and 10% of GVA, is in the manufacturing sector (more than 50% of local jobs in St Neots are within the manufacturing sector), with an increasing level of this being becoming high-tech manufacturing, maintaining a competitive position in the world market.

The EU is the UK's biggest trading partner, with 44% of all goods & services exported to the EU, and 53% of imports. However, on the flipside of this - half of all manufacturing exports are to markets outside the EU. See Appendix A for Brexit Overview. New trade deals may necessitate the repatriation of businesses to the UK for them to take advantage of any new trade deals' requirement for the majority of the product to be exported to be produced within the UK (from components made in the UK). This will also positively affect spin-off component supply companies that will locate in the same area.

To retain and consolidate manufacturing businesses within the local area, particularly in the context of exiting the EU, a reduction of congestion and investment in public transport will be an essential part of this reports recommendations

Maintaining St Neots' competitive advantage will only be achieved through the retention and consolidation of the manufacturing industry, particularly in relation to the towns' location and transport links. It is therefore also essential that the improved communication with Cambridge afforded by future A428 improvements, and ultimately implementation of the Cambs-Oxford corridor, is planned for and taken advantage of.

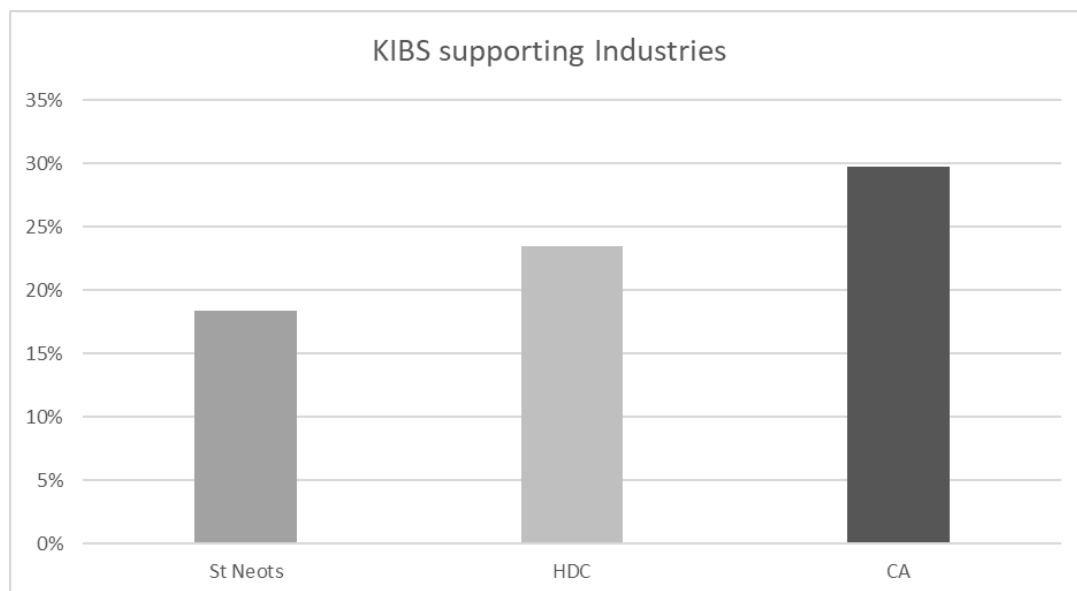
In respect of the manufacturing sector we recommend that there is a commitment to retaining and expanding the manufacturing sector by protecting existing industrial land allocations. The industry is going through rationalisation in terms of technological production improvements, this will lead to a reduction in required production area floor-space and increased productivity, resulting in the sharing of space and buildings for connected and supporting uses. The manufacturing sector will benefit from existing micro agglomeration in the container packaging and instrument manufacturing sector and population growth at 3% pa to 2021 and thereafter at just under 2% to 2031 where it stabilises. Integration of skills training within industrial park location.

The Masterplan for Growth, together with the Huntingdonshire Local Plan, will ensure that there is a supply of affordable sites and accommodation, which offers variety in terms of type and scale to be able to offer a 'pathway' for expanding businesses to encourage them to stay in the area and facilitate local supply chains and bring agglomeration benefits.

Local training will be developed to support the local labour force, both to offset the impact of Brexit and encourage growth. The potential decline in available labour requires the retention and development of a labour force equipped with the requisite skills to support local industries and therefore future growth. The Masterplan for Growth will set out to support the provision of local facilities and resources for targeted training.

The target of this Masterplan for Growth is to maintain the manufacturing base and aim for GVA growth of 1.1% pa to 2036. The implementation of the CaMKOx corridor should be supported and planned for as the corridor will contribute to a further and sustained acceleration of growth for the town and its environs.

## THEME i2 - PROVIDE SPACE FOR KIBS AND CREATIVE SECTOR GROWTH



KIBS are defined as businesses or enterprises whose primary value-added activities consist of the accumulation, creation, or dissemination of knowledge for the purpose of developing a customized service or product solution to satisfy the client's needs. The category is particularly difficult to measure at a low census area level so we have focused our comparisons on the following industrial sectors that support KIBS employment; professional Information & communication, financial & insurance, professional, scientific & technical and business administration & support services. It is important to note that the manufacturing sector can also generate KIBS employment directly within its sector through research and development and product design activities.

The Creative Industries were defined in the Government's 2001 Creative Industries Mapping Document as "those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property".

A comparison of employees within KIBS supporting sectors (Information Technology, Financial, Property, Professional Scientific and Business Support) identifies that locally based employment within the Knowledge Intensive and Business Support (KIBS) sector is particularly under-represented in St Neots. The town has an inherent, but comparatively low local job provision in this sector when compared to both Huntingdonshire and the Combined Authority.

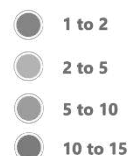
#### **DIRECT KIBS EMPLOYMENT**

##### **ST NEOTS**

**TOTAL COMPANIES: 23**

**TOTAL EMPLOYEES: 31**

##### **EMPLOYMENT**



The underperformance in the KIBS sector is demonstrated by the number and size of companies that are in the town that are directly linked to this sector. The issue is that most of the workers in this sector have no alternative than to commute out of town. This outward migration (estimated at 380 KIBS sector jobs out of 2819 in total) means that GVA is created and delivered out of town with, more importantly, approximately 25% of the total GVA generated being left outside of the region. The limited supply of attractive, appropriately located workspace, with suitable lease arrangements, is adding to this outward migration. If the under-represented KIBS sector can be supported, by the provision of suitable accommodation, then the town should capture a share of the 400 KIBS jobs within the outward migration.

There is opportunity to capture a small but significant number of KIBS and Creative sector jobs within the town. Demand for workspace is inherent and being actively sought by individuals, mainly sole proprietors, within this sector. The issue facing this demand is the lack of small flexible creative units within the town centre. The Masterplan for Growth will support the creation of space to accommodate KIBS and related CREATIVE INDUSTRY sector jobs with the identification and establishment of small flexible units managed by the Town. Moreover, the existing under-supply of accommodation for this type of work space will be

pressured by population growth and new housing supply close to the railway attracting skilled commuters who will ultimately seek work more locally if the opportunity to do so exists. It is projected that this sector will experience between 2% and 2.5% GVA growth per annum. Retention of this growth in town and locally will depend on local transportation connectivity and suitable town centre floor-space. In the future, the CaMKOx corridor will help to stabilise and add to this growth. Importantly, additional job growth in this sector will add spin off jobs in other supporting sectors.

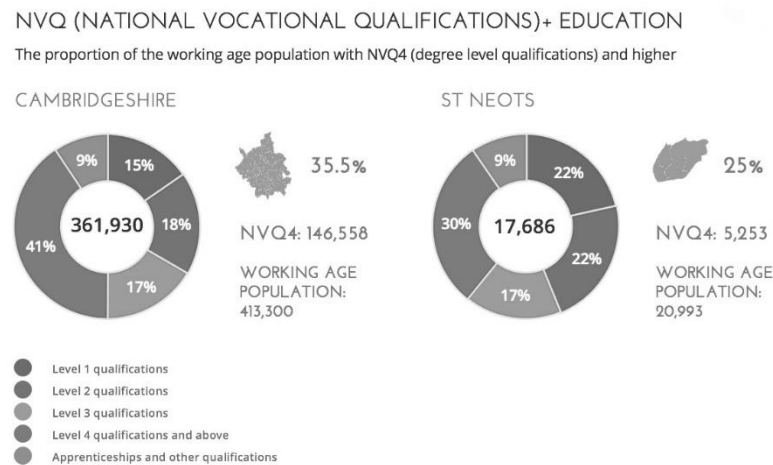
The recommended actions will create the environment to accommodate and attract 'creative' and KIBS sector jobs that can co-locate with the existing manufacturing base. The target will be to increase local workplace employment by 200 jobs by 2036. The programmes will aim to reduce outward migration from the town to support local GVA growth. However, it should be noted that while growth in this sector will be greater than in the industrial sector, the proportional impact of GVA growth to the town's overall economy will be far less than that experienced by the larger local industrial sector.



### THEME i3 – CONNECTED TRAINING

There is a lack of training that is 'industry ready'. Industry leaders in the town have expressed concern over the limited availability of trained labour that is suitable for the type of production and design work required. However, this is balanced by comment that businesses are very willing to support their employees in advancing and undertaking job-related training. The issue is that suitable training facilities are located out of town. The education levels of resident working age population and the education levels of local employees show similar distribution. However, we know that workers are travelling in and the manufacturing

industry state that they recruit out of town. This indicates that manufacturing industry ready skills are not aligned locally.



The proposed training programme will ensure that St Neots retains and trains the local workforce to be industry ready to support the growth of the primary industrial manufacturing sectors. The programme will establish connections with training partners and will facilitate local training facilities that are physically integrated with the manufacturing industry. A future phase of the growth plan would be to construct a stand-alone training facility that will provide an appropriately skilled workforce pool.

## PROGRAMMES

- **SHORT-** Create register of unused floor-space within existing industrial units that is available for occupation by training, KIBS and creative sectors.
- **SHORT –** Locate and manage additional flexible creative work space in the town centre to accommodate creative use and establish demand, integrate local networking group (The Neotists) as project co-ordinators.
- **SHORT –** Prepare policy commentary to HDC Local Plan consultation that supports the protection and intensification of existing industrial land.
- **SHORT –** Confirm training partners (with providers, St Neots Manufacturing Club) and co-ordinate with LEP
- **MEDIUM –** Locate local industry targeted training within industrial park, possibly utilising unused industrial floor-space for on-site training programme. Fund through subsidy or through grants.
- **MEDIUM -** Report on the role of the St Neots manufacturing sector within the Industrial Strategy for Cambridgeshire and Peterborough, to be produced by the independent Economic Commission.
- **MEDIUM –** Review and amend St Neots Neighbourhood Plan to align with the recommendations of the Masterplan for Growth.

- MEDIUM - Support the St Neots Manufacturing Club in their efforts to bring together a regional training programme.
- MEDIUM – Create a local KIBS and Industrial partnership initiative to help these local sectors associate and grow together. Refine a strategy to attract specific creative and KIBS industries to work with the existing manufacturing base. Further strengthening a micro agglomeration which will feed into the wider Cambs economy.
- MEDIUM – Assist in the identification and preparation of grant applications to future fund accommodation and resources.
- LONG – Expansion of training programmes and construction of a bespoke training facility to support supplementary manufacturing activity, including KIBS and creative industry sectors, which will emerge because of the implementation of the masterplan for growth and CaMKOx corridor.
- LONG – Monitor KIBS sector employment and GVA.
- LONG – Support CaMKOx corridor and promote inter-sector communication through CA and LEP outreach.



## TRANSPORTATION THEMES

The recommendations are to enhance connectivity in the town by improving public transport links between key locations such as existing residential areas, new housing development, the train station, schools, health facilities and the Market Square. It is also recommended to provide flexible parking (within an appropriate parking strategy) to support town centre shops and businesses during a period of regeneration. The outward travel to work means that GVA is created and delivered out of town. More importantly, approximately 25% of the total GVA generated by the local workforce is being left outside of the region.

The roadway infrastructure in and around St Neots suffers from congestion at peak times. The connectivity between the east and west sides of the town is restricted by the single roadway bridge crossing. The congestion is exacerbated by the poor local bus service between neighbourhood residential areas (new and old), the Market Square and the railway station. The Market Square has capacity and infrastructure to act as a hub but does not have adequate public transportation service to counter the use of private cars to access the shopping and services offered in the town centre. Additional housing development with the eastern expansion of the town will exacerbate the congestion if a town wide public bus service and connected pedestrian and bicycle system is not implemented.

## THEME t1 - CONNECTED PUBLIC TRANSPORT










The existing bus services are focused on the main thoroughfares and do not provide direct and regular connection to the residential neighbourhoods. The proportion of households that do not have access to a car is 22% in St Neots, compared to 14% in Huntingdonshire. The proportion of households that have access to 2 cars or more is also lower. Therefore, households are more dependent on the use of a single car, which provides opportunity to encourage other forms of transportation.

### CONNECTIVITY – BUS

Assessment of connectivity

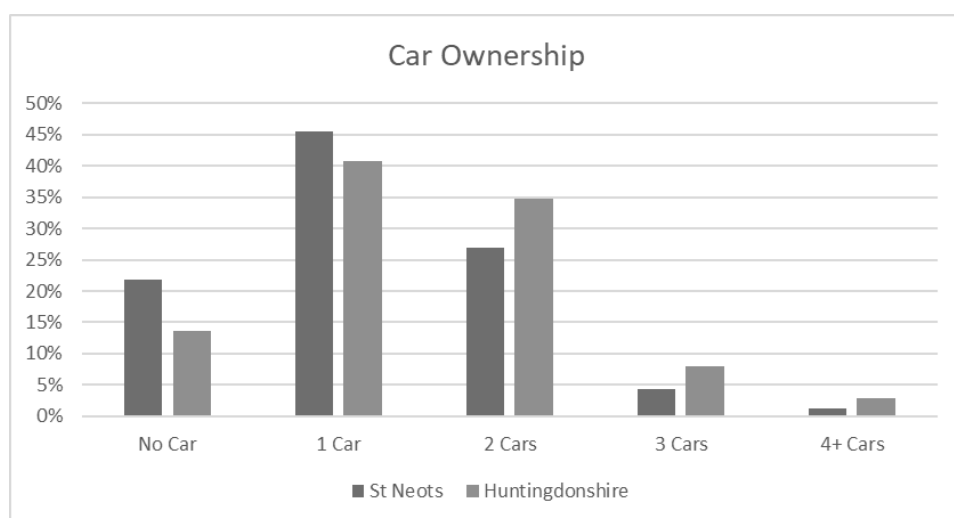
#### ST NEOTS

BUS ROUTES      FREQUENCY

|   |     |   |
|---|-----|---|
|    | 6   | — |
|    | 62  | — |
|    | 63  | — |
|   | 61  | — |
|  | 150 | — |
|  | C2  | — |
|  | X5  | — |
|  | 66  | — |
|  | 65  | — |



The recommendation of this report is to provide a bus service 'loop' on both sides of the river that will connect residential areas to the Market Sq, which will be used as a transportation hub. The loops would also connect to employment areas and to the train station.

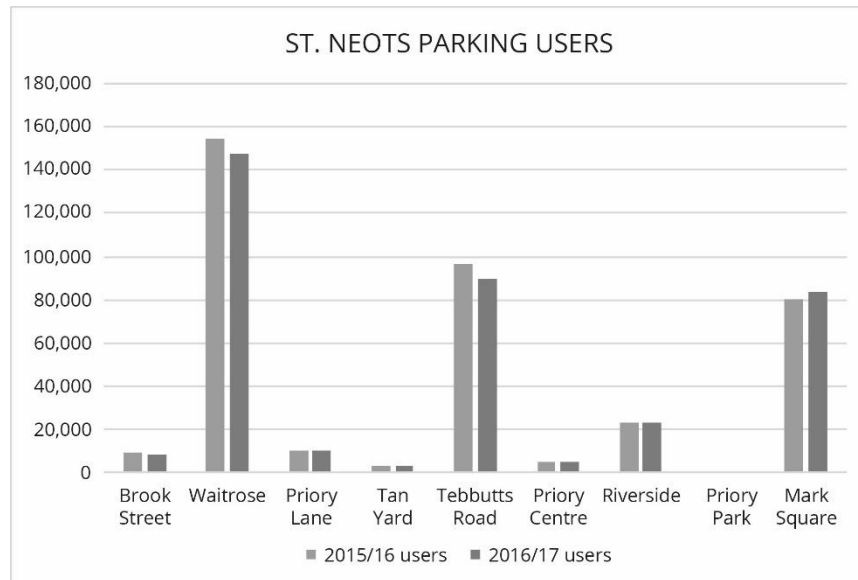


## THEME t2 - PARKING STRATEGY

The town is suffering from decreased footfall into the Market Sq. The perception of many, both councillors and business groups, is that the parking charges as levied on the town centre car parking is a primary causation of the decline in footfall. However, parking use at the Town Centre car parking locations saw a decline of less than 1%. Footfall is declining steadily, and at a faster rate, notwithstanding the increase in the towns' population. From this a correlation can be made between the use of car parks and the decline in footfall, in that people are visiting the town but are not making multiple stops during their visit. The low volume of parking users at the Riverside has remained constant, which indicates a lack of connectivity to the town centre. Of significance and associated to town centre attractiveness and therefore its ability to maintain footfall is the fact that the diversity of shopping offers in the town centre has also declined. It is important to note that neighbouring town centres of Huntingdon and St Ives have maintained a reasonably consistent level of footfall.

Huntingdonshire District Council are presently undertaking a parking strategy review and assessment which should be used to feed into the outputs of this document. However, our preliminary analysis of the parking activity in town does not support the local perception that footfall decline is entirely being caused by the application of parking charges in the town centre area, but more likely by the lack of diversity in the town centre store front offer.

The recommendation is aimed at delivering adequate parking and flexible charging to meet and changing demands of the emerging regenerated town centre. The resultant parking strategy will need to create an uplift in footfall within the Market Sq. location leading to an increase in the attractiveness of shop fronts in that area. The control of on-street parking in the Market Sq. area will be an important component.



### THEME t3 - CAPTURE OUTWARD COMMUTERS

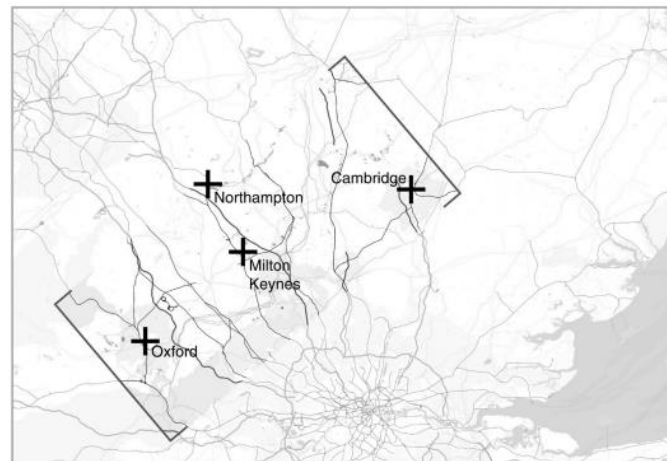
Almost 3000 people travel out of St Neots for work each day. Of these 75% of the trips are to the Eastern region. We find that work based net migration to Bedfordshire is similar of that to London. Local bus services that connect existing residential areas to employment, the Market Square and the train station are insufficient and infrequent. St Neots stands at a communication crossroads, being well connected to the region by road and rail. However, this regional connectivity is not supported by an integrated local connectivity.

Regionally, the Highways Agency plans to increase capacity of the A428, starting work in 2020, which will improve east-west travel and connection to Cambridge and the A1 by reducing major delays during peak periods. It is vital that the local infrastructure is placed to take advantage of this increased connectivity and the future CaMKOx corridor, so that inward migration can increase and local work-related travel is retained.

| OUTFLOW FROM ST NEOTS         |      | INFLOW TO ST NEOTS            |      | NET MIGRATION                 |       |
|-------------------------------|------|-------------------------------|------|-------------------------------|-------|
| North East                    | 7    | North East                    | 3    | North East                    | -4    |
| North West                    | 22   | North West                    | 35   | North West                    | 13    |
| Yorkshire and The Humber      | 15   | Yorkshire and The Humber      | 12   | Yorkshire and The Humber      | -3    |
| East Midlands                 | 187  | East Midlands                 | 316  | East Midlands                 | 129   |
| West Midlands                 | 41   | West Midlands                 | 37   | West Midlands                 | -4    |
| East (Not Including St Neots) | 7068 | East (Not Including St Neots) | 4926 | East (Not Including St Neots) | -2142 |
| London                        | 699  | London                        | 46   | London                        | -653  |
| South East                    | 255  | South East                    | 105  | South East                    | -150  |
| South West                    | 27   | South West                    | 27   | South West                    | 0     |
| Wales                         | 5    | Wales                         | 9    | Wales                         | 4     |
| Scotland                      | 9    | Scotland                      | 0    | Scotland                      | -9    |
| Northern Ireland              | 0    | Northern Ireland              | 0    | Northern Ireland              | 0     |
| OUTFLOW                       | 8335 | INFLOW                        | 5516 |                               | -2819 |

## THEME t4 - CONNECTION TO CaMKOx CORRIDOR

The National Infrastructure Commission (NIC) has provided central government with proposals and options to maximise the potential of the Cambridge, Milton Keynes, Oxford



Source: 5th Studio

corridor as a single, knowledge-intensive cluster that secures homes and jobs. The proposals were provided in an interim report 'CAMBRIDGE – MILTON KEYNES – OXFORD CORRIDOR', which found:

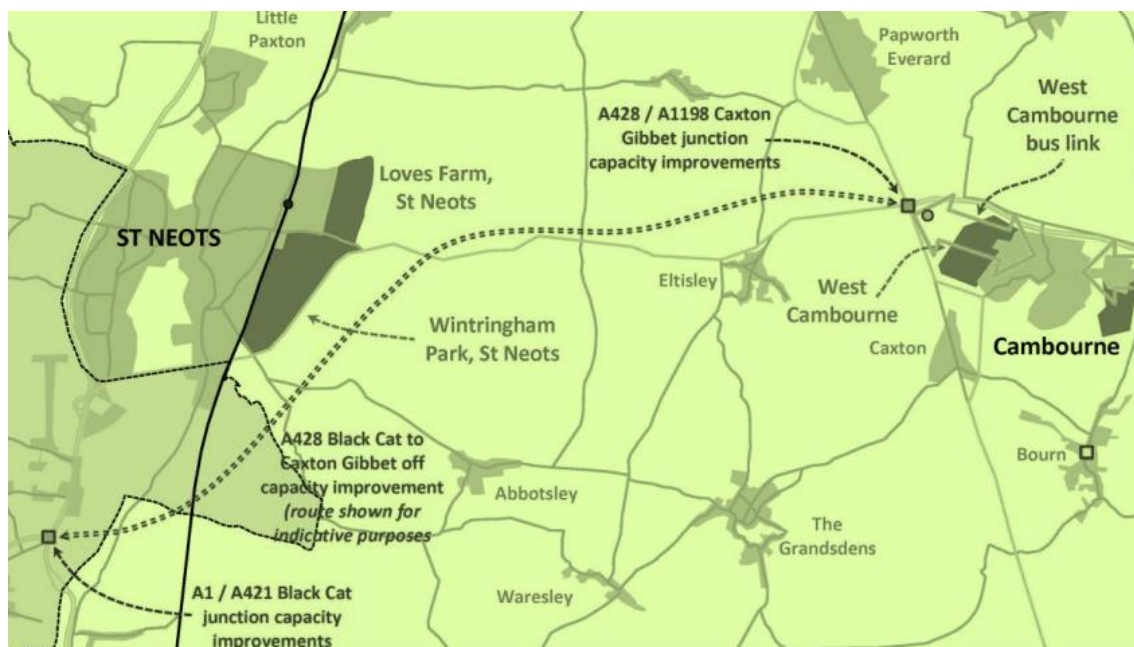
'Without a joined-up plan for housing, jobs and infrastructure across the corridor, it will be left behind by its international competitors. By providing the foundations for such a strategy, new east-west transport links present a once-in-a-generation opportunity to secure the area's future success.'

This document is the perfect vehicle to support and facilitate the joining up of resources to help define a set of coherent local transport strategies that align with local community and housing needs. At the same time, this report is ensuring that national and regional level schemes are properly integrated into local thinking.

These strategies should be consistent with wider work to develop a plan for the corridor that maximises its potential to support housing growth. This masterplan for growth should be viewed as a support to the Cambridge-Milton Keynes-Oxford study.

The NIC report also outlines that:

‘Local authorities and developers have identified the capacity of the current east-west route as a constraint on local growth. Analysis suggests that without intervention, key sections of the route will be operating beyond capacity by 2035. This includes the single carriageway and expressway sections of the A428 that connect Cambourne to the A1.’



It is essential that any strategy prioritises that local public transport connects residential areas (existing and future) to the town centre, community facilities, health services and peripheral employment hubs. Our recommendations promote the integration of the rail station and new residential developments that are planned as part of the eastern expansion of the town, so that they contribute more directly to the whole town. The outcome will be local transportation infrastructure that is also flexible and resilient enough to take advantage of a future connection with the CaMKOx corridor. The corridor will depend upon local transportation to be able to contribute to the regional connection. This will be achieved in St Neots, in the short and medium term, with the identification and implementation of a public bus service that connects existing residential neighbourhoods and future housing development with employment, community facilities, health services and the town centre.

## PROGRAMMES

- SHORT – Identify routes, timings and costs for subsidised local bus service that uses the Market Place as a central connecting hub.
- SHORT – Ensure alignment of existing development applications with the masterplan for growth and the future CaMKOx corridor.
- SHORT – Contribute to the District Councils parking strategy that supports visitor engagement with Town Centre and thereby increases opportunity to generate footfall, potentially by subsidisation of free short-term parking in certain car parks if supported by the Town Council.
- SHORT – Enhanced events programme to animate important public spaces including the Market square and riverside area.
- MEDIUM – Implement local bus service and monitor usage.
- MEDIUM – Co-ordinate, prioritise and design all infrastructure projects with future connection to the CaMKOx corridor in mind through a connective transportation programme.
- MEDIUM – Implement targeted on-street parking enforcement and restriction.
- MEDIUM – Implement subsidised free parking and monitor usage and footfall.
- LONG – As part of the regeneration programme examine the construction of a multi-storey Car Park within town centre location close to Priory Centre or at the Riverside location connected by the proposed footbridge link over the river.
- LONG – Integrate local transportation with CaMKOx corridor.
- LONG – Ensure new developments and planning applications prioritise the support of the local public transportation network through appropriate tools. Allocate CIL to support public transportation infrastructure.

## HOUSING THEMES

The Huntingdonshire Housing Land Supply Position August 2017 estimates a housing delivery trajectory of almost 4000 for St Neots to 2036. The new homes will be primarily delivered with the Huntingdonshire Local Plan Draft allocated eastern expansion of St Neots over the next 20 years. The new homes and population growth will bring almost 1500 working age adults into the town during the same period. However, the feeling in the town is that the existing new housing developments to the east have not been adequately connected to the town, socially, economically and physically. The concern, already being addressed by the District, is to ensure that the eastern expansion of the town is carried out in a way that these connections are reinforced not driven further apart. A successful integration will add significant value to the regeneration of the town centre through increased footfall and disposable income capture.





## THEME h1 - CONNECT INFRASTRUCTURE

St Neots will need to be positioned to capture a greater percentage of the economic benefits delivered through the eastern expansion of the town. The housing affordability ratio in St Neots is high at 9.7 times earnings, while the affordability ratio in Huntingdonshire is lower at 8.3 times earnings. Property asking prices in the town have risen by 41% between 2006 and 2017. The high housing affordability ratio and high outward travel to work both support the observation that new development in St Neots is primarily of market interest as commuter accommodation. That is, higher paying jobs are required to bring the affordability ratio down. At the moment, higher paying jobs are more likely to be located out of town. It is therefore vital that new housing development is supported and connected, through an improved transportation system to local employment prospects. If the local transportation issue is not addressed then many of these new residents will take advantage of the good regional connections to travel to work outside of the town. The new residents will create a potential £59.5m in GVA.

New residential developments need to be designed to be connected to the town centre and that communication and transportation routes are multi-modal.

## THEME h2 - INTEGRATE SERVICES

The plan will also ensure that improvements and benefits to the local economy are not outweighed by demands on social and public health resources. A significant intervention will be to ensure that the local population have access to Council and Social support.

The NHS are facing a change in how primary care is operated and staffed. There is a move away from traditional 'buy-in' practices to a model that leases facilities and co-locates with other medical offices. The working arrangements of doctors is also changing away from being a partner to being an 'on-call' resource. The attractiveness of a location is also proving to be a large factor in recruitment and retention.

The Masterplan for Growth will ensure that the programme to centralise primary care facilities is carried out in co-ordination with CCG and NHS and that any facility is located in an area that is supported in its connectivity to the local population. The Masterplan will also assist in the co-ordinated disposal/redevelopment of property that is vacated as part of the planned consolidation.

## PROGRAMMES

- SHORT – Define public health monitoring measures that are economically driven and which co-ordinate with the masterplan for growth.
- SHORT – Confirm primary care delivery plan with CCG NHS
- SHORT – Facilitate a connection point to direct relevant support requests to the District Council.
- MEDIUM – Ensure that development proposals and planning approvals are measured against public health monitoring measures deal adequately with the increased pressures placed on infrastructure and social/health services.
- MEDIUM – Co-ordinate delivery of centralised facilities through development and planning application process. Identify properties that are likely to be vacated as part of re-structuring of service.
- MEDIUM – Include in the One Public Estate approach to the use of public assets.
- LONG – Integrate primary care delivery plan and the re-use of vacated primary care facilities into regeneration programme.
- LONG – Ensure CIL revenue is targeted to a connective infrastructure programme.

## REGENERATION THEMES

The town centre is suffering from a decline in footfall, which is affecting its vitality and viability. The largest vacant building in the town centre area is in a prominent position on the Market Sq. The town needs to address this by producing a town centre that has a greater diversity of uses but retains local character. A new balance of community/retail/service/creative offer will emerge. This will be primed and facilitated by a cohesive redevelopment of the central area to accommodate additional capacity. As a result, footfall will increase and town centre floor-space rateable values will improve throughout the centre and not only on the High Street. The Market Sq. will become the focus point for economic activity in the town, connected to the northern side by a boardwalk that extends along the waterfront to the Priory Centre and associated facilities. More activities and variety of uses will be accommodated on the Market Sq. itself.

### THEME r1 - TOWN CENTRE REGENERATION PROGRAMME

The programme will enhance the market and its surroundings by encouraging a cultural offering, spreading commerce and culture onto the riverbanks to create new enterprise opportunities for cultural experience for residents and visitors. It is important that St Neots becomes an affordable place to grow a family and a business that will thrive in the wider Cambridgeshire growth phenomenon. The regeneration programme will build on the immense local pride by enhancing civic infrastructure along the river and increasing the number of events and festivals that show off what St Neots offers.

The focus of the regeneration programme will be the stabilisation of footfall, greater diversity in shopfront occupiers around the Market Sq. Greater integration of the river asset and associated events into the commercial activity of the town centre.

## RENTAL VALUE: RETAIL RENTS

### ST NEOTS TOWN CENTRE



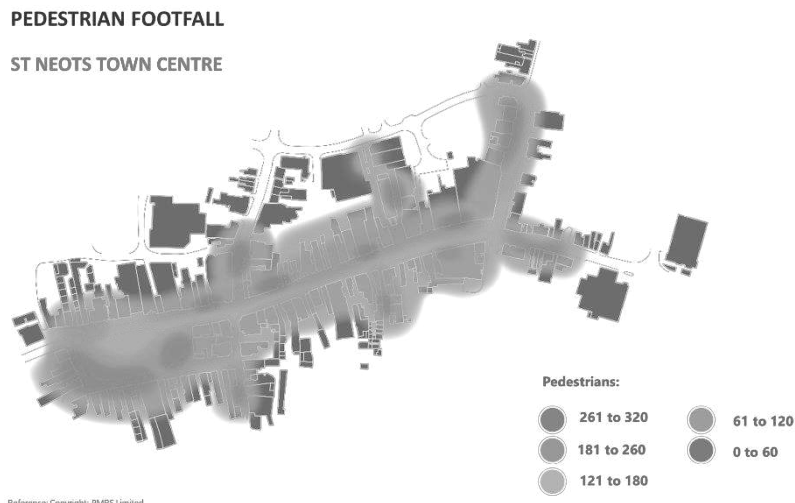
## THEME r2 - DIVERSIFICATION OF RETAIL AND LEISURE OFFER

The decline in the Market Square area has been significant and is compounded by the low diversity of shop front uses in this locality and a vacant property that is of some significance (the Old Falcon). The shopping offer around the Market Sq. area is dominated by estate agency uses (38% of the building frontage). The footfall adjacent to the area around the vacant and significant 'Old Falcon' building is significantly lower than the more successful northern side of the High Street as are the retail rental values. The proportion of estate agency use within the Market Square area is not sustainable and is affecting retail rental values in the locality. A recent report by Local Data Company on retail and leisure trends, identifies that estate agency closures are escalating and top the list of service retail closures in the first half of 2017.

An analysis of data that has been collated a distinct correlation between footfall and retail rents can be identified. The lowest footfall and retail activity being concentrated at the south-western corner of the Market Sq. This is reflected by low retail occupancy and rental values in the corresponding areas. The town is suffering from decreased footfall into the Market Sq.

## THEME r3 - PEDESTRIAN CONNECTION

The footfall in the town centre has seen a steady decline, which has been at a steeper rate than other towns in Huntingdonshire (St Ives and Huntingdon). The town centre offers opportunity for better use of the Market Sq. and potential for redevelopment along portions of its frontage with the river to the north of the road bridge (the Priory Centre and



surroundings). The river asset itself is underutilised. The boardwalk on the north-western side of the river should be extended to the south to connect the Market Sq. to the Priory Centre. There is a need for better pedestrian and bicycle linkages together with footbridge crossings into the town centre area.

The perception of both councillors and business groups, is that the parking charges as levied on the town centre car parking is a primary causation of the decline in footfall. However, parking use at the Town Centre car parking locations saw a decline of less than 1%. Whereas footfall is declining steadily, and at a faster rate, notwithstanding the increase in the towns' population.

From this a correlation can be made between the use of car parks and the decline in footfall, in that people are visiting the town but are not making multiple stops during their visit. The



diversity of shopping experience is declining with areas of the primary shopping frontage dedicated in large proportion to estate agents, banks and charity shops. The low volume of parking users at the Riverside has remained constant, which indicates a lack of connectivity to the town centre. Of significance and associated to town centre attractiveness and therefore its ability to maintain footfall is the fact that the diversity of shopping offers in the town centre has also declined. It is important to note that neighbouring town centres of Huntingdon and St Ives have maintained a reasonably consistent level of footfall

## THEME r4 – HIGH SPEED BROADBAND

One measure of a towns' readiness and accessibility to businesses and home workers is the availability of high-speed (300Mbps) and super-speed (1Gbs) broadband. One factor that enables this potential is the extent of cable/fibre that can accommodate these speeds. Unfortunately, there are areas of the town that have a rating of only 76Mbps. These areas include the newest housing development at Loves Farm. It is important, to attract the type of business (KIBS and Creative sectors) that, at minimum, a high-speed internet connection infrastructure is provided at time of development. A programme of retrofitting super-speed (1Gbs) fibre to existing low rated residential, commercial and industrial areas should be initiated as a long-term aim of the masterplan for growth.

## PROGRAMMES

- SHORT – Start gradual transformation of the Market Square. into a main pedestrian and cyclist destination, providing safe circulation routes and adequate bike parking, and promoting a future full removal of car parking.
- SHORT – Support option to link Market sq. and Riverside car park with pedestrian footbridge to generate a new powerful visual and physical link between two of St Neots most distinctive attractions.
- SHORT – Investigate the reopening of The Priory connection to Priory Lane as a roadway access onto High Street with the aim of reducing direct through traffic on the High Street.
- MEDIUM – Enhance bus stop area in association with public transportation bus routes.
- MEDIUM– Request proposals from providers to install a free wi-fi network with the town centre.
- MEDIUM – As part of the regeneration programme, formalise a plan of action to support the reuse of derelict buildings in town, attracting commercial activities that can help re-vitalise the market square.

- MEDIUM – Fund and build the centre footbridge link to the town centre from the Riverside car park (option 4 or Option 3) part funded by Cambridge County Council.
  - MEDIUM – Fund and build the norther foot/bicycle bridge and connect to the town centre from the north.
  - MEDIUM – Extend to the south, the boardwalk located on the north-western side of the river and link it to the new pedestrian footbridge, creating an attractive pedestrian circuit independent from cars, and connecting the Market Square., Priory Centre, riverside park, and other attractions.
  - MEDIUM – Promote town centre as a location for creative industries and KIBS through the provision of floor space and training facilities.
  - MEDIUM - One Public Estate approach to the use of public assets to provide space for growth, support small business and augment the civic infrastructure.
  - LONG – Implementation of a complete and co-ordinated regeneration programme that recognises local character.
- LONG – Initiate a programme of connecting priority areas to super-speed internet broadband with an intent to identify a phased rollout of a town-wide 1Gbs network.

## GOVERNANCE

The Masterplan for Growth for St Neots will be subject to the oversight of an implementation team consisting of representatives from the Combined Authority, Cambridgeshire County Council, Huntingdon District Council and St Neots Town Council and others.

The team will direct, monitor and receive regular reports on activities and programme.



## SHEDULES OF RECOMMENDED ACTIVITIES AND PROGRAMMES

| SHORT TERM        |   |                  |                 |
|-------------------|---|------------------|-----------------|
| PROJECT/PROGRAMME |   | THEME            | INDICATIVE COST |
| 01S               | Create register of unused floor-space within existing industrial units that is available for occupation by training, KIBS and creative sectors.   | INDUSTRY         | NA              |
| 02S               | Locate flexible creative work space in the town centre to accommodate creative use and establish demand, integrate local networking group (The Neotists) as project co-ordinators, include Library in partnership.  | INDUSTRY         | NA              |
| 03S               | Prepare policy commentary to St Neots Neighborhood Plan that supports the protection and intensification of existing industrial land.   | INDUSTRY         | NA              |
| 04S               | Confirm training partners (with providers, St Neots Manufacturing Club) and co-ordinate with LEP  | INDUSTRY         | NA              |
| 05S               | Identify routes, timings and costs for subsidised local bus service that uses the Market Place as a central connecting hub.   | TRANSPORT        | NA              |
| 06S               | Ensure alignment of existing development applications with the masterplan for growth and the future CaMKOx corridor.  | TRANSPORT        | NA              |
| 07S               | Contribute to the District Councils parking strategy that supports visitor engagement with Town Centre and thereby increases opportunity to generate footfall, potentially by subsidisation of free short-term parking in certain car parks if supported by the Town Council. | TRANSPORT        | NA              |
| 08S               | Enhanced events programme to animate important public spaces including the Market square and riverside area.  | TRANSPORT        | NA              |
| 09S               | Define public health monitoring measures that are economically driven and which co-ordinate with the masterplan for growth.   | HOUSING          | NA              |
| 10S               | Confirm primary care delivery plan with CCG NHS   | HOUSING          | NA              |
| 11S               | Facilitate and maintain a satellite office connection point to direct relevant support requests to the District Council.  | HOUSING          | NA              |
| 12S               | Start gradual transformation of the Market Square. into a main pedestrian and cyclist destination, providing safe circulation routes and adequate bike parking, and promoting a future full removal of car parking.   | REGENERATION     | NA              |
| 13S               | Support option to link Market sq. and Riverside car park with pedestrian footbridge to generate a new powerful visual and physical link between two of St Neots most distinctive attractions.   | REGENERATION     | NA              |
| 14S               | Investigate the reopening of The Priory connection to Priory Lane as a roadway access onto High Street with the aim of reducing direct through traffic on the High Street.  | REGENERATION     | NA              |
| 15S               | Bicycle Parking facilities in Market Square   | REGENERATION     | £10,000         |
|                   |   | <b>SUB TOTAL</b> | <b>£10,000</b>  |

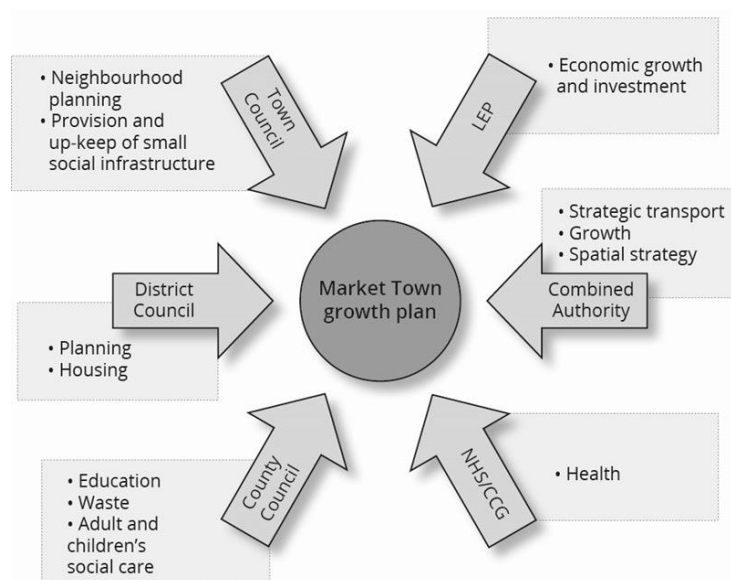
| MEDIUM TERM       |   |                  |                   |
|-------------------|---|------------------|-------------------|
| PROJECT/PROGRAMME |   | THEME            | INDICATIVE COST   |
| 01M               | Identify and locate a local industry targeted training programme within industrial park, possibly utilising unused industrial floor-space for on-site training programme. Fund through subsidy or through grants.   | INDUSTRY         | £50,000           |
| 02M               | Report on the role of the St Neots manufacturing sector within the Industrial Strategy for Cambridgeshire and Peterborough, to be produced by the independent Economic Commission.  | INDUSTRY         | NA                |
| 03M               | Review and amend St Neots Neighbourhood Plan to align with the recommendations of the Masterplan for Growth.  | INDUSTRY         | £5,000            |
| 04M               | Support the St Neots Manufacturing Club in their efforts to bring together a regional training programme.   | INDUSTRY         | NA                |
| 05M               | Create a local KIBS and Industrial partnership initiative to help these local sectors associate and grow together. Refine a strategy to attract specific creative and KIBS industries to work with the existing manufacturing base. Further strengthening a micro agglomeration which will feed into the wider Cambs economy. | INDUSTRY         | NA                |
| 06M               | Assist in the identification and preparation of grant applications to future fund accommodation and resources.  | INDUSTRY         | NA                |
| 07M               | Implement local bus service and monitor usage.  | TRANSPORT        | £250,000          |
| 08M               | Co-ordinate, prioritise and design all infrastructure projects with future connection to the CaMKOx corridor in mind through a connective transportation programme.   | TRANSPORT        |                   |
| 09M               | Open up The Priory and High Street intersection to one way traffic  | TRANSPORT        | £15,000           |
| 10M               | Implement targeted on-street parking enforcement and restriction.   | TRANSPORT        | NA                |
| 11M               | Monitor parking usage and footfall.   | TRANSPORT        | NA                |
| 12M               | Ensure that development proposals and planning approvals are measured against public health monitoring measures deal adequately with the increased pressures placed on infrastructure and social/health services.   | HOUSING          | NA                |
| 13M               | Co-ordinate delivery of centralised facilities through development and planning application process. Identify properties that are likely to be vacated as part of re-structuring of service.  | HOUSING          | NA                |
| 14M               | Investigate a One Public Estate approach to the use of public assets.   | HOUSING          | NA                |
| 15M               | Enhance bus stop area in association with public transportation bus routes.   | REGENERATION     | NA                |
| 16M               | Request proposals from providers to install a free wi-fi network with the town centre.  | REGENERATION     | NA                |
| 17M               | As part of the regeneration programme, formalise a plan of action to support the reuse of derelict buildings in town, attracting commercial activities that can help re-vitalise the market square.   | REGENERATION     | £600,000          |
| 18M               | Fund and build the centre footbridge link to the town centre from the Riverside car park (option 4 or Option 3) part funded by Cambridge County Council.  | REGENERATION     | £2,500,000        |
| 19M               | Support the northern foot/bicycle bridge and connect to the town centre from the north.   | REGENERATION     | NA                |
| 20M               | Extend to the south, the boardwalk located on the north-western side of the river and link it to the new pedestrian footbridge, creating an attractive pedestrian circuit independent from cars, and connecting the Market Square., Priory Centre, riverside park, and other attractions.                                     | REGENERATION     | £350,000          |
| 21M               | Promote town centre as a location for creative industries and KIBS through the provision of floor space and training facilities.  | REGENERATION     | £20,000           |
| 22M               | One Public Estate approach to the use of public assets to provide space for growth, support small business and augment the civic infrastructure.  | REGENERATION     | NA                |
|                   |   | <b>SUB TOTAL</b> | <b>£3,790,000</b> |

| LONG TERM         |   |               |                 |
|-------------------|---|---------------|-----------------|
| PROJECT/PROGRAMME |   | THEME         | INDICATIVE COST |
| 01L               | Expansion of training programmes and construction of a bespoke training facility to support supplementary manufacturing activity, including KIBS and creative industry sectors, which will emerge because of the implementation of the masterplan for growth and CaMKOx corridor. | INDUSTRY      | NA              |
| 02L               | Monitor KIBS sector employment and GVA creation and retention, including travel to work outside of town and region.   | INDUSTRY      | NA              |
| 03L               | Support CaMKOx corridor and promote inter-sector communication through CA and LEP outreach.   | INDUSTRY      | NA              |
| 04L               | As part of a regeneration programme examine the construction of a multi-storey Car Park within town centre location close to Priory Centre or at the Riverside location connected by the proposed footbridge link over the river.   | TRANSPORT     | NA              |
| 05L               | Integrate local transportation with CaMKOx corridor.  | TRANSPORT     | NA              |
| 06L               | Ensure new developments and planning applications prioritise the support of the local public transportation network through appropriate tools. Allocate CIL to support public transportation infrastructure.  | TRANSPORT     | NA              |
| 07L               | Integrate primary care delivery plan and the re-use of vacated primary care facilities into a regeneration programme.   | HOUSING       | NA              |
| 08L               | Ensure CIL revenue income from housing development is targeted to a connective infrastructure programme.  | HOUSING       | NA              |
| 09L               | Implementation of a complete and co-ordinated regeneration programme that recognises local character.   | REGENERATION  | NA              |
| 10L               | Initiate a programme of connecting priority areas to super-speed internet broadband with an intent to identify a phased rollout of a town-wide 1Gbs network.  | REGENERATION  | £2,000,000      |
|                   |   | SUB TOTAL     | £2,000,000      |
|                   |   |               |                 |
|                   |   | PHASE 1 TOTAL | £5,800,000      |

## APPENDIX A: APPROACH

### PLACE DNA AND ENGAGEMENT

We undertook a parallel two-part process of data analysis and engagement to develop the masterplan. The engagement set out to understand the situation of the town from the people and organisations who matter, those who will be essential components in the delivery of the Masterplan for Growth Programmes. Meetings were held with local business groups and individual business owners, outreach to members of the towns' manufacturing club and the town centre initiative. A team of Huntingdonshire District Council officers supported the collection of data and added professional context to the discussion. The Town of St Neots supported through contributions from the Mayor, Town Clerk and Town Development Manager. Other contributors included the NHS/CCG, officers in various Cambridgeshire County Council departments, Public Health England, Greater Cambridge and Greater Peterborough Local Economic Partnership and local activist groups such as the



*Figure 1: Market Town Growth Plan (DRAFT)*

Neotists (a group of local creatives in web design, publishing, art and graphic design).

The engagement interaction revealed a thread of connected thought and previous work effort that pointed at what needed to be done in the town to take advantage of the opportunities that exist. The following points were raised, often without realisation that similar messages were being relayed by other contributors:

- The Market Sq. requires intervention in terms of the vacant property (Old Falcon), the limited shopping diversity, the market offer and traffic congestion.
- The town centre is experiencing a decline in footfall with a perception that it is linked to the car parking fee structure.
- The river and water-front is an underused resource.
- There is not enough space for 'creative industry' to locate closer to the town centre.
- Poor public Transportation connections.

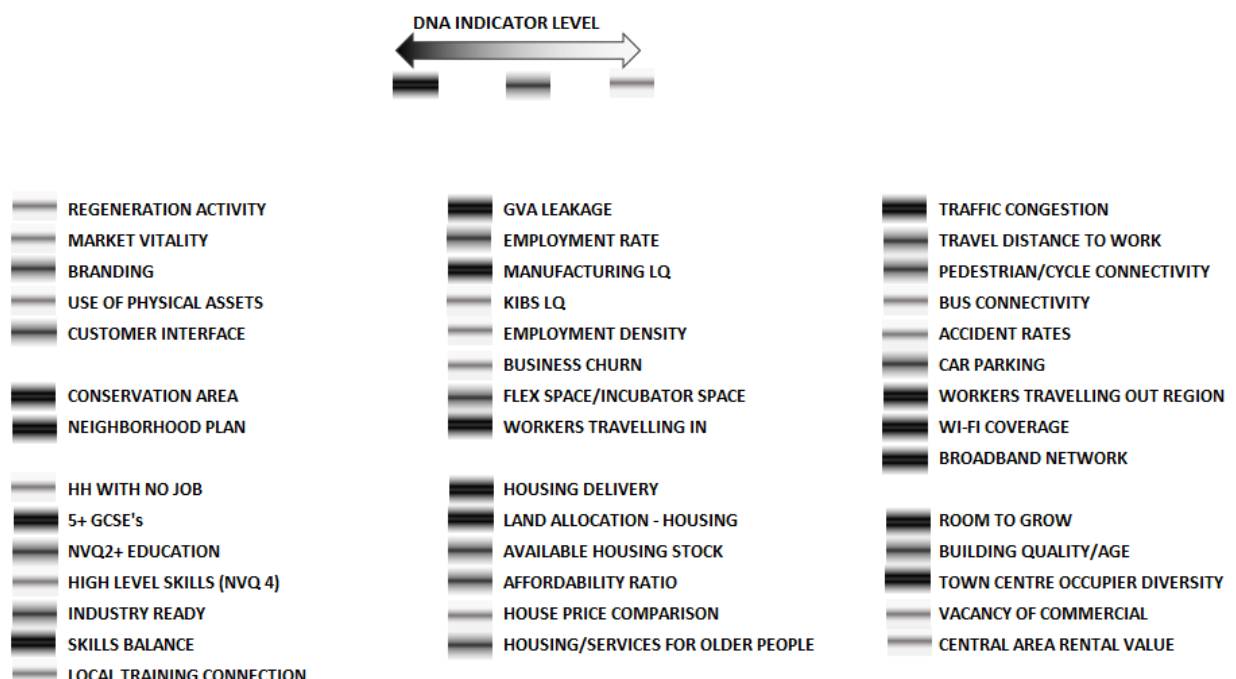
- f. Industrial land and property should be protected from market demand for housing development.
- g. Recent housing development was not adequately connected to the town.
- h. Insufficient local training facilities and resources.

In parallel with the engagement process, data was being collected and analysed to feed into the Place DNA Tool. The DNA analyses performance across 7 key areas; Regeneration, Planning, Infrastructure, Transport, Housing, Community and Industry.

Identifying the appropriate intervention or support action is at the heart of any successful economic and community regeneration programme. The Place DNA tool allows a discovery of the underlying characteristics of the town. We do this by testing over 40 different markers that are related to economic performance. At the same time, we measure how each marker measures against the wider area (district/county/region) to get an indication of the towns' position in the local and regional economy. Substantial differences are identified, to discover the strength of data backed high comparison and low comparison markers, these are represented in a Place DNA panel which helps to highlight the areas of difference. However, this Place DNA genome is only part of the story.

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

To identify the external influences and their importance we combine the Place DNA data backed analysis with the feedback that we secured from local stakeholders, politicians,



community activists and business groups. The results allow the identification and confirmation of issues and influences that are underlying the economy of the town. The analysis may also produce insights as to where issues that are based on subjective observations are not the cause of a symptom but the consequence of an alternative malady.

Appropriate interventions are then formed from the combined analysis. The remedies (programme and policy interventions) form the basis for a holistic masterplan for growth that supports and invigorates the towns unique economic Place DNA genetic make-up.

## GROSS VALUE ADDED LOCAL v REGIONAL

We have taken care when putting together a model that is representative of Gross Value Added (GVA) generation at local level, but which also reflects the conditions that will impact the regional GVA modelling and forecasts being prepared by others.

The regional GVA model being developed by Cambridge University is based on regionalised input-output data, and predicts the location of production by industry. The predictions are based on production functions that represent the demand for labour, floorspace, travel, and other GVA (capital, taxes and subsidies). The production functions enable the quantification of labour and other GVA, as well as total values of turnover in each model zone

The local GVA model uses two methodologies that are based on employment rather than production. The model allows a comparison and check on the accuracy of the output. The basis for both methodologies is local GVA generated through jobs (not production). This allows a mechanism for comparisons for small census output areas. Sectors used are: Agriculture, Mining/Utilities, Manufacturing, Construction, Retail, Wholesale and Motor Trades, Transport & Storage, Accommodation and Food Services, Information & Communication, Financial & Insurance, Property, Professional, Scientific & Technical, Business Administration & Support Services, Public Administration & Defence, Education, Health and Arts Entertainment Recreation & Other Services.

GVA Methodology 1: A local average earnings is calculated for each of the major industry sectors by applying a factor based on the differential of District to National earnings. A multiplier is then applied based on industry sector using ONS weighting. In this case we have applied the lower range of factors to reflect the lower than national earnings level. The

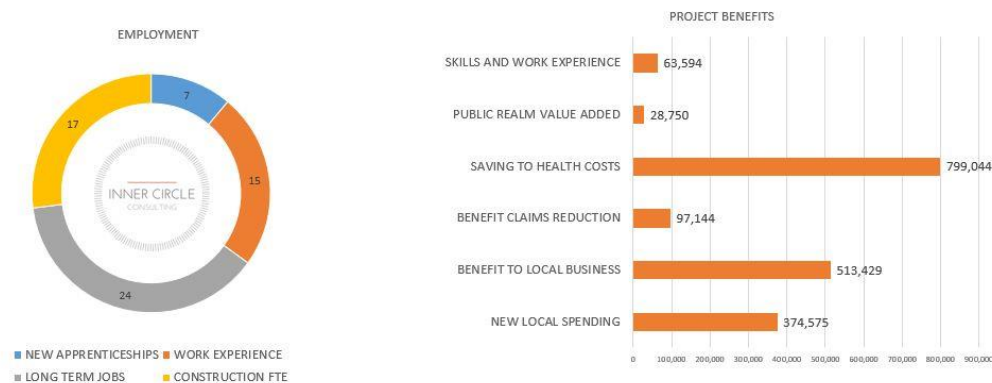
output GVA is then based on the number of jobs in each sector that are located within the study area, the local earnings and the ONS based multiplier.

GVA Methodology 2: The GVA produced per job, relative to the appropriate industry sector, is taken from the regional GVA outputs per job, which is produced by the GLA. This is used as a multiplier to the number of local area jobs to produce a GVA per industry sector.

The GVA that is captured locally is then calculated by using the factor of local area live/work (residents who live and work in the study area) and the output of both methodologies. This then provides an industry sector breakdown and a range of locally captured GVA.

## COMMUNITY IMPACT MODEL (CiM)

This model is calibrated to the local economy and demographics. The CiM is used to forecast the impact of a project or of a whole programme. The outputs include how long the benefits of the project will persist in the area, how many jobs are created during construction and occupancy (taking account of displacement and additionality), the reduction and savings in job seekers allowance claims, benefits to health, additional local spending by new residents and new businesses and the benefit to existing businesses.



Different scenarios can be run with little effort, this means that a whole range of different redevelopment options can be considered and the outputs weighed against the financial viability of the proposals. More detailed information is available in the supplementary documents.

DRAFT





**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

|   |                            |
|---|----------------------------|
| <b>CAMBRIDGESHIRE AND<br/>PETERBOROUGH COMBINED<br/>AUTHORITY BOARD</b> | <b>AGENDA ITEM No: 3.1</b> |
| <b>25 OCTOBER 2017</b>  | <b>PUBLIC REPORT</b>       |

## **PRIORITY TRANSPORT SCHEMES**

### **1.0 PURPOSE**

- 1.1. The purpose of this report is to ask the Board to agree funding for the next tranche of priority transport schemes.
- 1.2. These schemes will support the wider Combined Authority objectives by improving transport connectivity, reducing congestion, enabling housing growth and/or supporting economic growth.
- 1.3. This report sets out a longer term pipeline of work to ensure that there is a steady flow of transport interventions that are effectively planned and well considered over the current and future Mayoral cycles. This longer term approach is vital to building confidence; developing and positioning projects for future private sector investment; and enabling accelerated delivery by providing delivery partners with visibility of future work.
- 1.4. It should be noted that these schemes are in addition to the strategic transport and infrastructure schemes approved previously by the Board. The pipeline of schemes also excludes those projects currently being promoted, funded and/or developed independent of the Combined Authority. This includes the Greater Cambridge Partnership (GCP), Highways England and Network Rail.

| <b><u>DECISION REQUIRED</u></b>  |   |
|--|---|
| <b>Lead Member:</b>  | Charles Roberts, Transport & Infrastructure Portfolio Holder  |
| <b>Lead Officer:</b>   | Keith McWilliams, Transport & Infrastructure Director   |
| <b>Forward Plan Ref: 2017/019</b>  | <b>Key Decision:</b> Yes  |
| <p>The Combined Authority Board is recommended to:</p> <ul style="list-style-type: none"> <li>a) Agree a total budget allocation of £4.53m, comprising £3.53m in 17/18 and £1.0m in 18/19 for the rolling programme of priority transport and infrastructure schemes</li> <li>b) Note the intention to deliver this 4 year programme of priority transport and infrastructure schemes, and the indicative level of future investment.</li> <li>c) Note the governance and budget management arrangements, and the intention to bring the pipeline back to the Board on an annual basis. In the future it is intended to maintain and develop this programme beyond the current 4 year period.</li> </ul> | <p><b>Voting arrangements</b></p> <ul style="list-style-type: none"> <li>(a) Two thirds majority of the constituent council members to include Cambridgeshire County Council and Peterborough City Council (the LEP does not vote)</li> <li>(b) Simple majority of all voting members</li> <li>(c) Simple majority of all voting members</li> </ul> |

## 2.0 CONTEXT

### Vision and Context

2.1. The Combined Authority has set out a bold vision for the Cambridgeshire and Peterborough area:

- (a) Doubling the size of the local economy
- (b) Accelerating house building rates to meet local and UK need
- (c) Delivering outstanding and much needed connectivity in terms of transport and digital links
- (d) Providing the UK's most technically skilled workforce
- (e) Transforming public service delivery to be much more seamless and responsive to local need

- (f) Growing international recognition for our knowledge based economy
- (g) Improving the quality of life by tackling areas of deprivation

2.2. It is recognised that transport investment will play a critical role in meeting these objectives through:

- (a) Increasing network capacity (both road and rail)
- (b) Improving connectivity, particularly around access to employment and housing
- (c) Unlocking new developments
- (d) Improving journey time and/or journey time reliability
- (e) Providing greater mode choices such as walking and cycling, private car and public transport

### **Interdependency with Other Transport Priorities**

2.3. Previously the Board has approved study work on a number of strategic transport and infrastructure projects as outlined below. It is envisaged that further funding will be requested as these studies draw to a close and need to move into the next stages of their development.

| <b>Strategic Project</b> | <b>Board Approval</b> |
|--------------------------|-----------------------|
| A10 Upgrade              | June 2017             |
| M11 Extension            | June 2017             |
| A47 Dualling             | June 2017             |
| Wisbech Garden Town      | June 2017             |
| Mass Rapid Transport     | July 2017             |

2.4. Whilst these strategic projects are vitally important, it is also recognised that there are other transport interventions that will support the Combined Authority objectives. Such projects may be promoted, funded and developed by a variety of different bodies which may or may not include the Combined Authority. For example, Highways England and Network Rail are responsible for developing infrastructure on their strategic network and, in many cases, will fund such schemes independently of the Combined Authority. Similarly, the GCP has secured significant funding to deliver infrastructure within the Cambridge City and South Cambridgeshire area. Whilst the Combined Authority has a strong interest in and will work proactively with others to promote and influence the outcomes of such projects, it is not a funding contributor at this time. Such projects have, therefore, been excluded from the pipeline of work presented in this paper. A sample of some of the important projects being undertaken by others within the Combined Authority area is outlined below.

| <b>Scheme</b>                     | <b>Current Owner</b> |
|-----------------------------------|----------------------|
| A1307 Three Campuses to Cambridge | GCP                  |
| Cambourne to Cambridge            | GCP                  |
| City Access                       | GCP                  |
| Western Orbital                   | GCP                  |

|                                   |                  |
|-----------------------------------|------------------|
| Ely North Junction                | Network Rail     |
| East-West Rail                    | Network Rail     |
| Girton Interchange                | Highways England |
| M11 Smart Motorway Upgrade        | Highways England |
| A1 East of England                | Highways England |
| Oxford to Cambridge Expressway    | Highways England |
| A47 Wansford to Sutton Dualling   | Highways England |
| A47 Guyhirn Junction Improvements | Highways England |

- 2.5. Whilst the Combined Authority is not currently a funder of the above scheme it does not preclude doing so in the future. Under such circumstances funding requests will be brought before the Board.

### **Rationale for the Development of the Pipeline**

- 2.6. Prior to the formation of the Combined Authority successive reductions in revenue budgets has meant that Cambridgeshire County Council and Peterborough City Council have not been able to invest sufficiently into the development of these potential schemes. As a result there are now only a relatively small number of schemes at, or approaching, 'shovel ready' status. With the increased funding flexibility available to the Combined Authority, it is well placed to invest into the development of a longer term pipeline of schemes.

- 2.7. Development of such a pipeline will deliver a number of benefits:

- It will provide a steady flow of transport improvements over the short, medium and long term
- It provides greater opportunity to consider local issues and spread investment around the Combined Authority area
- Early investment in the development of schemes places the Combined Authority in a strong position to bid for and secure additional funding as alternative sources become available. Similarly, it helps to position projects for potential future private sector investment
- It provides confidence to the market and enables accelerated delivery by providing delivery partners with visibility of future work.

- 2.8. Initially much of this work will be in exploring the feasibility of such schemes and developing business cases. However, these are essential steps in delivering these projects over the short, medium and longer term.

- 2.9. It is also recognised that, as an organisation, the Combined Authority is in its infancy and that existing priorities will be developed and new priorities will emerge as the Combined Authority matures. The approach set out in this paper is, therefore, an interim solution until such time as the vision and strategic priorities are confirmed and a number of supporting documents, such as the Non-Statutory Spatial Plan, the new Local Transport Plan and the Economic Investment Strategy, are in place.

### 3.0 PRIORITY TRANSPORT SCHEMES

#### Overall Approach

- 3.1. The Combined Authority has worked closely with partnering organisations to develop an extended list of schemes for potential investment. These schemes have been drawn from a wide ranges of sources including existing Cambridgeshire and Peterborough Investment Plans, Local Plans, Market Town Strategies, proposals previously identified within the Devolution Deal, and other emerging priorities.
- 3.2. Due to the large number of schemes under consideration it has been necessary to take a pragmatic and scaled approach to the evaluation, selection and prioritisation of these schemes as summarised below.

**Extended List** This represents the full list of transport projects considered but excluded the strategic projects that are already underway. Each potential project was given a clear statement on scope and the benefits it might deliver. Projects have been assessed qualitatively with selected projects carried forward to the 'Long List'

**Long List** Projects on the 'Long List' have been subjected to a much more robust and quantitative assessment as outlined in the following section 'Evaluation Criteria'.

**Short List** Following the evaluation of the 'Long List', the 'Short List' represents those projects which are being put forward for funding at this time. Whilst the quantitative assessment is a critical consideration in the decision to shortlist a scheme, judgement has been applied to take account of wider issues such as achieving greater geographical parity of investment. See Appendix A

#### Evaluation Criteria

- 3.3. The evaluation criteria is closely aligned with the Five Case Business Case Model. This is consistent with current advice from HM Treasury, as set out in the Green Book, and the Combined Authority's own Assurance Framework. However, this has been adapted to reflect the needs of the Combined Authority. For example, the Strategic Case is explicit in the consideration of unlocking housing and employment opportunities as these will drive the local economy.
- 3.4. Each of the four 'cases' have been given equal weighting but sub-divided as outlined below. For further details of the evaluation matrix please refer to Appendix B.

| Case      | Criteria  |
|-----------|---|
| Strategic | <ul style="list-style-type: none"><li>• Reduce Congestion</li><li>• Unlock housing and jobs</li></ul> |

|                   |  |
|-------------------|--|
| <b>Economic</b>   | <ul style="list-style-type: none"> <li>• Scale of Impact</li> <li>• Value for Money</li> </ul>                                 |
| <b>Financial</b>  | <ul style="list-style-type: none"> <li>• Other Funding Sources / contributors</li> </ul>                                       |
| <b>Management</b> | <ul style="list-style-type: none"> <li>• Delivery Certainty</li> <li>• Project Risks</li> <li>• Stakeholder Support</li> </ul> |

- 3.5. It is important to note that the total scoring for each project has been determined with and without 'Delivery Certainty'. This approach has been taken to ensure that schemes that are at a very early stage in their development are not ruled out due to the lack of project definition or certainty. This helps to avoid the scenario whereby such schemes do not get selected or funded because they are ill-defined and, as a result, never progress beyond the concept stage. Nevertheless, in developing the 'Short List' a balanced approach has been required to progress schemes at early development, design and construction phases.
- 3.6. The Commercial Case, which relates to procurement strategy, has not formed part of this evaluation as many of the schemes are insufficiently developed at this time. Instead the procurement strategy will be determined on a case by case basis as individual schemes gain greater definition. It is anticipated that these schemes will be delivered using existing procurement routes via Cambridgeshire County Council, Peterborough City Council and Network Rail. However, other procurement routes will be considered where appropriate.

### **Governance**

- 3.7. The scheme evaluations have been undertaken by Cambridgeshire County Council and Peterborough City Council for their respective areas. However, this has been subjected to oversight from the Combined Authority.
- 3.8. Whilst all shortlisted projects have been subjected to the evaluation process outlined above, this is only deemed appropriate for the release of funding for the project development phase. All funding provision beyond this will be subject to the completion of a satisfactory and proportionate Business Case. Business Cases for schemes with a value greater than £5m must be fully WebTAG compliant.
- 3.9. Throughout the delivery of the shortlisted projects, costs and progress against programme will monitored on a monthly basis.
- 3.10. The Shortlist will be reviewed and revised on an annual basis in recognition that the case for investment in particular schemes may change as they gain definition, and as new priorities may emerge. It is envisaged that the Board will approve a rolling four year programme on an annual basis which will provide the opportunity to review and revise investment decisions and supported projects.

## Shortlisted Schemes

3.11. The £3.53m funding for 17/18 will support the delivery of the following schemes:

| <b>Scheme</b>  | <b>Activity in 17/18</b>                   | <b>17/18 Funding</b> |
|--|--|----------------------|
| A505 Corridor Study  | Progress Feasibility Study & Business Case | £0.15m               |
| Wisbech Access Study Packages  | Progress Design                            | £0.2m                |
| March Junction Improvements Package                                  | Progress Feasibility                       | £0.1m                |
| Cambridgeshire (Rail) Capacity Study                                 | Complete Feasibility Study                 | £0.3m                |
| Cambridge South Station  | Progress Feasibility Study & Business Case | £0.75m               |
| Soham Station  | Progress Feasibility Study                 | £0.25m               |
| Huntingdon Strategic River Crossing                                  | Complete Feasibility Study                 | £0.2m                |
| Regeneration of Fenland Railway Stations (March, Manea & Whittlesea) | Progress Design                            | £0.5m                |
| A142 Capacity Study  | Complete Capacity Study                    | £0.15m               |
| A14 Junctions Improvement Feasibility Study                          | Complete Feasibility Study                 | £0.15m               |
| Peterborough Sustainable Travel                                      | Progress Implementation                    | £0.05m               |
| A605 Oundle Road Widening – Alwalton to Lynch Wood Business Park     | Progress Design                            | £0.025m              |
| Coldham's Lane Roundabout Improvements                               | Progress Feasibility Study                 | £0.1m                |
| A141 Capacity Enhancements around Huntingdon                         | Progress Feasibility Study                 | £0.25m               |
| Peterborough Schemes & Studies                                       | Progress Feasibility Studies               | £0.1m                |
| A1260 Nene Parkway Junction 15 Improvements                          | Progress Feasibility Study                 | £0.1m                |
| Eastern Industries Access Phase 1                                    | Progress Feasibility Study                 | £0.15m               |

3.12. The £1.0m funding for 18/19 is to complete the Feasibility and Business Case development of Cambridge South Station. This is in addition to the £0.75m outlined above. Discussions are currently underway with Central Government and other local partners to agree a funding package which could potentially see a further £8.25m invested into the development of this project. This funding agreement has the potential to greatly accelerate the delivery of the station and support on the ongoing development of the Cambridge Biomedical Campus.

- 3.13. There are also a small number of key projects which, whilst not requiring investment during 17/18, will still be actively pursued by the Combined Authority during the current financial year. The Combined Authority will engage with potential delivery partners to secure funding and commitment so that these schemes can progress early in 18/19. Such projects will include the A10 Foxton Level Crossing and the A505 Corridor Study.
- 3.14. The schemes listed in 3.11 are part of a wider pipeline of work which has been selected for funding by the Combined Authority to enable development and/or delivery to take place during the current Mayoral period. This pipeline of schemes is listed below with further details provided in Appendix A. It is important to note that these schemes are not listed in priority order and exclude those schemes referenced in 2.3 and 2.4.

| No | Projects   | Location  | Project Phase being Funded         |
|----|--|-----------|------------------------------------|
| 1  | Wisbech Access Study Packages  | FDC       | Design & Construction              |
| 2  | March junction improvements package                                  | FDC       | Feasibility, Design & Construction |
| 3  | Cambridge South Station  | Camb City | Options Appraisal & Business Case  |
| 4  | Cambridgeshire (Rail) Capacity Study                                 | Various   | Feasibility                        |
| 5  | Soham Station  | ECDC      | Feasibility, Design & Construction |
| 6  | A10 Foxton Level Crossing  | SCDC      | Feasibility                        |
| 7  | A47 Junction 18 Improvements   | PCC       | Construction                       |
| 8  | Huntingdon Strategic River Crossing                                  | HDC       | Feasibility                        |
| 9  | A505 Corridor Study  | SCDC      | Feasibility & Business Case        |
| 10 | Peterborough Sustainable Travel                                      | PCC       | Implementation                     |
| 11 | A605 Whittlesey Access Phase 2 – Stanground Access                   | PCC       | Design & Construction              |
| 12 | A605 Oundle Road Widening - Alwalton to Lynch Wood Business Park     | PCC       | Design & Construction              |
| 13 | Regeneration of Fenland Railway Stations (March, Manea & Whittlesea) | FDC       | Design & Construction              |
| 14 | St Neots River Great Ouse northern crossing / cycle bridge           | HDC       | Design & Construction              |
| 15 | A14 Junctions Improvement Feasibility Study                          | ECDC      | Feasibility                        |



|    |  |           |                                    |
|----|--|-----------|------------------------------------|
| 16 | A1260 Nene Parkway Junction 15 improvements                    | PCC       | Feasibility, Design & Construction |
| 17 | A141 capacity enhancements around Huntingdon                   | HDC       | Feasibility, design and construct  |
| 18 | Smart City Network   | PCC       | Feasibility                        |
| 19 | A1260 Nene Parkway Improvement Jn 32 to Jn 3 (Fletton Parkway) | PCC       | Feasibility & Design               |
| 20 | Coldham's Lane roundabout improvements                         | Camb City | Feasibility, Design & Construction |
| 21 | Eastern Industries Access Phase 2 – Fengate                    | PCC       | Feasibility                        |
| 22 | A142 Capacity Study  | ECDC      | Feasibility                        |
| 23 | Peterborough Schemes and Studies                               | PCC       | Feasibility                        |
| 24 | Eastern Industries Access Phase 1 - Parnwell Way               | PCC       | Feasibility & Design               |
| 25 | A16 Norwood dualling   | PCC       | Feasibility & Design               |
| 26 | A47 Junction 18 Pedestrian Footbridge                          | PCC       | Feasibility                        |

3.15. An indicative sequencing of the delivery of the above schemes is detailed within Appendix A. However, this may be subject to change due to a wide range of factors including the phasing of 3<sup>rd</sup> party funding; emerging opportunities to bid for and/or secure Central Government funding; critical linkages between schemes; and the findings from emerging Business Cases.

3.16. The following funding conditions are to be noted:

- (a) Where other funding contributions are stated in Appendix A, the Combined Authority reserves the right to reconsider its support should such funding not be forthcoming
- (b) The A47 Junction 18 scheme is funded subject to the local Highway Authority retaining Rhubarb Bridge in the short and medium term and seeking funding for the replacement of this structure in the longer term
- (c) Combined Authority support for the St Neots Footbridge is provisional subject to further discussions on the preferred option

### **Outcomes and Return on Investment**

3.17. Each of the projects and schemes identified above will be subject to the principles and approach set out in the Combined Authority's Assurance Framework. Specifically this requires that each item is supported by a standard business case appraisal. The business case will set out very clearly the details of cost and benefits.

3.18. Whilst this programme of investment will provide transport benefits in terms of improved connectivity and journey times, it will also act as a key enabler for housing growth, job creation and economic growth.

3.19. The transport interventions proposed will contribute towards a number of wider Local Plan commitments and specific development sites. As an investment programme there will be significant returns including across all proposed schemes the enabling of more than 50,000 new jobs and over 50,000 new homes.

#### 4.0 FINANCIAL IMPLICATIONS

4.1. This proposal requests approval for the committed investment of £4.53m outlined below. An indication of future unsecured investment for the overall programme is also provided. This is currently estimated at £52.28m. Both the Committed Investment and Indicative Investment have already accounted for 3<sup>rd</sup> party contributions where these are known, see Appendix A

|                       | 17/18  | 18/19   | 19/20   | 20/21   | Total   |
|-----------------------|--------|---------|---------|---------|---------|
| Committed Investment  | £3.53m | £1.0m   |         |         | £4.53m  |
| Indicative Investment |        | £15.40m | £18.40m | £18.48m | £52.28m |
|                       |        |         |         | Total   | £56.81m |

4.2. The Committed Investment will be drawn down from the annual Combined Authority budget settlement of £20m. However, this approach is undesirable in the medium and long term as it will not deliver the substantial levels of investment necessary to achieve the Combined Authority's wider objectives.

4.3. It is anticipated that the funding shortfall of £52.28m will be secured from a variety of sources. These will include:

- Central Government funding
- Contributions from local partners, such as the Highway Authorities, the GCGP LEP and the Greater Cambridge Partnership
- Private sector investment
- Combined Authority funding

4.4. Supporting bullet points 3 and 4 above is the ongoing development of a Combined Authority Investment Strategy. Options being considered include:

- **Borrowing against capital** – The Government has committed to grant Mayoral Combined Authorities the ability to borrow against their capital devolved funds, thereby enabling a more flexible approach to investment and multiplying the total capital available
- **Recycling capital** – Recycling capital means recovering and reinvesting the benefits into other projects where possible, thereby maximising the ability to leverage private sector inward investment and socio-economic outputs

- **Investment by way of debt or equity** – The funding approach towards individual projects will draw upon a blend of public and private sources of capital to efficiently bring projects forward. Capital can be supplied in the form of debt (fixed term basis, typically secured against the asset) or equity (recoverable via an agreed coupon and/or profit share should predetermined criteria be met).
- 4.5. This innovative approach to funding will not entirely remove the need to draw upon the £20m allocation in the future as it may still be necessary to fund early development work. However, this will be explored as part of the Investment Strategy development.
- 4.6. Flexibility is requested with regard to reasonable redistribution of funding between projects and between the 17/18 and 18/19 financial years, subject to the overall total not being exceeded. This is to provide operational flexibility with any changes agreed between the Chief Executive and the Section 151 Officer.

## **5.0 LEGAL IMPLICATIONS**

- 5.1. The Combined Authority assumed the role of the Local Transport Authority by virtue of Article 8 of the Cambridgeshire and Peterborough Combined Authority Order 2017. The Combined Authority must exercise the statutory functions of the local transport authority under Part II Local Transport Act 2000 and Parts 4 & 5 of the Transport Act 1985 so as to achieve effective and efficient transport within the area.
- 5.2. Part II of the Transport Act 2000 introduced new requirements for the preparation of local transport plans, replacing transport policies and programmes. Each local transport authority must (a) develop policies for the promotion and encouragement of safe, integrated, efficient and economic transport to, from and within its area; (b) carry out its functions so as to implement those policies.
- 5.3. The transport priorities identified in this report are evidence of the Combined Authority exercising its role as local transport authority. In some instances these priorities are already identified within the Local Transport Plan approved by this Authority earlier this year, however as noted above, some projects have been introduced into the pipeline as the Combined Authority has been able to unlock additional funding to bring forward these important schemes. Where such projects are not already identified within the Local Transport Plan the Combined Authority may rely upon its general power of competence to fund these projects.
- 5.4. The general power of competence was granted to the Combined Authority by virtue of Article 11 of the Cambridgeshire and Peterborough Combined Authority Order 2017 and enables the Combined Authority to rely upon the powers under Chapter 1 Part 1 of the Localism Act 2011.
- 5.5. For the purposes of procurement each of these schemes is procured and contracted separately and in most cases the Combined Authority will rely upon its own constitutional contracting rules for the procurement and letting of these

contracts. This ensures the appropriate openness and transparency in the procurement process. Where contracts are expected to meet the EU procurement values (currently £200K approx..) the Combined Authority will rely upon an appropriate framework to source suitable expertise.

- 5.6. As each of these schemes will be procured in accordance with rules which ensure propriety, openness and value for money, state aid rules are not engaged.
- 5.7. As these individual schemes will not exceed £500K in value, they would ordinarily not be subject to call-in by the scrutiny committee. Taken collectively, however, the decision to fund a pipeline of projects has significant value and has therefore been considered a key decision in order to ensure that this important decision to create a pipeline of projects is given the necessary public oversight.

## **6.0 SIGNIFICANT IMPLICATIONS**

- 6.1. There are no other statutory matters to bring to the Board's attention.

## **7.0 APPENDICES**

- 7.1. Appendix A – Short List
- 7.2. Appendix B – Evaluation Criteria

| <b><u>Source Documents</u></b> | <b><u>Location</u></b> |
|--------------------------------|------------------------|
| None                           |                        |



| Project Information  |                     |   |   |   |                                   |                 | Cost / Funding         |                              |                    |                              |       |       |       |
|--|---------------------|---|---|---|-----------------------------------|-----------------|------------------------|------------------------------|--------------------|------------------------------|-------|-------|-------|
| Scheme   | Location / District | Scope   | Benefits  | Current Status<br>(Refers to stage completed or currently underway) | Next project stage                | Owner           | Total Scheme Cost (£m) | 3rd Party Contributions (£m) | CA Commitment (£m) | CA Annual Spend Profile (£m) |       |       |       |
|  |                     |   |   |   |                                   |                 |                        |                              |                    | Term 1                       |       |       |       |
|  |                     |   |   |   |                                   |                 |                        |                              |                    | 17/18                        | 18/19 | 19/20 | 20/21 |
| Cambridgeshire Capacity Study  | Strategic           | Strategic rail study identifying network constraints  | Underpins strategic rail growth directly supporting jobs and housing  | Pre-feasibility   | Feasibility                       | DfT / GCP / CCC | 0.3                    | 0.25                         | 0.05               |                              |       |       |       |
| Cambridge South Station  | Cambridge           | Development costs of a new station next to the Biomedical Campus  | Provides access to a major employment site which will support new homes and 16,000 existing, and 7,000 new jobs, with further growth planned.                               | Feasibility   | Options appraisal / business case | CA / NwR        | 10                     | 8.25                         | 1.75               |                              |       |       |       |
| Soham Station  | East Cambs          | Development costs of new station at Soham   | Will support the delivery of 1,655 new homes and 15ha of employment land.   | Options appraisal / business case                                   | Options appraisal / business case | CCC             | 12                     | 7                            | 5                  |                              |       |       |       |
| Regeneration of Fenland Railway Stations - March, Manea and Whittlesea Station | Fenland             | A package of improvements to upgrade the Fenland railway stations   | To ensure greater use of the railways in Fenland for local residents, businesses and tourism. Supports Local Plan commitments to 7,200 jobs on 85ha of new employment land. | Options appraisal / business case                                   | Preliminary design                | FDC             | 9.5                    | 0.5                          | 9                  |                              |       |       |       |
| A505 Corridor Study  | South Cambs         | A Strategic economic growth and transport study to include outline business case development for a scheme on the A505   | Reduces congestion, supports key employment sites including Granta Park, Babraham and the Genome campus with potential growth of over 11,200 jobs.                          | Pre-feasibility   | Feasibility                       | CCC             | 1.5                    | 0                            | 1.5                |                              |       |       |       |
| A10 Foxton Level Crossing  | South Cambs         | Scheme development work to take forwards level crossing replacement   | Resolves longstanding key constraint on the network, reducing congestion, providing interchange with rail, and supporting jobs and employment.                              | Feasibility   | Feasibility                       | CCC / NR        | 2                      | 0                            | 2                  |                              |       |       |       |
| A14 Junctions Improvement feasibility Study                                    | East Cambs          | Feasibility study to understand and review J35-38 of the A14  | Reduces congestion on the strategic network, supports new jobs and houses.  | Pre-feasibility   | Feasibility                       | FDC             | 0.15                   | 0                            | 0.15               |                              |       |       |       |
| A142 Capacity Study  | East Cambs          | Feasibility study to understand what the impact of growth is on the key route between Newmarket and Chatteris   | Reduces congestion, supports new jobs and houses, improves road safety.   | Pre-feasibility   | Feasibility                       | FDC             | 0.15                   | 0                            | 0.15               |                              |       |       |       |
| A47 Junction 18 improvements   | Peterborough        | Widening of slip roads and circulatory carriageway of existing grade separated roundabout   | The improvements would increase capacity and enable Peterborough's Core Strategy of 26,000 homes and 20,000 jobs to be delivered.   | Design  | Construction                      | PCC             | 5.5                    | 0.55                         | 4.95               |                              |       |       |       |
| A605 Whittlesey Access Phase 2 – Stanground Access                             | Peterborough        | Provide a right turn lane at junction between the A605 and B1095, where right-turning traffic currently blocks straight ahead traffic travelling between Peterborough and Whittlesey. | Provide improved access between Peterborough and Whittlesey, which could otherwise inhibit the growth and development of Whittlesey.  | Preliminary design  | Design                            | PCC             | 4                      | 0.4                          | 3.6                |                              |       |       |       |
| A605 Oundle Road Widening - Alwalton to Lynch Wood Business Park               | Peterborough        | To provide an additional lanes inbound to Lynchwood Business Park, which currently employs c.4000 staff.  | Capacity improvements would resolve the severe delays experienced on approach to the Business Park, and would maintain the attractiveness of its employment.                | Preliminary design  | Design                            | PCC             | 1.5                    | 0.78                         | 0.72               |                              |       |       |       |
| A1260 Nene Parkway Junction 15 improvements                                    | Peterborough        | Capacity Improvements to existing Junction 15, at the interchange between the A1260 and A47 Major Roads.  | Increased capacity to enable Peterborough's Core Strategy of 26,000 homes and 20,000 jobs to be delivered.  | Pre-feasibility   | Feasibility                       | PCC             | 7                      | 0.7                          | 6.3                |                              |       |       |       |
| Eastern Industries Access Phase 1 - Parnwell Way                               | Peterborough        | Capacity improvements to existing infrastructure, possible dualling of link road or alternative access arrangements.  | Provides access to large employment area at Red Brick Farm within the Eastern Industries, enabling the creation of 6,000-8,000 jobs.  | Pre-feasibility   | Feasibility                       | PCC             | 9.5                    | 0.95                         | 8.55               |                              |       |       |       |
| A1260 Nene Parkway Improvement Jn 32 to Jn 3 (Fletton Parkway)                 | Peterborough        | Capacity improvements to A1260 Nene Parkway including additional lanes  | The proposal would increase capacity necessary to enable Peterborough's Core Strategy of 26,000 homes and 20,000 jobs to be delivered.                                      | Pre-feasibility   | Feasibility                       | PCC             | 4.5                    | 0.45                         | 4.05               |                              |       |       |       |

| Project Information  |                     |   |  |   |                    |           | Cost / Funding         |                              |                    |                              |       |        |       |
|--|---------------------|---|--|---|--------------------|-----------|------------------------|------------------------------|--------------------|------------------------------|-------|--------|-------|
| Scheme   | Location / District | Scope   | Benefits   | Current Status<br>(Refers to stage completed or currently underway) | Next project stage | Owner     | Total Scheme Cost (£m) | 3rd Party Contributions (£m) | CA Commitment (£m) | CA Annual Spend Profile (£m) |       |        |       |
|  |                     |   |  |   |                    |           |                        |                              |                    | Term 1                       |       |        |       |
|  |                     |   |  |   |                    |           |                        |                              |                    | 17/18                        | 18/19 | 19/20  | 20/21 |
| A16 Norwood dualling                                       | Peterborough        | Provide roundabout access off the A16 into the proposed Norwood development and dual the existing section of the A16 between there and its roundabout with the A47 which would also be improved.  | Enable the development of Norwood comprising 2,000 houses, which would otherwise be difficult to bring forward due to developer cash flow issues.  | Pre-feasibility   | Feasibility        | PCC       | 10.8                   | 1.1                          | 9.7                |                              |       |        |       |
| Eastern Industries Access Phase 2 - Fengate                | Peterborough        | Capacity improvements to existing infrastructure, possible road widening or junction improvements.  | Provides access to large employment area at Red Brick Farm within the Eastern Industries, enabling the creation of 6,000-8,000 jobs.   | Pre-feasibility   | Feasibility        | PCC       | 7.5                    | 0.75                         | 6.75               |                              |       |        |       |
| A47 Junction 18 Pedestrian Footbridge                      | Peterborough        | Detailed assessment at the cost of reconstructing the existing shared used footbridge.  | Enable pedestrians and cyclists to continue crossing the A47 via a shared use footbridge   | Pre-feasibility   | Feasibility        | PCC       | 0.3                    | 0.05                         | 0.25               |                              |       |        |       |
| Wisbech Access Study Packages                              | Fenland             | Delivery of measures identified in the Access Study to support growth and regeneration  | Reduction in congestion at key junctions, supports Local Plan commitments of over 11,000 new homes and 30ha of employment land.  | Options appraisal / business case                                   | Preliminary design | CCC / FDC | 13                     | 10.5                         | 10.5               |                              |       |        |       |
| March junction improvements package. Capital and Revenue   | Fenland             | Feasibility studies and testing of options for improvements to key set of junctions on the A141 and the B1101; and phase 2 of a northern Link road. Project would then include implementation of preferred option(s) from the study.                              | Reduction in congestion at key junctions, supports Local Plan commitments of over 11,000 new homes and 30ha of employment land.  | Feasibility   | Feasibility        | CCC       | 6.35                   | 3.7                          | 3.65               |                              |       |        |       |
| Huntingdon Strategic River Crossing                        | Hunts               | Feasibility and preliminary work on major strategic new river crossing  | Development work to inform future development requirements (new homes at Wyton(4,500), Giffords Park (2,200), Sapley Park (1,300) & Lodge Ffarm (3,820)) and capacity involving new strategic river crossing | Pre-feasibility   | Feasibility        | HDC       | 0.5                    | 0                            | 0.5                |                              |       |        |       |
| A141 capacity enhancements around Huntingdon               | Hunts               | Package of highway schemes on A141  | Highway improvements adjacent to the strategic Alconbury development site, with congestion reduction and supporting Local plan commitments of employment and 16,000 new dwellings.                           | Pre-feasibility   | Feasibility        | CCC       | 7                      | 0                            | 6                  |                              |       |        |       |
| St Neots River Great Ouse northern crossing / cycle bridge | Hunts               | Delivery of new cycle crossing in St Neots  | Provides critical infrastructure linked to the St Neots Masterplan, supporting 4000 houses and 3600 jobs.  | Pre-feasibility   | Preliminary design | CCC       | 4.5                    | 1.5                          | 3                  |                              |       |        |       |
| Coldhams Lane roundabout improvements                      | Cambridge           | Remodelling roundabout to improve safety and provide crossings on each arm  | Improved road safety, encourages walking & cycling to major urban development of over 1,200 new homes in East Cambridge.   | Pre-feasibility   | Design             | CCC       | 3                      | 0.2                          | 2.8                |                              |       |        |       |
| Smart City Network   | Peterborough        | To develop a plan of how Peterborough would implement a Smart City Network (including intelligent mobility). This would form the basis for joint working with Cambridgeshire County Council to develop a Smart City Strategy to serve the Combined Authority area | Gain a comprehensive understanding of the requirements which will enable the exploitation of data to support the management and control of the network, with an aim of increasing network resilience and     | Pre-feasibility   | Feasibility        | PCC       | 0.1                    |                              | 0.1                |                              |       |        |       |
| Sustainable Travel Capital/Revenue                         | Peterborough        | Promoting sustainable travel and infrastructure improvements city wide  | Increased mode choice, less congestion on the roads and reduce the need for expensive transport infrastructure investment.   | Preliminary design  | Feasibility        | PCC       | 0.5                    |                              | 0.5                |                              |       |        |       |
| Schemes and Studies  | Peterborough        | Undertake small scale studies and traffic modelling in order to develop on-going pipeline of transport infrastructure schemes   | Identify transport schemes that would tackle congestion, enable housing and promote job jobs creation.   | Preliminary design  | Feasibility        | PCC       | 0.4                    |                              | 0.4                |                              |       |        |       |
| Total  |                     |   |  |   |                    |           | 121.55                 | 37.63                        | 91.92              | 3.525                        | 16.4  | 18.395 | 18.48 |

| Score              | Strategic Case   |   | Economic Case  |  | Management/Deliverability Case   |   |  | Financial Case  |
|--------------------|--|---|--|--|--|---|--|---|
| Primary Aim        | Reduce congestion  | Unlock jobs and housing   | Scale of impact  | Value for money  | Delivery Certainty   | Project Risk  | Stakeholder Support  | Other funding contributors  |
| Key Considerations | Increases capacity<br>Improves connectivity<br>Improves journey time and/or journey time reliability<br>Provides greater mode choice | Unlocks economic and job creation opportunities<br>Enables new housing developments | Scale of impact on traffic condition, journey time and reliability | Level of benefits will the project deliver assessed against cost (either in BCR or qualitative assessment) | Certainty of construction commencing in 18/19, inc certainty of statutory powers and land ownership being in place | Likelihood of major project risks (consequence x likelihood) occurring<br><br>(statutory approvals / complexity of solution/ major dependencies or interdependencies with other activities) | - is there evidence of support for the project from e.g. Members, the public, District Council, Parish Council, Local MP | Percentage of local contribution<br><br>Level of private sector funding |
| 3                  | Major improvement to congestion, connectivity, journey time, journey time reliability and/or mode shift                              | Enables a significant number of jobs/homes to be delivered                          | Major congestion reduction with wider positive impact              |  | High certainty that constructions commence in 18/19, statutory power and land ownership in place                   |   | Formal consultation carried out evidencing support   | >50% some private or 30-50% mostly private                              |
| 2                  | Moderate improvement to congestion, connectivity, journey time, journey time reliability and/or mode shift                           | Enables a moderate number of jobs/homes to be delivered                             | Mid-large scale positive impact                                    |  | Construction can commence in 18/19, low risk of issue emerging regarding statutory powers or land ownership        |   | Supported multiple (eg public & members)   | 30-50% some private   |
| 1                  | Minor improvement to congestion, connectivity, journey time, journey time reliability and/or mode shift                              | Enables a small number of jobs/homes to be delivered                                | Small scale/localised positive impact                              |  | Construction can commence in 18/19, high risk of issue emerging regarding statutory powers or land ownership       |   | Support indicated (eg public or members)   | <30% some private   |
| 0                  | No change  | No change   | No impact or +/- balance   | No impact or +/- balance   | Feasible but highway land issues   | Low project risks   | No evidence  | None  |
| -1                 | Minor negative impact on the reliability of journey times  |   | Small scale/localised negative impact                              |  | Feasible but highway land not sufficient / multiple issues   | Medium project risks  | Minor opposition indicated   |   |
| -2                 | Moderate negative impact on the reliability of journey times   |   | Mid-large scale negative impact                                    |  | Feasible but more significant issues with land, services etc   | High project risks  | Multiple opposition indicated  |   |
| -3                 | Major negative impact on the reliability of journey times  |   | Major/cross-district negative impact                               |  | Not possible without major additional works  | Very high project risks (Gaining statutory approvals unlikely / solution is very complex / project is dependent on other activities which are unlikely to be delivered)                     | Formal consultation shows large opposition   |   |





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| <b>CAMBRIDGESHIRE AND<br/>PETERBOROUGH COMBINED<br/>AUTHORITY BOARD</b> | <b>AGENDA ITEM No: 3.2</b> |
| <b>25 OCTOBER 2017</b>  | <b>PUBLIC REPORT</b>       |

## **URGENT FUNDING REQUESTS IN PLACE OF GREATER CAMBRIDGESHIRE GREATER PETERBOROUGH LOCAL ENTERPRISE PARTNERSHIP**

### **1.0 PURPOSE**

- 1.1. This report highlights urgent funding requests made by various bodies to the Combined Authority in place of grants which the Greater Cambridgeshire Greater Peterborough Local Enterprise Partnership (GCGLP LEP) is not in a position to fund.

| <b><u>DECISION REQUIRED</u></b>  |  |
|--|--|
| <b>Lead Member:</b>  | <b>James Palmer, Mayor of Cambridgeshire and Peterborough Combined Authority<br/>Portfolio Holder for Governance</b> |
| <b>Lead Officer:</b>   | <b>Martin Whiteley, Chief Executive</b>  |
| <b>Forward Plan Ref:</b>   | <b>Key Decision: No</b>  |
| <p>The Combined Authority Board is recommended to:</p> <p>(a) Note the urgent funding requests made by</p> <ul style="list-style-type: none"> <li>i. The Independent Economic Commission</li> <li>ii. Opportunity Peterborough</li> <li>iii. Ely Area Improvements Task Group (Grip 3).</li> </ul> <p>(b) Note the funding approvals already given in relation to the Independent Economic Commission and Opportunity Peterborough to ensure important priority objectives can be met.</p> | <p><b>Voting arrangements</b></p> <p>Simple majority of voting Members</p>   |

|  |  |
|--|--|
| <p>(c) Note the previous decision of the Board in June 2017 to allocate funding for the GRIP3 study and approve that this funding is now granted to Network Rail to progress the GRIP3 study.</p> <p>(d) Note that upon restoration of funding to the Greater Cambridgeshire Greater Peterborough Local Enterprise Partnership (GCGP LEP) the Combined Authority will make applications to the GCGP LEP Board to restore the funding position of the Combined Authority.</p> |  |
|--|--|

## 2.0 BACKGROUND

- 2.1. Local Growth Deals are made available by Government to Local Enterprise Partnerships (LEP's) for projects that benefit the local area and economy.
- 2.2. The GCGP LEP's Strategic Economic Plan "Internationally Competitive, Nationally Significant" was submitted to Government in March 2014. In July 2014, the GCGP LEP was awarded £71.1 million from the Local Growth Fund over the period 2015-2021. In January 2015 a further £38 million of funding was awarded between 2016 and 2021 and an additional £37.6 million was awarded in November 2016. The LEP estimates up to 15,500 jobs could be created, 10,000 homes built and up to £210 million of public and private investment generated as a result of this funding
- 2.3. The latest tranche of Local Growth Funding is however being withheld following a government review which raised issues about the governance of the organisation. This lack of funding has resulted in several organisations approaching the Combined Authority for assistance with funding as important projects are being put at risk.

## 3.0 APPLICATIONS FOR FUNDING

### Independent Economic Commission

- 3.1 The Combined Authority is committed, through its Assurance Framework, agreed with Government, to creating an independent Economic Commission. The establishment of an independent Economic Commission will require partners to work collectively and to think differently about economic growth, investment and prosperity. The work of the independent Economic Commission is vital to understanding the possibilities and aspiration of growth across the Combined Authority area. This will inform the work of the Combined Authority and its partners, primarily the GCGP LEP.

- 3.2 On 28 June 2017 the Combined Authority agreed to support a percentage of the cost of the Independent Commission for the current financial year. A percentage of cost was to be requested of the GCGP LEP.
- 3.3 In October 2017 Cambridge Ahead, which is providing both administrative and financial support to the Commission, notified the Combined Authority that its work had not progressed as the funding request to the GCGP LEP was highly uncertain. The Combined Authority were requested to offer confirmation that it would support a further allocation of funds to the Commission until such time as the GCGP LEP were in a position to consider a fully costed funding request from Cambridge Ahead.
- 3.4 Given the importance of this work to the Combined Authority and the urgency of the request from Cambridge Ahead, the Chief Executive exercised his delegated authority to guarantee a payment of £166,235 to Cambridge Ahead subject to the Combined Authority, with the support of Cambridge Ahead, making an application to the GCGP LEP Board for refund of this amount.

### **Opportunity Peterborough**

- 3.5 In July 2017 the Combined Authority Board approved a report which set out its ambition to create a Centre for Skills. The Centre for Skills was intended to increase the apprenticeship uptake in the area.
- 3.6 The report noted that Opportunity Peterborough provides an apprenticeship service that currently covers the areas of Peterborough, Fenland, Hunts and East Cambridgeshire. It brings businesses into schools and colleges to work with young people on interview techniques, CV writing and enterprise skills (age 11-18). It also facilitates an annual career's show with over 200 businesses and 3,000 young people (14-24 year olds) and offers impartial apprenticeship events for businesses, schools and young people.
- 3.7 The GCGP LEP approved funding for the work of Opportunity Peterborough, but funding was not forthcoming. As a result, Opportunity Peterborough approached the Combined Authority in early October for some immediate funding to prevent possible redundancies. Funding was approved in the sum of £265K by the Chief Executive under delegated authority. Opportunity Peterborough have undertaken to support a joint application to the GCGP LEP Board to return funding to the Combined Authority when the GCGP LEP is in receipt of funds.

### **Ely Area Improvement Task Group: GRIP3**

- 3.8 The Combined Authority previously agreed to fund a GRIP3 study as part of the development of the Wisbech Garden Town proposals. The June 2017 Board report noted that Wisbech rail is a fundamental part of bringing about significant change by improving sub-regional and regional connectivity and helping to improve economic function.
- 3.9 The GCGP LEP Board had also considered GRIP3 funding at its April Local Transport Panel and Board meeting. The Board agreed a full proposal for funding GRIP3 would be submitted to the next appropriate Board meeting after collation of all information and provision of advice by the Local Transport Panel,

including that any criteria for a compelling case for the investment had been satisfied. No such report has since been brought back to the Board.

- 3.10 The Ely Area Improvement Task Group, chaired by Ray Harding Chief Executive of Kings Lynn and West Norfolk Council and Network Rail have subsequently approached the Combined Authority with a request for an immediate assurance of funding for the GRIP3 study. As funding from the GCGP LEP cannot be assured at this present time, the Combined Authority are requested to invest £3.6M with Network Rail to progress the study. If the Combined Authority do not give such funding approval, the study will not have the support of Network Rail.

#### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 At this stage, it is not anticipated that there will be any long term financial implications arising but the Board will receive a further update on this matter at its meeting in December.

#### **5.0 LEGAL IMPLICATIONS**

- 5.1 The Combined Authority has a general power of competence by virtue of Article 7 of the Cambridgeshire and Peterborough Combined Authority Order 2017 enabling it to undertake any actions in furtherance of its objectives as outlined in the devolution deal.
- 5.2 Making a grant of funding to Network Rail does not engage state aid and, in any event, Network rail will undertake its own procurement processes and governance in relation to the commissioning of any study arising from the grant funding.

#### **6.0 SIGNIFICANT IMPLICATIONS**

- 6.1 There are no statutory matters for the attention of the Combined Authority

| <u>Source Documents</u>  | <u>Location</u>   |
|--|---|
| <ol style="list-style-type: none"><li>1. Decision notices to agree funding under Chief Executive delegated authority</li><li>2. Decision of EU regarding state funding to Network Rail (State aid No N 356/2002 – United Kingdom Network Rail)</li></ol> | Available on request from the Cambridgeshire and Peterborough Combined Authority. |



|   |                            |
|---|----------------------------|
| <b>CAMBRIDGESHIRE AND<br/>PETERBOROUGH COMBINED<br/>AUTHORITY BOARD</b> | <b>AGENDA ITEM No: 4.1</b> |
| <b>25 OCTOBER 2017</b>  | <b>PUBLIC REPORT</b>       |

## **BUDGET PREPARATION AND CONSULTATION PROPOSALS FOR 2018/19**

### **1.0 PURPOSE**

- 1.1 This report sets out the proposed budget setting process for the approval of the Combined Authority's 2018/19 budget.

| <b><u>DECISION REQUIRED</u></b>  |  |
|--|--|
| <b>Lead Member:</b>  | <b>Cllr Steve Count, Portfolio Holder for Fiscal Strategy</b>                                      |
| <b>Lead Officer:</b>   | <b>Alex Colyer, Interim Chief Finance Officer</b>  |
| <b>Forward Plan Ref: N/A Key Decision: Non-Key</b>   |  |
| <p>The Combined Authority is asked to</p> <ol style="list-style-type: none"> <li>1. approve the proposed timetable and the consultees to be involved in the consultation of the Combined Authority's budget 2018/19.</li> <li>2. Note the emerging strategic themes for the 2018/19 budget.</li> </ol> | <p><b>Voting arrangements</b></p> <p>Simple majority all Members (or their Substitute Members)</p> |

### **2.0 BACKGROUND**

- 2.1 The Local Government Finance Act 1992 (LGFA 1992) places a duty on Councils to set a balanced budget with regard to the advice of its Chief Finance Officer (section 151). For this reason, the timetable for setting the Combined Authority and Mayoral budgets occurs earlier than for constituent councils and is explained in this report.

- 2.2 The 28th February 2018 is the deadline for the issue of any precept to a billing authority in accordance with s.40 of the Local Government Finance Act 1992. In practice this will be too late for the budget setting timetables of the constituent councils, so we are proposing to hold the formal budget setting meeting on 5<sup>th</sup> February in order to comply with their timetables.

### **3.0 MAIN ISSUES**

#### **3.1 Proposed Budget Setting process for 2018/19**

- 3.1.1 Chapter 11 of the Constitution, 'Financial Management Procedure rules', states that from 2018/19 onwards, the budget will be set and approved in accordance with the Budget Framework.
- 3.1.2 The Combined Authorities (Finance) Order 2017 made on 27th April 2017 sets out the statutory process for the 'Setting of a combined authority's budget: mayor's general functions'.
- 3.1.3 Process workflows for the setting of both the Mayoral General Functions Budget and the Combined Authority's Budget are shown at Appendix A.
- 3.1.4 The proposed budget setting timetable for 2018/19 is set out below to comply with both the CPCA's Budget Framework and the statutory Finance Order.
- 3.1.5 The consultation of the draft Combined Authority budget will enable the Combined Authority to make constituent councils aware of any potential levies, if there are any.

### Proposed Timetable

| Date                                     | Activity  |
|--|---|
| Mon 23rd Oct 2017                        | Overview & Scrutiny meeting   |
| Wed 25th Oct 2017                        | Combined Authority Board meeting<br>- Proposed date for CA to agree consultation timetable and consultees   |
| Mon 18th Dec 2017                        | Overview & Scrutiny meeting   |
| Wed 20th Dec 2017                        | Combined Authority Board meeting<br>- Proposed date for CA to consider and approve draft 2018/19 CA budget for consultation purposes<br>- Proposed date for CA to receive and consider the Mayor's draft budget.<br>- Proposed date for CA to report on the Mayor's draft budget        |
| Thurs 21st Dec 2017 to Wed 17th Jan 2018 | - Proposed 4 week consultation period for CA budget   |
| Tue 23rd Jan 2018                        | - Proposed Deadline for the Mayor to respond to the CA report   |
| Mon 29th Jan 2018                        | Overview & Scrutiny meeting   |
| Wed 31st Jan 2018                        | Combined Authority Board meeting<br>- Proposed date for CA to receive results of consultation on CA budget<br>- Proposed date for CA to receive and consider the CA draft budget.<br>- Proposed date for CA to veto or approve the Mayor's draft budget.                                |
| Date in Feb 2018 (tbc) - Mon 5th?        | Combined Authority 'Special' Board meeting to approve 2018/19 budget<br>- Proposed date for CA to approve the CA budget<br>- Proposed date for CA to agree the amounts and calculations of the costs of the mayoral functions to be met from precepts issued by the authority (if any). |
| Sun 1st Apr 2018                         | First day of the 2018/19 financial year   |

3.1.6 According to the Constitution, the consultees to the draft Combined Authority budget shall include the constituent councils, the Local Enterprise Partnership and the Combined Authority's Overview and Scrutiny Committee.

3.1.7 It is therefore proposed that the following organisations be consulted on the draft CPCA budget for 2018/19:

Cambridge City Council

Cambridgeshire County Council

East Cambridgeshire District Council

Fenland District Council

Huntingdonshire District Council

Peterborough City Council

South Cambridgeshire District Council

Greater Cambridge Greater Peterborough Local Enterprise Partnership

CPCA Overview and Scrutiny Committee

3.1.8 The budget proposals will also be set out on the Combined Authority web site and there will be a specific invitation and facility to enable feedback from residents and businesses.

## **3.2 Budget Strategy 2018/19**

- 3.2.1 The core strategic areas of the Combined Authority will naturally shape the budget proposals for 2018/19. These will be developed over the coming weeks but the key themes that they are likely to include are described in summary below:

### **New Homes & Communities**

- 3.2.2 The New Homes and Communities proposals for the 2018/19 Combined Authority budget will focus on the two key affordable housing programmes:
- (a) Cambridge City's £70m development of a portfolio of Council-owned sites, delivered by the City's Housing Development Agency.
  - (b) The £100m affordable housing development programme for the rest of the Combined Authority area, which will comprise grant funding to Registered Providers already approved in July 2017 under the 'Quick Wins' programme, and further schemes of this nature brought forward under Continuous Market Engagement.
- 3.2.3 Subject to the anticipated approval of the Combined Authority's Housing Strategy in February 2018, and satisfactory progress with other initiatives, the 2018/19 budget may also consider provision for a series of interventions to:
- (a) unlock, or accelerate, the development of sites producing new affordable homes;
  - (b) cover the progression of other priority housing-related initiatives such as support for Community Land Trusts and small and medium sized (SME) constructors, and the progression of an Off-Site Manufacture construction facility; and
  - (c) bring forward the business cases for further strategic sites and schemes such as those identified in the Government's Housing Investment Fund.

### **Transport and Infrastructure**

- 3.2.4 The Budget proposals for Highways and Infrastructure will focus on three key areas:
- Strategy development
  - Strategic delivery schemes
  - Priority delivery schemes
- 3.2.5 Strategy development will largely be centred on the development of the Local Transport Plan and a Bus Strategy.
- 3.2.6 With regard to strategic schemes, funding is already committed to a number of transport projects with studies underway on the A10 Upgrade, the M11 Extension, the A47 Dualling, Wisbech Garden Town and Rapid Mass Transport. Subject to the findings of these studies, further investment can and should be anticipated.



- 3.2.7 The priority transport schemes will be presented to the October Board and requests initial investment of approximately £3.53m with a rolling programme of additional investment to be agreed annually. Wherever possible and appropriate, additional contributions and funding will be sought from a range of sources. This might include further Government and or private sector investment.
- 3.2.8 In addition to these three areas there may be other, as yet, undefined transport and infrastructure investment opportunities that emerge. These could result from strategy development, changing government priorities, new funding opportunities or other key infrastructure, such as East-West Rail, that has a local impact.
- 3.2.9 In 2017/18, the Combined Authority received Local Transport Plan (LTP) funding from the Department for Transport (DfT) which was then passported to Cambridgeshire CC and Peterborough CC according to their indicative allocations. Funds were received for the 'Integrated Transport Block' and for Key route Network elements of 'Maintenance Block', 'Incentive' and 'National Productivity Investment Fund'. The 2018/19 Budget setting strategy will consider how the 2018/19 LTP funds receivable from the DfT are managed and whether any elements of the LTP funding should be top-sliced to provide investment into the key route network.

### **Employment & Skills**

- 3.2.10 The University of Peterborough are expected to bring forward proposals for the next phase of the programme in 2018/19. This is likely to require substantial capital investment. An overarching investment strategy for the new University will be needed along with any specific proposals for further funding contributions from the Combined Authority.
- 3.2.11 In 2018/19 the Combined Authority will for the first time have oversight of the Adult Education Budget. The Combined Authority will work with the Department for Education, our colleges and local education providers to influence spend of the multi-million pound adult education budget in the next academic year, before taking full devolution of the budget in 2019/2020. An action plan and supporting budget for adult education devolution will be brought to a future meeting of the Combined Authority for approval.
- 3.2.12 Enabling and supporting Apprenticeship schemes is a strategic area of potential investment for the Combined Authority. The Budget will consider any further funding proposals in this area.

### **Economic Development and Strategic Planning**

- 3.2.13 During the 2018/19 year the Combined Authority will undertake two major and related programmes to progress the spatial planning agenda for Cambridgeshire and Peterborough. These are the development of Non Statutory Spatial Plan (Phase 2), and the implementation of the Land

Commission. Specific recommendations will be brought to the Board for approval to undertake these programmes.

- 3.2.14 The Combined Authority has in 2017/18 approved the formation of an independent Economic Commission to provide the evidence base and strategic advice to inform the delivery of the inaugural Local Industrial Strategy for Cambridgeshire and Peterborough, this work will continue in 2018/19 during which time the Local Industrial Strategy will be published. In addition to this, the Combined Authority has set out its intention to develop a programme of Masterplans for every Market Town in the county as part of the mechanism to turn the local industrial strategy into realisable delivery plans. The 2018/19 Programme budget will develop through the approach and processes set out in the Assurance Framework.

### **3.3 Mayoral Budget 2018/19**

- 3.3.1 A decision will be required to determine the level of precept, if any, to be levied in relation to the exercise of the Mayoral Functions. At this stage, no attributable costs relating to mayoral functions have been identified for the 2018/19 financial year.
- 3.3.2 It should be noted that, subject to approval from the business community, the Mayor will be able to ask for an additional 2p in the pound 'infrastructure levy' from local businesses. This would allow the Mayor to raise funds for infrastructure projects that would promote economic development. There are no plans to place a supplement on business rates to fund infrastructure in 2018/19.

### **3.4 FINANCIAL IMPLICATIONS**

- 3.4.1 There are no other matters to bring to the Board's attention other than those highlighted in other sections of the report.

### **4.0 LEGAL IMPLICATIONS**

- 4.1 The Combined Authority is required to prepare a balanced budget each financial year in accordance with statutory timelines. Those timelines are identified in the Finance Order 2017 as set out in paragraph 3 of this report.

### **5.0 OTHER SIGNIFICANT IMPLICATIONS**

- 5.1 There are no statutory matters to bring to the Board's attention. Consultation on the budget process must be mindful of equalities implications.

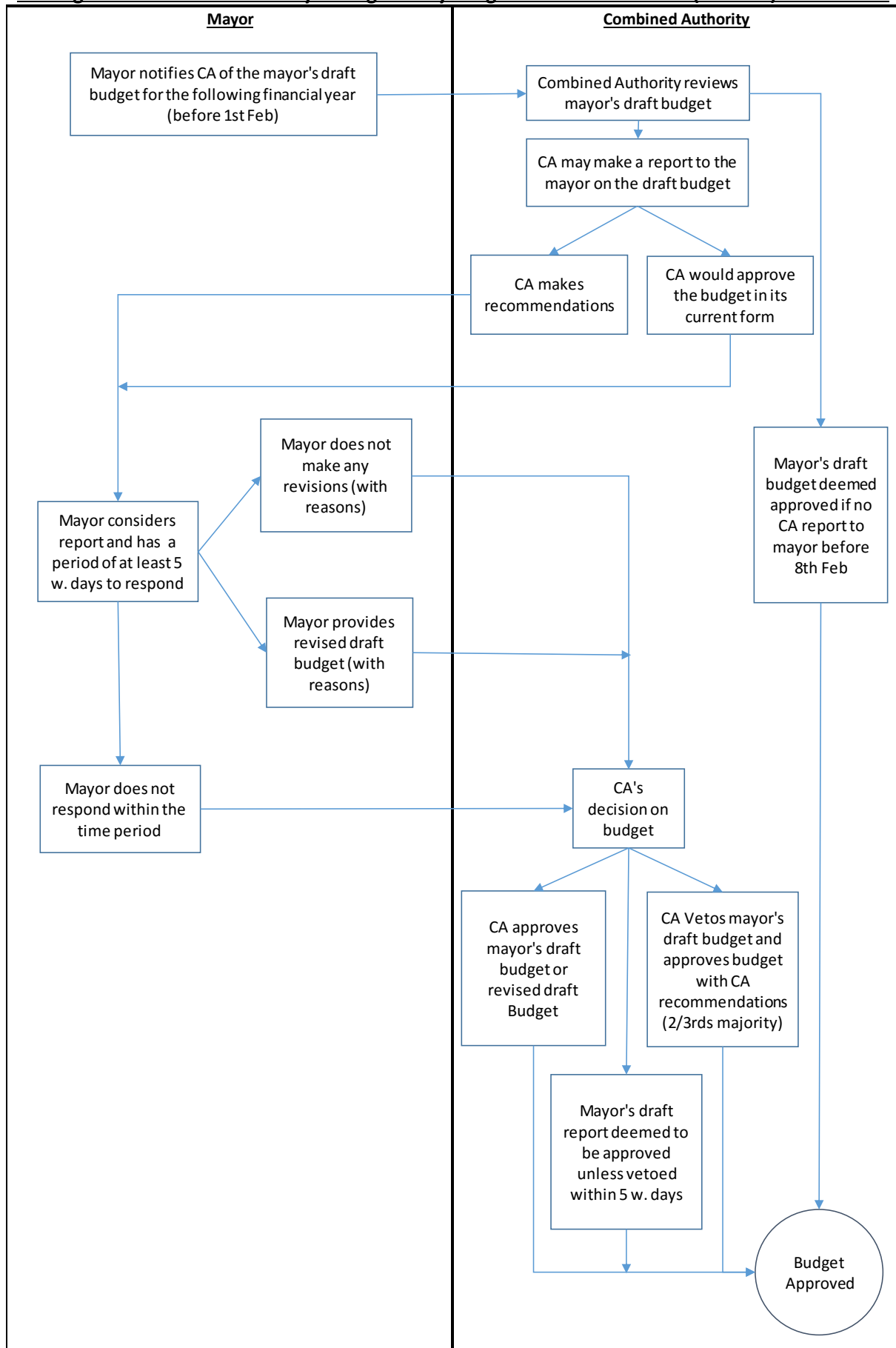
### **6.0 APPENDICES**

- 6.1 Process workflows for the setting of both the Mayoral General Functions Budget and the Combined Authority's Budget are shown at Appendix A.

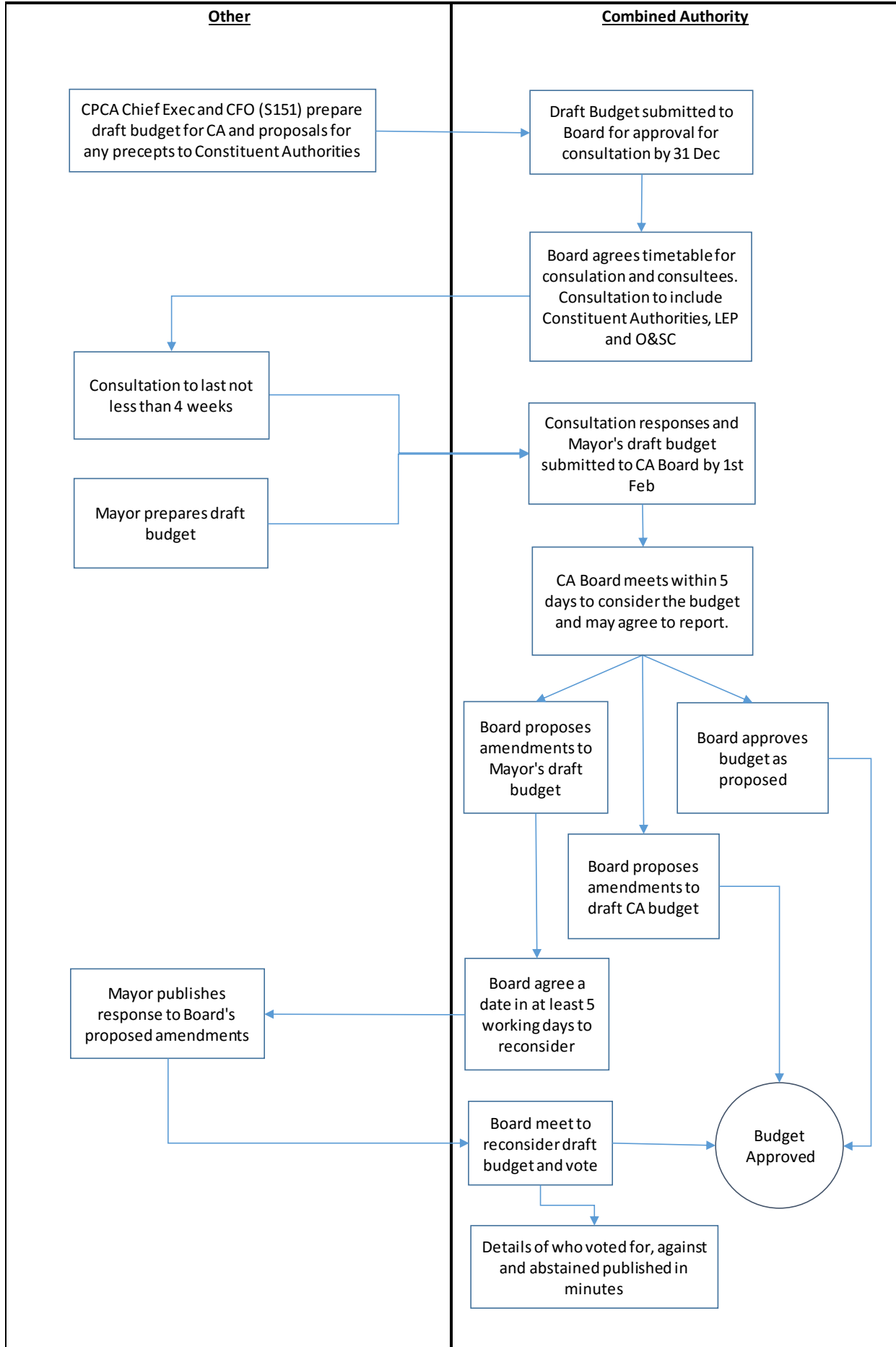


## Appendix A

### Setting of a Combined Authority's budget: Mayor's general functions - CA (Finance) Order 2017



### Setting of the CPCA budget: - Budget Framework







|   |                            |
|---|----------------------------|
| <b>CAMBRIDGESHIRE AND<br/>PETERBOROUGH COMBINED<br/>AUTHORITY BOARD</b> | <b>AGENDA ITEM No: 4.2</b> |
| <b>25 OCTOBER 2017</b>  | <b>PUBLIC REPORT</b>       |

## **BUDGET UPDATE REPORT 2017/18**

### **1.0 PURPOSE**

- 1.1 Constituent members when agreeing to the establishment of the Cambridgeshire and Peterborough Combined Authority (CPCA) considered the resource allocations from central government and the initial expenditure plans which have since been further developed. This report provides an update of the 2017/18 budget.

| <b><u>DECISION REQUIRED</u></b>   |   |
|---|---|
| <b>Lead Member:</b>   | <b>Cllr Steve Count, Portfolio Holder for Fiscal Strategy</b>           |
| <b>Lead Officer:</b>  | <b>Alex Colyer, Interim Chief Finance Officer</b>                       |
| <b>Forward Plan Ref:</b>  | <b>n/a Key Decision: No</b>   |
| <p>The Combined Authority is asked to approve the following recommendations:</p> <ol style="list-style-type: none"> <li>1. Note the budget updates as requested for approval in other Board reports on this meeting's agenda.</li> <li>2. Approve the use of interest receivable balances to cover committed additional support costs as set out in paragraph 3.6.</li> <li>3. Note the budget updates as requested for approval as set out for approval in paragraph 3.5</li> <li>4. Approve funding of £30.6k for the contribution to phase 1 of the development of a National Evaluation Framework.</li> </ol> | <p><b>Voting arrangements</b></p> <p>Simple majority of all Members</p> |

|   |  |
|---|--|
| 5. Note the updated budget and indicative resources for 2017/18 and 2018/19 to 2020/21 as set out in Appendices A and B |  |
|---|--|

## **2.0 BACKGROUND**

- 2.1 This report is an update to the 'Budget Report 2017/18 to 2018/19' as presented to the Board on 26 July 2017 and the revised Operational budget as presented to the Board at the Extraordinary meeting on 4<sup>th</sup> September 2017.

## **3.0 MAIN ISSUES**

### **STATEMENT OF ACCOUNTS 2016/17**

- 3.1 The Combined Authority's Constitution delegates the statutory requirement of the Authority to consider and approve its Accounts to the Audit and Governance Committee.
- 3.2 At their meeting on 21<sup>st</sup> September 2017, the Audit and Governance Committee:
- Received and approved the audited Statement of Accounts 2016/17
  - Received and approved the Annual Governance Statement 2016/17 as included within the Statement of Accounts.
  - Noted the proposal for the appointment of EY as the Combined Authority's external auditors from 1<sup>st</sup> April 2018.
- 3.3 In accordance with The Account and Audit Regulations 2015 s.19 the final draft of the Statement of Accounts (including the Annual Governance Statement and Narrative Report), External Auditors Report and Notice of Audit Conclusion were published on the CPCA website by the due date.

### **BUDGETARY CONTROL**

- 3.4 Currently the forecast outturn, against the net Operational budget of the Authority, is a favourable variance for the year of £33.2k.
- 3.5 There are a number of forecast under and overspends against the existing 2017/18 Operational budget. Additional costs have been incurred to provide legal support, democratic services support and finance support until such time as the recently approved establishment posts have been filled and support service arrangements with constituent councils have been agreed. These additional costs have been partially mitigated by underspends in the staffing budget due to recruitment delay and are expected to be more than offset by interest receivable on cash balances.



- 3.6 The Board is asked to approve the use of the additional interest receipts to manage the support costs overspend.

### **BUDGET UPDATE**

- 3.7 The net Operational budget for 2017/18 presented at the Board meeting held on 4th September is shown at Appendix A. Appendix A summarises budget adjustments brought for approval at the meeting and provides an updated budget for 2017/18.
- 3.8 Appendix B provides a summary of the budget for 2017/18, a draft budget for 2018/19 and forecasts for 2019/20 and 2020/21.

### **BUDGET APPROVAL REQUESTS FROM OTHER BOARD REPORTS**

#### **3.9 St Neots Masterplan**

- 3.10 In Agenda paper 2.1, the Board was recommended to note that an investment programme of up to £5.8m is needed to unlock the growth potential of St Neot's town centre.
- 3.11 At this stage no provision has been made for funding the identified works within the Combined Authority's budget. The Board was also recommended to request that officers work with the St Neots Masterplan Partnership to develop a business case for collective investment in the proposed programme, and bring forward investment proposals to this Board as part of that approach at a later date.

#### **3.12 Priority Transport and Infrastructure Schemes**

- 3.13 In Agenda paper 3.1, the Board was recommended to agree a total budget allocation of £4.53m for the rolling programme of priority transport and infrastructure schemes. The funding to be split between £3.53m in 2017/18 and £1.0m in 2018/19.

#### **3.14 Proposals for budgetary adjustments requiring Board approval:**

The following recommendation is requested for approval by the Board:

- 3.15 To provide funding of £30.6k for the Combined Authority's contribution to phase 1 of the development of a National Evaluation Framework and the Local Growth Initiatives National Evaluation Panel.
- 3.16 The National Evaluation Framework is being developed by a group of eleven localities which are in receipt of devolution, growth and city deal funding and who need to implement a monitoring and evaluation process. Phase one of the commissioned work will include the development of a national framework on which monitoring and evaluation can be delivered at a local level, then to translate the national framework into 'tailored' local frameworks that will feed in to the five year gateway review process that is a condition of these funding deals.

### **3.17 Urgent Funding Requests**

3.18 In agenda item 3.2, the Board is recommended to agree to meeting funding requests from various bodies to replace funding which the Greater Cambridgeshire Greater Peterborough Local Enterprise Partnership is not in a position to fund.

3.19 At this stage, it is not anticipated that there will be any long term financial implications arising but the Board will receive a further update on this matter at its meeting in December.

### **3.20 VAT**

3.21 Currently, there is no statutory mechanism for allowing the recovery of VAT on Combined Authority expenditure.

3.22 It is planned that an Order will be laid before parliament by the Secretary of State on 30<sup>th</sup> October 2017 to specify the Combined Authority for the purpose of section 33 of the Value Added Tax Act 1994, which will enable CPCA to recover that input tax.

## **4.0 FINANCIAL IMPLICATIONS**

4.1 There are no other matters to bring to the Board's attention other than those highlighted in other sections of the report

## **5.0 LEGAL IMPLICATIONS**

5.1 None.

## **6.0 OTHER IMPLICATION**

6.1 There are no matters to bring to the Board's attention.

## **7.0 APPENDICES**

7.1 The movements on the 2017/18 budget is shown at Appendix A

7.2 The updated budget for 2017/18 and 2018/19 and the forecasts for 2019/20 and 2020/21 are shown at Appendix B

| <b><u>Source Documents</u></b> | <b><u>Location</u></b> |
|--------------------------------|------------------------|
| None                           |                        |

## Appendix A

|  | <u>Budget</u><br><u>2017/18</u><br><u>(per 4 Sept</u><br><u>Board) (£k)</u> | <u>Budget</u><br><u>adjustments</u><br><u>(per 25 Oct</u><br><u>Board) (£k)</u> | <u>Updated</u><br><u>Budget</u><br><u>2017/18</u><br><u>(£k)</u> |
|--|---|---|--|
| <b><u>Combined Authority Staffing Costs (inc NI 'er and Pen 'er)</u></b> |   |   |  |
| Chief Executive, Delivery Directors and Assistant Director               | 607.4   |   | 607.4  |
| Statutory Officers (Legal Counsel and Chief Finance Officer)             | 290.0   |   | 290.0  |
| Professional Support (Finance, Legal and Scrutiny)                       | 158.6   |   | 158.6  |
| Programme Managers and Programme Support                                 | 137.1   |   | 137.1  |
| Administrative Support   | 51.9  |   | 51.9   |
| less, recharge to capital  | -218.0  |   | -218.0   |
| <b>Total Combined Authority Staffing Costs</b>                           | <b>1,027.0</b>  | <b>0.0</b>  | <b>1,027.0</b>   |
| <b><u>Mayoral Office Costs</u></b>                                       |   |   |  |
| Mayoral Allowance  | 76.0  |   | 76.0   |
| Mayoral Staffing Costs   | 59.0  |   | 59.0   |
| Mayoral Expenses   | 11.0  |   | 11.0   |
| <b>Total Mayoral Office Costs</b>  | <b>146.0</b>  | <b>0.0</b>  | <b>146.0</b>   |
| <b>Total CPCA Staffing Costs and Mayoral Office Costs</b>                | <b>1,173.0</b>  | <b>0.0</b>  | <b>1,173.0</b>   |
| <b><u>Support provided by Constituent Authorities</u></b>                |   |   |  |
| Governance: PCC Legal Support  | 47.0  |   | 47.0   |
| Governance: PCC & CCC Democratic Services Support                        | 64.0  |   | 64.0   |
| Fiscal: PCC Finance Systems & Support                                    | 104.2   |   | 104.2  |
| Transport & Infrastructure: PCC & CCC Transport Services                 | 25.0  |   | 25.0   |
| Employment & Skills: City College Support to Skills Strategy             | 7.0   |   | 7.0  |
| <b>Total Support provided by Constituent Authorities</b>                 | <b>247.2</b>  | <b>0.0</b>  | <b>247.2</b>   |
| <b>Total Operational Budget before Corporate Overheads</b>               | <b>1,420.2</b>  | <b>0.0</b>  | <b>1,420.2</b>   |
| <b><u>Corporate Overheads</u></b>  |   |   |  |
| Recruitment of the Combined Authority Chief Executive and other CA posts | 50.0  |   | 50.0   |
| Accommodation  | 24.2  |   | 24.2   |
| Website, email/ICT infrastructure  | 20.0  |   | 20.0   |
| Insurance  | 18.7  |   | 18.7   |
| Audit Costs  | 40.0  |   | 40.0   |
| Office running costs   | 19.0  |   | 19.0   |
| Communications   | 40.0  |   | 40.0   |
| <b>Total Corporate Overheads</b>   | <b>211.9</b>  | <b>0.0</b>  | <b>211.9</b>   |
| <b>Net Operational Budget</b>  | <b>1,632.1</b>  | <b>0.0</b>  | <b>1,632.1</b>   |

|   | <u>Budget</u><br><u>2017/18</u><br><u>(per 4 Sept</u><br><u>Board)/(£k)</u> | <u>Budget</u><br><u>adjustments</u><br><u>(per 25 Oct</u><br><u>Board)/(£k)</u> | <u>Updated</u><br><u>Budget</u><br><u>2017/18</u><br><u>(£k)</u> |
|---|---|---|--|
| <b>Election costs</b>   | <b>1,044.0</b>  |   | <b>1,044.0</b>   |
| <b><u>Governance Costs</u></b>  |   |   |  |
| Remuneration for independent member of audit & governance committee                         | 1.5   |   | 1.5  |
| Adverts and fees for remuneration panel   | 0.5   |   | 0.5  |
| <b>Total Governance Costs</b>   | <b>2.0</b>  | <b>0.0</b>  | <b>2.0</b>   |
| <b><u>Workstream/Programme Costs</u></b>  |   |   |  |
| <b><u>Fiscal</u></b>  |   |   |  |
| Development of an Investment Fund Strategy  | 50.0  |   | 50.0   |
| Development of a Market Towns Strategy  | 75.0  |   | 75.0   |
| Contribution to Local Growth Initiatives National Evaluation                                |   | 30.6  | 30.6   |
| <b>Total Fiscal</b>   | <b>125.0</b>  | <b>30.6</b>   | <b>155.6</b>   |
| <b><u>Economic Strategy</u></b>   |   |   |  |
| Independent Economic Commission: Developing Economic Strategy                               | 145.0   |   | 145.0  |
| <b>Total Economic Strategy</b>  | <b>145.0</b>  | <b>0.0</b>  | <b>145.0</b>   |
| <b><u>Transport and Infrastructure</u></b>  |   |   |  |
| Transport & Infrastructure Schemes  | 4,200.0   |   | 4,200.0  |
| a) Dualling of A47 and Upgrading of A10   |   |   |  |
| b) Extension to A47   |   |   |  |
| c) Cambridge Transport Study  |   |   |  |
| d) Wisbech Garden Town Study  |   |   |  |
| National Productivity Investment Fund   | 3,290.0   |   | 3,290.0  |
| Local Transport Plan  | 200.0   |   | 200.0  |
| Rapid, Mass Transport Strategic Options Appraisal   | 100.0   |   | 100.0  |
| Priority Transport Schemes  |   | 3,530.0   | 3,530.0  |
| <b>Total Transport and Infrastructure</b>   | <b>7,790.0</b>  | <b>3,530.0</b>  | <b>11,320.0</b>  |
| <b><u>New Homes &amp; Communities</u></b>   |   |   |  |
| To provide a programme delivery support to manage the £170m Housing Programme.              | 240.0   |   | 240.0  |
| Development of housing strategy and assurance frameworks; plus housing delivery management. | 150.0   |   | 150.0  |
| Housing consultancy to support plans for Housing Programme                                  | 10.0  |   | 10.0   |
| Modular Housing   | 25.0  |   | 25.0   |
| Housing Investment Fund Programme - Quick Wins  | 2,570.0   |   | 2,570.0  |
| <b>Total New Homes &amp; Communities</b>  | <b>2,995.0</b>  | <b>0.0</b>  | <b>2,995.0</b>   |
| <b><u>Employment &amp; Skills</u></b>   |   |   |  |
| University of Peterborough - Business Case  | 3,840.0   |   | 3,840.0  |
| Skills Hub  | 461.0   |   | 461.0  |
| <b>Total Employment &amp; Skills</b>  | <b>4,301.0</b>  | <b>0.0</b>  | <b>4,301.0</b>   |
| <b><u>Strategic Planning</u></b>  |   |   |  |
| Non Statutory Spatial Plan  | 150.0   |   | 150.0  |
| <b>Total Strategic Planning</b>   | <b>150.0</b>  | <b>0.0</b>  | <b>150.0</b>   |
| <b><u>Income</u></b>  |   |   |  |
| Recharge to Housing Capital Grant   | -240.0  |   | -240.0   |
| <b>Total Income</b>   | <b>-240.0</b>   | <b>0.0</b>  | <b>-240.0</b>  |
| <b>Net Workstream Budget</b>  | <b>15,266.0</b>   | <b>3,560.6</b>  | <b>18,826.6</b>  |
| <b>Total Budget</b>   | <b>17,944.1</b>   | <b>3,560.6</b>  | <b>21,504.7</b>  |

## Appendix B

|  | <u>Updated<br/>Budget<br/>2017/18 (£k)</u> | <u>Draft Budget<br/>2018/19 (£k)</u> | <u>Forecast<br/>2019/20<br/>Budget (£k)</u> | <u>Forecast<br/>2020/21<br/>Budget (£k)</u> |
|--|--|--------------------------------------|---|---|
| <b>Funding</b>   |  |                                      |   |   |
| Gain Share   | 20,000.0                                   | 20,000.0                             | 20,000.0                                    | 20,000.0                                    |
| Housing (General)  | 30,000.0                                   | 15,000.0                             | 15,000.0                                    | 30,000.0                                    |
| Housing (Cambridge)  | 10,500.0                                   | 17,000.0                             | 17,000.0                                    | 15,000.0                                    |
| LTP Capital Grant (to be confirmed)                                      | 31,496.0                                   | 31,496.0                             | 31,496.0                                    | 31,496.0                                    |
| <b>Total Funding Receivable</b>  | <b>91,996.0</b>                            | <b>83,496.0</b>                      | <b>83,496.0</b>                             | <b>96,496.0</b>                             |
| <b>Expenditure</b>   |  |                                      |   |   |
| <b>Combined Authority Staffing Costs (inc NI 'er and Pen 'er)</b>        |  |                                      |   |   |
| Chief Executive, Delivery Directors and Assistant Director               | 607.4                                      | 741.6                                | 741.6                                       | 741.6                                       |
| Statutory Officers (Legal Counsel and Chief Finance Officer)             | 290.0                                      | 303.4                                | 303.4                                       | 303.4                                       |
| Professional Support (Finance, Legal and Scrutiny)                       | 158.6                                      | 287.4                                | 287.4                                       | 287.4                                       |
| Programme Managers and Programme Support                                 | 137.1                                      | 274.3                                | 274.3                                       | 274.3                                       |
| Administrative Support   | 51.9                                       | 124.5                                | 124.5                                       | 124.5                                       |
| less, recharge to capital  | -218.0                                     | -457.9                               | -457.9                                      | -457.9                                      |
| <b>Total Combined Authority Staffing Costs</b>                           | <b>1,027.0</b>                             | <b>1,273.3</b>                       | <b>1,273.3</b>                              | <b>1,273.3</b>                              |
| <b>Mayoral Office Costs</b>  |  |                                      |   |   |
| Mayoral Allowance  | 76.0                                       | 84.5                                 | 84.5  | 84.5  |
| Mayoral Staffing Costs   | 59.0                                       | 95.5                                 | 95.5  | 95.5  |
| Mayoral Expenses   | 11.0                                       | 12.0                                 | 12.0  | 12.0  |
| <b>Total Mayoral Office Costs</b>  | <b>146.0</b>                               | <b>192.0</b>                         | <b>192.0</b>                                | <b>192.0</b>                                |
| <b>Total CPCA Staffing Costs and Mayoral Office Costs</b>                | <b>1,173.0</b>                             | <b>1,465.3</b>                       | <b>1,465.3</b>                              | <b>1,465.3</b>                              |
| <b>Support provided by Constituent Authorities</b>                       |  |                                      |   |   |
| Governance: PCC Legal Support  | 47.0                                       | 0.0                                  | 0.0   | 0.0   |
| Governance: PCC & CCC Democratic Services Support                        | 64.0                                       | 59.0                                 | 59.0  | 59.0  |
| Fiscal: PCC Finance Systems & Support                                    | 104.2                                      | 50.0                                 | 50.0  | 50.0  |
| Transport & Infrastructure: PCC & CCC Transport Services                 | 25.0                                       | 0.0                                  | 0.0   | 0.0   |
| Employment & Skills: City College Support to Skills Strategy             | 7.0  | 0.0                                  | 0.0   | 0.0   |
| <b>Total Support provided by Constituent Authorities</b>                 | <b>247.2</b>                               | <b>109.0</b>                         | <b>109.0</b>                                | <b>109.0</b>                                |
| <b>Total Operational Budget before Corporate Overheads</b>               | <b>1,420.2</b>                             | <b>1,574.3</b>                       | <b>1,574.3</b>                              | <b>1,574.3</b>                              |
| <b>Corporate Overheads</b>   |  |                                      |   |   |
| Recruitment of the Combined Authority Chief Executive and other CA posts | 50.0                                       | 0.0                                  | 0.0   | 0.0   |
| Accommodation  | 24.2                                       | 24.2                                 | 24.2  | 24.2  |
| Website, email/ICT infrastructure  | 20.0                                       | 20.0                                 | 20.0  | 20.0  |
| Insurance  | 18.7                                       | 18.7                                 | 18.7  | 18.7  |
| Audit Costs  | 40.0                                       | 40.0                                 | 40.0  | 40.0  |
| Office running costs   | 19.0                                       | 20.0                                 | 20.0  | 20.0  |
| Communications   | 40.0                                       | 40.0                                 | 40.0  | 40.0  |
| <b>Total Corporate Overheads</b>   | <b>211.9</b>                               | <b>162.9</b>                         | <b>162.9</b>                                | <b>162.9</b>                                |
| <b>Net Operational Budget</b>  | <b>1,632.1</b>                             | <b>1,737.2</b>                       | <b>1,737.2</b>                              | <b>1,737.2</b>                              |

|   | <u>Updated<br/>Budget<br/>2017/18 (£k)</u> | <u>Draft Budget<br/>2018/19 (£k)</u> | <u>Forecast<br/>2019/20<br/>Budget (£k)</u> | <u>Forecast<br/>2020/21<br/>Budget (£k)</u> |
|---|--|--------------------------------------|---|---|
| Election costs  | 1,044.0                                    | 260.0                                | 260.0                                       | 260.0                                       |
| <b><u>Governance Costs</u></b>  |  |                                      |   |   |
| Remuneration for independent member of audit & governance committee                         | 1.5  | 1.5                                  | 1.5   | 1.5   |
| Adverts and fees for remuneration panel   | 0.5  | 0.5                                  | 0.5   | 0.5   |
| <b>Total Governance Costs</b>   | <b>2.0</b>                                 | <b>2.0</b>                           | <b>2.0</b>                                  | <b>2.0</b>                                  |
| Local Transport Plan (to be confirmed)  | 31,496.0                                   | 31,496.0                             | 31,496.0                                    | 31,496.0                                    |
| <b><u>Workstream/Programme Costs</u></b>  |  |                                      |   |   |
| <b><u>Fiscal</u></b>  |  |                                      |   |   |
| Development of an Investment Fund Strategy  | 50.0                                       | 0.0                                  | 0.0   | 0.0   |
| Development of a Market Towns Strategy  | 75.0                                       | 0.0                                  | 0.0   | 0.0   |
| Contribution to Local Growth Initiatives National Evaluation                                | 30.6                                       | 0.0                                  | 0.0   | 0.0   |
| <b>Total Fiscal</b>   | <b>155.6</b>                               | <b>0.0</b>                           | <b>0.0</b>                                  | <b>0.0</b>                                  |
| <b><u>Economic Strategy</u></b>   |  |                                      |   |   |
| Independent Economic Commission: Developing Economic Strategy                               | 145.0                                      | 0.0                                  | 0.0   | 0.0   |
| <b>Total Economic Strategy</b>  | <b>145.0</b>                               | <b>0.0</b>                           | <b>0.0</b>                                  | <b>0.0</b>                                  |
| <b><u>Transport and Infrastructure</u></b>  |  |                                      |   |   |
| Transport & Infrastructure Schemes  | 4,200.0                                    | 3,250.0                              | 1,300.0                                     | 0.0   |
| National Productivity Investment Fund   | 3,290.0                                    | 0.0                                  | 0.0   | 0.0   |
| Local Transport Plan  | 200.0                                      | 300.0                                | 0.0   | 0.0   |
| Rapid, Mass Transport Strategic Options Appraisal   | 100.0                                      | 0.0                                  | 0.0   | 0.0   |
| Priority Transport Schemes  | 3,530.0                                    | 1,000.0                              | 0.0   | 0.0   |
| <b>Total Transport and Infrastructure</b>   | <b>11,320.0</b>                            | <b>4,550.0</b>                       | <b>1,300.0</b>                              | <b>0.0</b>                                  |
| <b><u>New Homes &amp; Communities</u></b>   |  |                                      |   |   |
| Programme delivery support to manage the £170m Housing Programme.                           | 240.0                                      | 240.0                                | 240.0                                       | 240.0                                       |
| Development of housing strategy and assurance frameworks; plus housing delivery management. | 150.0                                      | 0.0                                  | 0.0   | 0.0   |
| Housing consultancy to support plans for Housing Programme                                  | 10.0                                       | 0.0                                  | 0.0   | 0.0   |
| Modular Housing   | 25.0                                       | 0.0                                  | 0.0   | 0.0   |
| Housing Investment Fund Programme - Quick Wins  | 2,570.0                                    | 1,820.0                              | 170.0                                       | 0.0   |
| <b>Total New Homes &amp; Communities</b>  | <b>2,995.0</b>                             | <b>2,060.0</b>                       | <b>410.0</b>                                | <b>240.0</b>                                |
| <b><u>Employment &amp; Skills</u></b>   |  |                                      |   |   |
| University of Peterborough - Business Case  | 3,840.0                                    | 0.0                                  | 0.0   | 0.0   |
| Skills Hub  | 461.0                                      | 231.0                                | 0.0   | 0.0   |
| <b>Total Employment &amp; Skills</b>  | <b>4,301.0</b>                             | <b>231.0</b>                         | <b>0.0</b>                                  | <b>0.0</b>                                  |
| <b><u>Strategic Planning</u></b>  |  |                                      |   |   |
| Non Statutory Spatial Plan  | 150.0                                      | 0.0                                  | 0.0   | 0.0   |
| <b>Total Strategic Planning</b>   | <b>150.0</b>                               | <b>0.0</b>                           | <b>0.0</b>                                  | <b>0.0</b>                                  |
| <b><u>Workstream Income</u></b>   |  |                                      |   |   |
| Recharge to Housing Capital Grant   | -240.0                                     | -240.0                               | -240.0                                      | -240.0                                      |
| <b>Total Workstream Income</b>  | <b>-240.0</b>                              | <b>-240.0</b>                        | <b>-240.0</b>                               | <b>-240.0</b>                               |
| <b>Net Workstream Budget</b>  | <b>18,826.6</b>                            | <b>6,601.0</b>                       | <b>1,470.0</b>                              | <b>0.0</b>                                  |
| <b>Total Expenditure Budget</b>   | <b>53,000.7</b>                            | <b>40,096.2</b>                      | <b>34,965.2</b>                             | <b>33,495.2</b>                             |
| <b>Total Funding less Total Expenditure Budget</b>  | <b>38,995.3</b>                            | <b>43,399.8</b>                      | <b>48,530.8</b>                             | <b>63,000.8</b>                             |
| To be allocated in year or to Reserves for future years Programmes                          | -38,995.3                                  | -43,399.8                            | -48,530.8                                   | -63,000.8                                   |
| <b>Net Budget</b>   | <b>0.0</b>                                 | <b>0.0</b>                           | <b>0.0</b>                                  | <b>0.0</b>                                  |