



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Cambridgeshire and Peterborough Combined Authority: Minutes

Date: Wednesday 30 March 2022

Time: 10.30am – 3.05pm

Venue: Sand Martin House, Bittern Way, Peterborough PE2 8TY

Present: Mayor Dr Nik Johnson

A Adams - Chair of the Business Board (to 1.14pm), Councillor A Bailey – East Cambridgeshire District Council, Councillor C Boden – Fenland District Council, Councillor W Fitzgerald – Peterborough City Council, Councillor R Fuller – Huntingdonshire District Council, Councillor L Herbert – Cambridge City Council (left the meeting from midday to 1.02pm), Councillor L Nethsingha – Cambridgeshire County Council and Councillor B Smith – South Cambridgeshire District Council

Co-opted Members: Councillor E Murphy – Chair, Fire Authority, D Preston – Police and Crime Commissioner and J Thomas – Accountable Officer, Clinical Commissioning Group (to 11.30am)

Apologies: None

Governance items

162. Announcements, apologies and declarations of interest

The Mayor spoke of the courage of the people and politicians of Ukraine and the need to stand up against the tyranny which they were facing. He highlighted the luxury of the democracy and debate which was enjoyed in the United Kingdom.

Board members were reminded of the need to take care during the pre-election period to avoid using the platform of decision-making meetings for anything which might be interpreted as electioneering.

There were no apologies for absence or declarations of interest.

163. Minutes – 26 January 2022 and Action Log

The minutes of the meeting on 26 January 2022 were approved as an accurate record and signed by the Mayor. The action log was noted.

164. Petitions

No petitions were received.

165. Public questions

No public questions were received.

166. Budget Monitoring Report – March 2022

The Board was advised of the financial position as of 31 January 2022. Forecast underspends were separated into those relating to project slippage, where the Board's approval was sought to carry forward the funding, and those underspends or savings which would be returned to the Combined Authority's reserves. Approval was also sought for the additions to the capital programme and revenue medium term financial plan (MTFP) set out in section 6 of the report.

The revenue position set out in section 3 reflected the position as of the end of January. Forecast outturns based on more recent figures and activity indicated a favourable variance of around £5.4m, of which £1.5m was requested for carry forward. Those savings which were not ring-fenced would be returned to general reserves for re-allocation.

A summary of the in-year capital programme was set out in section 4. Including both approved and subject to approval budgets, the total forecast slippage on the capital programme was £49.7m, or 27% of the revised budget. There was an acknowledged optimism bias in forecasting, and this was being considered as part of an internal challenge process. The Green Homes Capital project accounted for £23.3m of this sum and if this was removed from the total capital slippage the figure dropped to 17% of the revised budget. Following discussions with BEIS the Green Homes grant agreement had been extended to June 2022, but it was proposed that £22m of grant funding which could not be allocated within this timeframe should be returned to BEIS. The Chief Executive stated that this return of grant funding was a national issue arising from local authorities' difficulty in finding contractors. The local Energy Hub was well-regarded by BEIS and was continuing to channel as much money as possible to delivery partners. £2m in capital savings had been identified for allocation to other projects.

Subject to approval projects remained largely unchanged and the impact of the inclusion of these projects was set out in the table at 6.6. The Chief Finance Officer stated that the package was affordable, left some headroom within the MTFP, represented good value for money and would support growth across the region as a whole.

Councillor Smith voiced strong opposition to National Highways' decision to reject £1m of funds for ducting on the A428. Councillor Boden concurred, emphasising the CPCA's wider role in transforming connectivity. The Mayor stated that representations would be made at Ministerial level on behalf of the Combined Authority's collective leadership about the lack of joined-up thinking in relation to National Highways' decision to reject funds for ducting on the A428, which formed part of the CPCA's digital connectivity programme. This would be put in the context of the CPCA's wider strategic role in relation to transforming connectivity.

Councillor Murphy asked for more information about optimism bias and expressed the hope that the risks associated with increasing inflation rates were being taken into account. The Chief Finance Officer stated that this was a perennial problem which was experienced across most local authorities. It had been a difficult year with programme delivery impacted by delays outside of the control of the Combined Authority and its delivery partners. The reasons for this were set out in Appendix 4. Officers had done their best to profile drawdown across the lifetime of projects and were analysing slippage where this had occurred to improve future budget profiling. The capital slippage described in the report rate was fairly consistent with that seen in the constituent councils. With regards to the increasing rate of inflation, many contracts had inflation assumptions built in.

Mr Adams welcomed the work which would be taking place to analyse and address the issue of optimism bias. However, he judged that a root cause analysis of slippage on two or three large capital projects should also be undertaken, and suggested the Chatteris Skills Centre as an example. Councillor Boden stated that Fenland District Council would give its full co-operation to a review of the Chatteris project and would like to see its findings reported back to the Board for learning. The Chief Finance Officer undertook to feed in the Board's request for a root cause analysis of the causes of slippage on two or three large capital projects to the team carrying out a planned Internal Audit review of the capital programme. Councillor Nethsingha's suggestion of a joint piece of work with the County Council on capital project slippage would also be passed on to the Internal Audit team. Officers further undertook to review the approach to the Green Homes initiative adopted by West Midlands Combined Authority and share any learning with the Board.

Councillor Fitzgerald expressed the view that the underspend was due to a lack of delivery and that the process had been poorly managed. He requested a simple report setting out the underspends across all business areas and the reasons why these had occurred. This should include all external funding streams. He further noted the reference to emerging strategic priorities, and questioned what those were and where they had been agreed. He expressed disappointment at the implied change in direction which he felt would lead to more delay.

Councillor Smith noted that some units on the MOD Ely site were being sold without refurbishment and asked whether this was in accordance with the loan agreement. The Chief Finance Officer confirmed that this was the case. Councillor Smith further noted a change to the amount of grant due for starting on site at the Affordable Housing Scheme at Wisbech Road from 25% to 75% and asked for an explanation for this. The housing team would provide this outside of the meeting.

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

- a) Note the financial position of the Combined Authority for the financial year to date.
- b) Approve the forecast slippage of unspent project budgets on the capital programme of £49.7m and on the revenue budget of £2,278k.
- c) Approve the execution of the revised MoU, and associated repayment of £22m, for the Green Homes retrofit programme phase 2 (LAD2) with BEIS.
- d) Approve the additions to the capital programme and revenue MTFP as set out in section 6.

The votes in favour of recommendations b) and d) included at least two thirds of all Members appointed by the Constituent Councils, including the Members appointed by Cambridgeshire County Council and Peterborough City Council.

167. 2022-23 Financial Strategies

The Audit and Governance Committee had reviewed the revised Capital Strategy, Investment Strategy and Treasury Management Strategy at its meetings in January and March 2022 and its views were reflected in the report to the Board. In accordance with the Constitution, the Combined Authority Board was responsible for the adoption of, and any amendments to, the Financial Strategies. The Board was also required by the Department for Levelling Up, Housing and Communities (DLUCH) to approve a Minimum Revenue Provision Statement (MRP) each year to ensure that all capital expenditure was financed over a reasonable period. A summary of the changes proposed was included at paragraph 4 of the report.

Councillor Boden commented that budget setting should represent a best estimate of likely outcomes over a given period. However, future financial returns on equity investments represented a worse case scenario rather than the likely expected rate of return. According to the CIPFA code investment potential should be reviewed each year. The Chief Finance Officer stated that there was a distinction to be made with regards to investments in the medium-term financial plan (MTFP) which included treasury management investments and which were managed in accordance with the principles of security, providence and yield. The investments referenced in the report were those which were managed through the Business Board, and which were mainly used to support high growth companies. Those investments were made for service reasons rather than for their return. Mr Adams commented that from a financial management perspective it was sensible for the CPCA to assume no returns. There was though a need be cognisant of what returns were expected and to plan ahead, particularly if a bid was made for the £10m Equity Fund. The Mayor stated that investments could go down as well as up and that there was a need to be transparent about the potential risks as well as the potential benefits.

Councillor Smith asked about the impact of investments managed by the Business Board on meeting the Combined Authority's growth ambitions. Officers were asked to produce a table for schemes managed by the Business Board and how these were contributing to the CPCA's growth ambitions, for example in the number of apprenticeships and new jobs created and business start-ups. Mr Adams stated that the Business Board's recent annual report had included all of this information and that a report covering this was taken to each meeting of the Business Board, but suggested it might be useful to pick this up at the planned workshop for members of the Combined Authority Board and Business Board.

Councillor Herbert commented that there had been detailed discussions around treasury management when the Combined Authority was first established, including how loans of benefit to the area might be considered. He felt there should be the aim of achieving a better return, but he did not want to take risks. The previous Finance portfolio holder had looked at this issue and Councillor Herbert felt there was a case for considering that role again given the large sums involved. Councillor Herbert asked whether a loan to Laragh Homes in March 2020 relating to Histon Road was part of the treasury management strategy. The Chief Finance Officer stated that no housing loans were made out of treasury management. This had been discussed, but the facility was not used.

Councillor Bailey commented that there had been previous discussions about investing in housing and she would like to see that considered again, particularly in relation to community-led development proposals.

Councillor Fuller asked how the Mayor was discharging his role as portfolio holder for finance and ensuring that financial KPIs were being met. The Mayor stated that he worked with the finance team on a regular basis. The Chief Finance Officer stated that the Audit and Governance Committee also had oversight of financial matters and that three reports were submitted annually to that committee to report on performance against the prudential indicators.

Councillor Murphy asked whether there was an assumption of future pension fund deficits, whether consideration had been given to adopting environmental, social and governance (ESG) policies in relation to the investment strategy and whether there was a total return strategy in relation to directly held equity and the active management of shares. The Chief Finance Officer stated that an annual review of the pension fund was carried out by the Combined Authority's actuaries. There had been significant deficits in the past and if the actuaries felt that the deficit was not being met they would advise an increase in the CPCA's contribution rates. Most of the Combined Authority's cash investments were with other local authorities and could be considered in that context in relation to ESG. The Combined Authority did not have equity investors. If it did this would follow the prudential code of prudence, liquidity and yield.

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

- a) Approve the following financial strategies:
 - i. The Capital Strategy 2022-23

- ii. The Investment Strategy 2022-23
- iii. The Treasury Management Strategy 2022-23

b) Approve the Minimum Revenue Provision statement for 2022-23

Combined Authority Decisions

168. Sustainable Growth Ambition Statement

The Constitution identified the Growth Ambition Statement as a key document for the Combined Authority Board's approval. The six capitals approach featured prominently in the Government's Levelling Up White Paper and was consistent with the approach proposed for the Sustainable Growth Ambition Statement.

Councillor Bailey asked that the Board should not lose sight of projects which it had agreed with Government it would deliver, like rail track doubling for Soham and improvements to the A10.

Councillor Smith commented that things had changed since the original Devolution Deal was agreed. She felt that there was a need to review those original commitments to ensure that the Combined Authority's priorities reflected the new landscape in which it was operating.

Mr Adams stated that the concerns which he had raised on behalf of the Business Board when the Sustainable Growth Ambition Statement (SGAS) had been discussed at the Board's January meeting had now been addressed. He described the diagram contained in the appendix to the report as a clear image of what the Combined Authority was about and expressed the expectation that this would be used extensively and consistently by the CPCA.

The Mayor thanked Board members and the Business Board for their input in shaping the report.

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

Adopt the Sustainable Growth Ambition Statement attached at Appendix 1.

The meeting was adjourned from 11.22 to 11.31am.

169. University of Peterborough Phase 2 novation of a Design Contract between CPCA and Mace Ltd to PropCo2 (Peterborough R&D Property Company Limited)

The Board was invited to approve the novation of the design contract between the Combined Authority and MACE Limited from CPCA to PropCo2 (Peterborough R&D Property Company Limited). This had been overlooked when the original decision was taken to approve the allocation of Getting Building funding into the University of Peterborough Manufacturing and Materials Research and Development Centre project in November 2020. The request before the Board would rectify that omission and put the necessary governance arrangements in place.

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

Delegate authority to the Director of Housing and Development (in consultation with the Monitoring Officer and Chief Finance Officer) to novate the design contract between CPCA and MACE Limited from CPCA to PropCo2 (Peterborough R&D Property Company Limited).

170. Combined Authority Office Accommodation

The report contained two appendices which were exempt from publication under Part 1 of Schedule 12A of the Local Government Act 1972, as amended, in that it would not be in the public interest for this information to be disclosed: information relating to the financial or business affairs of any particular person, including the authority holding that information. The Mayor asked whether any Board member wished to discuss the exempt appendices. No member expressed the wish to do so.

The Combined Authority had vacated its operational office accommodation in Alconbury Weald during summer 2020, retaining only a small office in Ely. An officer group had conducted a search of public sector accommodation within the Combined Authority area. Accommodation options at Pathfinder House, Huntingdon and Sand Martin House, Peterborough had been short-listed. Both offered high quality office accommodation, were affordable, had facilities for public meetings and offered savings in comparison to the previous accommodation at Alconbury Weald. However, Pathfinder House was recommended to the Board as the preferred option because the overall cost was less, it was located more centrally within the CPCA's geography, and it offered the option of sub-letting part of the premises to an organisation providing services to the CPCA which offered the potential to generate income.

Councillor Smith expressed herself content to support the officer recommendation of Pathfinder House as this was the preferred option for Combined Authority staff. However, she was unclear why it was proposed to retain separate office accommodation in Ely and would like to see this decision revisited in a year's time, if not now. Councillor Fitzgerald concurred, stating his belief that the Mayor's office should be co-located with the corporate centre. The Monitoring Officer stated that the Ely office was financed from the Mayoral budget and as such was not a decision for the Board. The Mayor stated that his use of the Ely office would be reviewed on a regular

basis, and noted Councillor Bailey's request for an early discussion with East Cambridgeshire District Council if any changes were proposed.

Councillor Bailey endorsed the re-establishment of a staff base and expressed her support for Pathfinder House. She stated that a request she had made previously for an organogram of the CPCA, annotated to show leavers, staff vacancies and interim appointments, had not yet received a response. The Chief Executive undertook to follow this up.

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

- a) Identify Pathfinder House, Huntingdon, as the preferred option for corporate office accommodation.
- b) Authorise the acquisition of a leasehold property interest and delegate authority to the Chief Executive to finalise tenancy terms in consultation with the Mayor.
- c) Authorise the acceptance of a tenancy at will to facilitate operational occupation until formal lease documentation can be finalised.
- d) Delegate authority to the Chief Executive to approve a preferred layout and design, and to incur associated expenditure to implement that design.

[Ms Thomas left the meeting at 11.30am]

171. Climate Change Action Plan

The Climate Change Action Plan had been developed by a multi-sector working group and proposed actions for the next three years. It highlighted areas for further work in relation to emerging Government policy and included proposals for establishing appropriate monitoring arrangements.

Councillor Smith, Lead Member for the Environment and Climate Change, expressed her thanks to officers for their work and for the support provided to the working group. The proposals had been presented to the Overview and Scrutiny Committee (O&S) earlier in the week and had been subject to robust and constructive scrutiny. The Committee had been pleased to see that the Combined Authority was now working in close partnership with constituent councils, drawing on their experience and expertise and looking to share learning. She would reflect with officers on the issues which O&S had raised. Councillor Smith emphasised that the action plan represented a starting point for looking at what additionality the Combined Authority could bring. The region faced a significant risk from global warming and there was a need to work collectively to mitigate this in addition to the positive work already being done by individual member organisations. The identification of clear measurables would also help lever in additional Government funding.

Councillor Boden commented on the need to recognise the different economies which existed in different parts of the county and to avoid generalisations. In his judgement, the limiting factor in achieving the Combined Authority's environmental ambitions would

be the lack of money. The key objective should therefore be to get the best value from the limited funds which were available. He saw no recognition within the report of how project costs and impact would be measured, which he had raised previously and believed to be key to the most effective utilisation of limited resources. He felt that there was also a lack of measurable outcomes which would enable projects to be compared or details of the value for money for mitigation efforts it was proposed to fund. For this reason, he would not be supporting the recommendation.

[Councillor Herbert left the meeting at midday and returned at 1.02pm]

Councillor Bailey commented that whilst she was supportive of the action plan, she was disappointed that the discussions which had taken place amongst Leaders were not in her view reflected in the report before the Board. Her understanding was that projects which worked across the whole of the Combined Authority's geography were going to be prioritised. The report also included a number of projects where the business case had not yet been costed and approved. In her view, the Combined Authority's role was to put in place building blocks on the climate change agenda across the whole of its geography rather than focusing on projects in individual areas, but the climate change projects approved in January were primarily located in Cambridge City and South Cambridgeshire. She would like to see more information included to engage the public. Councillor Bailey asked whether the Climate Change Commissioners had been approached for their views on whether the action plan met their recommendations and the future role of the Climate Change Commission and whether it was being retained. Officers stated that the action plan contained a mixture of building blocks and individual projects, which reflected what had been agreed by the Board in January. Work was underway on a public engagement strategy to help local residents and businesses identify what they could do, and this message would be co-ordinated with constituent councils. The Chair of the Climate Change Commission was involved in the climate working group. Consideration was also being given to the future role of the Commission and proposals would be shared with Board members. Further reports on the action plan would be brought to the Board annually.

Mr Adams declared himself to be broadly supportive of the proposals, which he considered represented good progress. However, he judged that there was a need to be careful not to make commitments where supply chains did not currently exist and suggested that a gap analysis of the technologies and supply chains required should be carried out now.

Councillor Nethsingha was supportive of the report. In her judgement it would be important to look not only at outcomes in terms of CO2 emissions. Cambridgeshire County Council was adopting a more holistic approach which included looking at financial, social and environmental impacts and she would like to see something similar at the Combined Authority in the longer term. The Mayor stated that environmental and climate change implications and public health implications would be included in all reports going forward.

Councillor Fuller commented that he would support the recommendation, but that he believed that it was important to separate the process from the substance. It was also important to recognise the work already taking place within individual authorities and the shared desire to make progress, and in his judgement those proposals with the

widest impact would have the greatest effect. Councillor Fuller welcomed the proposed pilot projects and was keen that the learning from these should be shared with all constituent councils and member organisations. However, he felt that the way in which these pilot projects had been chosen had not been done in a structured and strategic way to ensure best value for money. Councillor Fitzgerald concurred, emphasising his wish to see the Combined Authority's work complimenting rather than replacing the good already being done by its constituent councils.

The Police and Crime Commissioner asked that road safety partnerships should be involved in the work being planned and highlighted the importance of road safety initiatives and security for bikes.

The Mayor stated that it was inherent on the Board to show collective leadership towards levelling up across the region, but that this must also be a just transition.

On being proposed by the Mayor, seconded by Councillor Smith, it was resolved by a majority of members present and voting to:

Agree the Climate Action Plan.

172. Market Towns Programme – Approval of Recommended Projects (Funding Call 8 - March 2022)

The Board was invited to approve a bid received under the Market Towns programme from East Cambridgeshire District Council (ECDC) for Soham and to consider requests from ECDC and Huntingdonshire District Council (HDC) to extend the approval timelines for remaining budget allocations for Littleport, Huntingdon and St Ives. To date, there had been six funding calls under the Market Towns programme. These had resulted in 46 projects being approved by the Board, awarding a total of £11,297,850 in grant funding and attracting a further £11,755,295 in partner match funding.

Councillor Fuller commented that HDC's request to extend the approval timelines for projects in Huntingdon and St Ives was to ensure that the best projects were selected and that these could leverage in additional investment. He did not understand the rationale for the apparently arbitrary September deadline proposed which would put unnecessary pressure on district council officers and could lead to project options being missed. It would also impact on the time available for consultation with local residents and stakeholders. Officers stated that they were seeking to establish a timeframe for delivery and that they deemed it appropriate to seek the Board's views on this. They would continue to work closely with district council colleagues and were appreciative of the time which they spent developing project proposals.

Councillor Fuller, seconded by Councillor Bailey, proposed that recommendation bi) be amended to read:

bi) Approve the request and extend the deadline for project bids to ~~September 2022~~ **31 March 2023**

[Additional text shown in **bold**, text to be removed shown as ~~struck through~~]

Councillor Nethsingha judged that it was reasonable to ask the Board to take a view on the timeframe for the delivery of the remaining Market Towns projects, given the concerns expressed earlier in the meeting around capital project slippage. However, she would not want to create artificial deadlines which could hinder delivery of the best possible projects. On that basis she has comfortable with the amendment.

Councillor Boden shared the reservations expressed around the setting of artificial project submission deadlines and was content to extend the project deadline to 31 March 2023 under current project criteria.

Councillor Bailey commented that ECDC officers had been working towards a September deadline in good faith and felt that the goalposts had been moved on timing. Littleport was the most deprived area in East Cambridgeshire, and she would not want to see it lose its share of Market Towns programme funding.

Councillor Fuller commented that there no suggestion of any reduced level of scrutiny of the proposals. HDC might be in a position to submit its proposals by September, but extending the deadline to March 2023 would allow time for proper consideration of consultation responses.

On being put to the vote the amendment was carried by unanimously by those present and voting.

The substantive recommendation was opened to debate.

Mr Adams commented that there was a balance to be struck between ensuring good governance and transparency and the need for decisions to rest with those best placed to deliver them. An inordinate amount of the Board's time had been spent debating relatively low cost, low risk projects and in bringing three options to the Board for debate rather than a clear officer recommendation.

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

- a) Approve the project bid received under Market Towns Programme for the town of Soham in East Cambridgeshire to the sum of £330,000.
- b) Consider the request received from Huntingdonshire District Council and East Cambridgeshire District Council to extend the approval timeline to secure remaining programme budget allocations for Huntingdonshire (£802,150 for the towns of Huntingdon and St Ives) and East Cambridgeshire (£1m for the town of Littleport), and agree to:
 - i. Approve the request and extend the deadline for project bids to 31 March 2023.

Councillor Herbert re-joined the meeting at 1.02pm.

173. Transforming Cities Fund Report

The Grant Determination of March 2018 stated that the Transforming Cities Fund was designed to boost productivity, transform intra-city connectivity and reduce congestion through investment in public and sustainable transport in Cambridgeshire and Peterborough. The Board was invited to note the Annual Transforming Cities Fund (TCF) Report and delegate authority for its submission to the Department for Transport (DfT) to the Chief Executive. The report contained a spreadsheet showing expenditure to date and the Board was further invited to support the principle of using TCF capital underspend to support sustainable transport schemes like Active Travel and bus improvements. Officers recommended potential negotiations with the DfT regarding deadlines beyond March 2023.

Councillor Bailey asked for an update on A10 junctions and dualling. The Head of Transport stated that the County Council would be recruiting to a dedicated post to take this forward. Constructive discussions were taking place with the DfT and there was a positive move forward.

Councillor Fitzgerald commended the proposal to consider project swaps to ensure that all available funding was used. The Head of Transport suggested a report be brought to the next Board meeting setting out potential schemes that could be delivered quickly.

Councillor Boden commented that the Combined Authority had spent significant sums on land acquisition for the Wisbech Access Strategy and would want to see that scheme progress.

Board members expressed their thanks and good wishes to the Head of Transport who would be leaving the Combined Authority before the Board met next.

Summing up, the Mayor stated that the Board had given a clear message to officers that it wanted to see action on this and to ensure that the available funding was spent in full.

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

- a) Note the contents of the Annual Transforming Cities Fund Report (Appendix 1) for submission to Department for Transport (DfT).
- b) Support the principle of utilisation of TCF Capital underspend to support Sustainable Transport schemes (Active Travel & Bus Improvements) as agreed in future budget reports.
- c) Delegate authority to the Chief Executive Officer to submit the Transforming Cities Fund Report to DfT.

174. Skills Bootcamps Wave 3

This key decision report was added to the Forward Plan on 21 March 2022 under General Exception arrangements.

The Board was advised that its proposal to the Department for Education for the delivery of Wave 3 Skills Bootcamps in the Combined Authority area had been successful and it was invited to accept a grant offer of £4.9m for 2022/23. It was anticipated that around 1700 learners would benefit from this funding.

Councillor Nethsingha, Lead Member for Skills, welcomed the grant funding which would help the Combined Authority continue to deliver its skills ambitions. The Mayor endorsed this.

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

- a) Accept the Grant offer of £4,891,985 from the Department for Education (DfE) to deliver Wave 3 Skills Bootcamps for the 2022- 23 financial year and approve the addition of a corresponding budget for delivery of the Bootcamps in the 2022-23 budget.
- b) Delegate authority to the Chief Executive, in consultation with the Chief Finance Officer and Monitoring Officer, authority to:
 - i. Make awards to and enter grant agreements with existing training providers to deliver Skills Bootcamps where procurement rules allow; and,
 - ii. Make awards to and enter into grant agreements with new providers for Wave 3 following an appropriate appointment exercise.

The meeting adjourned from 1.14pm to 1.35pm. Mr Adams left the meeting at 1.14pm.

By recommendation to the Combined Authority Board

Recommendations from the Transport and Infrastructure Committee

175. A141 and St Ives

The Combined Authority was continuing to work with Cambridgeshire County Council to develop a costed proposal and programme for the A141 and St Ives Outline Business Case in order to seek the drawdown of funds to ensure that the schemes were progressed in timely way. The St Ives Local Improvement Study would build on the highway improvements identified in the A141 and St Ives Transport Study Options Appraisal Report 2020. Five packages of schemes were planned, and it was anticipated that the programme would run from approximately April 2022 to August 2023. Consultation would be undertaken as part of this work.

Councillor Fuller welcomed the progress which had been made and the recognition that these were Combined Authority projects. However, he expressed reservations about a press release which had been issued in relation to the St Ives Improvement Study which had created some concern locally. He wanted to make clear that no decisions had been made at this stage and emphasised the importance of consulting with constituent councils when issuing information of this type to avoid misunderstandings.

On being proposed by Councillor Fuller, seconded by Councillor Nethsingha, it was resolved unanimously by those present to:

- a) Approve the drawdown of £2.3 million for the consultation and commencement of the St Ives Local Improvement Schemes.
- b) Delegate authority to the Head of Transport and Chief Finance Officer to agree a Grant Funding Agreement with Cambridgeshire County Council.

The vote in favour included at least two thirds of all Members appointed by the Constituent Councils, including the Members appointed by Cambridgeshire County Council and Peterborough City Council.

176. Demand Responsive Transport

The Board was invited to note that the Demand Responsive Transport (DRT) trial had been extended and would now run until the end of July 2022 rather than the end of April as originally planned. The service would be retendered to allow a smooth transition from the original contract to the new contract.

Councillor Fuller sought clarification of the decision before the Board as the published report stated that it was for noting, but a press release had stated that it was a Board decision. The Monitoring Officer stated that the extension of the trial was within the approved funding envelope for the DRT trial, so the decision had been one for the Transport and Infrastructure Committee. It was before the Board for noting. The press release stating that the extension of the DRT trial was a Combined Authority Board decision would be corrected.

Councillor Smith asked that the next report on DRT should include cost per journey information and whether it was driving modal shift. The Head of Transport confirmed that these points would be included. At present, around 110 passengers per day were using the service and it was proving popular with a younger demographic who liked the offer of relatively cheap independent transport. The extended trial would also provide important learning on the use of DRT in a rural area, whether it provided additionality to timetabled services, potential public health and socio-economic benefits and whether it contributed to an integrated transport solution across the Combined Authority area and the potential for a single ticketed public service network.

Councillor Bailey shared the view that trying new thing was something the Combined Authority should be doing. DRT was expensive, but the financial cost of the service should not be the only consideration. DRT might form part of a transport solution, but she would not want it assumed that it would necessarily be better than a local

scheduled service. She would be interested to see whether DRT could deliver modal shift in comparison with hourly services like the Ely Zipper, and would also like to see the Zipper model explored in other areas. The Head of Transport stated that the Bus Service Improvement Plan (BSIP) and DRT could be part of a transport solution, but would not be the whole solution. There would be a need for new models like DRT to integrate with existing transport solutions like scheduled bus services.

Councillor Fuller expressed his support for the trial. However, at a cost of around £480k per year it was not a model which could be rolled out across the whole of the Combined Authority area. He was concerned about potentially putting on a service and encouraging people to use it and then taking it away at the end of the trial period. He also felt that the press release describing 10,000 journeys costing £2 was misleading as this was not the actual cost to the Combined Authority of providing the service.

Councillor Boden felt that the trial would offer some valuable data, but that there were some fundamental issues with the way Ting had been set up.

The Mayor stated that he saw value in taking time for the Board to discuss this subject. He expressed his thanks to the community of West Huntingdonshire who had embraced the Ting and who had found that it had responded to their needs.

The Board noted that the DRT trial has been extended from ending in April to ending in July. The service would be retendered to allow a seamless transition from original contract to new contract.

177. March Area Transport Study: Broad Street Scheme

The Mayor stated that there had been some debate about the approval process for the full business case when this report had been considered by the Transport and Infrastructure Committee on 14 March 2022. For clarity, the Board would want to be aware that the monies that were requested in advance of the completion of the Full Business Case were to enable procurement of the contractor to maintain the programme by undertaking this activity in advance. The funds relevant to that procurement would not be released until an independent value for money statement had been conducted on the Full Business Case (FBC) and that FBC had been considered by the Board. Recommendation b) made this explicit.

The report summarised work on the March Area Transport Study (MATS) and the March Future High Street Fund (FHSF), with the recommendation that £586k of Combined Authority FHSF monies should be re-purposed to undertake some early tasks as part of the MATS Broad Street construction stage. Approval was also sought for the drawdown of £3,780k for construction of the MATS Broad Street scheme, subject to independent evaluation and Board approval of the Full Business Case. Following this assurance £586k of funds would be re-purposed back to the Combined Authority's FHSF budget.

Councillor Nethsingha expressed herself reassured by the Mayor's clarification of the FBC sign-off process given the concerns which had been expressed at the Transport and Infrastructure Committee meeting.

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

- a) Re-purpose £586,205 of CPCA Future High Street Fund monies to undertake the initial phases of the March Area Transport Study Broad Street construction.
- b) Approve the drawdown of £3,780,387 for the construction of March Area Transport Study Broad Street scheme, in full (subject to the independent evaluation and sign off of the Full Business Case by the Combined Authority Board at a future meeting).
- c) Delegate authority to the Head of Transport and Chief Finance Officer to enter into Grant Funding Agreements with Cambridgeshire County Council in relation to the March Area Transport Study.

The vote in favour included at least two thirds of all Members appointed by the Constituent Councils, including the Members appointed by Cambridgeshire County Council and Peterborough City Council.

178. E-Scooter Trial and E-Bike Update

The Board was advised that Voi had notified the Combined Authority on 14 March 2022 that immediately following the Russian invasion of Ukraine, Voi ceased all business arrangements in Russia and that its supply chain no longer passed through Russia.

Voi confirmed it had completed a full audit of its investors, highlighting to the Combined Authority three Russian investors. Two of these Russian investors were shareholders, and one held a convertible loan. None of the investors had been, or currently were, under sanction. The two Russian investors holding shares in the company had transferred their voting rights to Voi's CEO.

The Combined Authority's legal team had confirmed that the three Russian investors were not on the sanctions list. BEIS had advised that the current Government position was that contracting authorities subject to Section 17 of the Local Government Act 1988 should note that they were prohibited from considering non-commercial considerations in their procurement decisions, including the location of any country or territory of the business activities or interests of contractors, or from terminating contracts for non-commercial reasons. The Government was not mandating any course of action by local authorities beyond those set out in the published sanctions.

The Department for Transport (DfT) had requested an extension to the existing e-scooter trials to fill data gaps. E-bikes had returned to Peterborough, which was welcomed. The Board had agreed in principle to expanding e-bikes to market towns in September 2021. The next step would be to conduct market engagement to ensure that the procurement specification delivered a sustainable operating model.

The Police and Crime Commissioner commented that the request to extend e-scooter trials had come from the DfT and must therefore be respected. However, Cambridgeshire Constabulary had concerns about e-scooters in private use. His understanding was that the data being obtained through the e-scooter trial would be

used to inform future legislation on micro-mobility. There had been a number of incidents in Cambridgeshire and Peterborough, and he would like to see the Combined Authority pressing the DfT for guidance and legislation on micro-mobility. Councillor Nethsingha endorsed this suggestion, noting the issues which also existed in relation to micro-bikes. Officers stated that the DfT was aware of the issues raised and was working with the Home Office on how best to mitigate them. A report was expected in the Spring. The Mayor stated that he and the Transport team would write to the DfT on behalf of the Board about the need to produce draft regulations for all types of micro-mobility vehicles.

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

- a) Approve the extension of the e-scooter trial to 30 November 2022.
- b) Approve market engagement and a procurement process to enable the expansion of the e-bike service region wide.
- c) Delegate authority to the Head of Transport in consultation with the Chief Finance Officer and Chief Legal Officer to enter a contract with the successful tenderer.

Recommendations from the Skills Committee

179. Adult Education Budget Funding Allocations 2022/23 and Proposed Funding Policy Changes

The Combined Authority would receive around £12m for adult learning and skills in 2022/23 as part of the Devolution Deal and £995k for the delivery of lifetime skills courses. The report set out the proposed funding allocation approach. Independent and third sector providers would be able to bid for contracts in 2022/23. The funding policy would be reviewed as part of a three-year evaluation.

Councillor Boden thanked the Senior Responsible Officer for Adult Education for his work and his responsive to suggestions. However, he had some concerns about the additional flexibilities and enhancements proposed for 2022/23 and felt that the 4% uplift for areas of deprivation was tokenistic and should be looked at again as part of the evaluation process. He asked that details of the percentage of the total budget which went to the 20% most economically deprived sub-regions should be provided outside of the meeting. The Mayor stated that this was an important challenge and endorsed the request.

Councillor Nethsingha, Lead Member for Skills, commented that the adult learning and skills budget was spent almost entirely on those in challenging circumstances. She was content for officers to look again at the uplift, but she wanted to be clear that the funding was already going to those in need.

On being proposed by the Mayor, seconded by Councillor Nethsingha, it was resolved unanimously by those present to:

- a) Approve the funding allocations for the 2022/23 academic year, from the devolved Adult Education Budget (AEB) to the grant-holders, set out in Table A to the report.
- b) Approve the funding allocations for the 2022/23 academic year from the delegated National Skills Fund for level 3 courses, to the grant-holders set out in Table A to the report.
- c) Delegate authority to the Interim Associate Director of Skills in consultation with Chief Finance Officer and Monitoring Officer, to enter into multi-year grant funding agreements with the grant holders set out in Table A to the report, for a three-year period. d) Approve the funding policy changes and flexibilities for the 2022/23 academic year.

180. Recommendations from the Business Board

The Mayor reminded the Board that when the Combined Authority took decisions as Accountable Body it was committed to acting in line with the Combined Authority Assurance Framework in the interests of the Cambridgeshire and Peterborough area as a whole, and took decisions based on the recommendations of the Business Board.

181. Local Growth Fund Management Budget

The Board's approval was sought to reprofile the Local Growth Fund's management top slice from 2022/2023 into 2023/2024. This top slice was used to support staffing costs, evaluation and monitoring, some Business Board remuneration, procurement, and programme reports. The recommendation had been considered by the Business Board on 14 March 2022 and endorsed unanimously.

Officers had reviewed the forecast budget and, with a mix of savings obtained due to unspent legal costs, a reduction in travel expenses and other reduced costs, it was anticipated that there would be sufficient funds available to finance the staffing costs for a further year.

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

Approve the reprofile of the Local Growth Fund's management budget into 2023/2024.

Governance Reports

182. Annual Report and Business Plan 2022/23

The Business Plan was driven by the themes set out in the Sustainable Growth Ambition Statement and included projects with budget lines in the Medium-Term Financial Plan agreed by the Board in January 2022. The report had been re-published

on 23 March 2022 to correct a formatting error, and Board members had been sent a copy of the revised report electronically.

Councillor Bailey commented that there was no reference to double tracking of the Soham rail line to facilitate an hourly train service. The Devolution Deal update report in January 2022 had shown this project as in progress so she was unclear why there were no costings for this in the business plan. Given that the business plan included a number of uncosted and unapproved projects her preference would be to defer consideration of the report until there was more clarity on those projects. The Mayor stated that officers would provide an update on double tracking the Soham rail line outside of the meeting. A guarantee was needed in relation to the Ely area junction and the importance of this had been stressed at all meetings with Network Rail.

Councillor Boden commented that in his view a business plan should consist of agreed and scoped plans. On that basis, he would prefer to defer the report until the business cases for the projects listed had been considered.

The Mayor stated that he wished to make progress and would vote against any proposal to defer the business plan.

Councillor Herbert commented that he saw real value in sharing the full range of projects being considered by the Combined Authority with the wider community.

Councillor Smith described the business plan as a useful document which recognised the Combined Authority's achievements and ambition and one which she could support.

Councillor Fitzgerald commented that he expected the business plan to reflect Board members' priorities.

One being put to the vote the recommendation to approve the 2022/23 Annual Report and Business Plan fell for want of a majority. The Mayor asked that it should be brought back to the Board for consideration at the earliest opportunity, and that Board members should provide their comments on the current draft in writing so that officers could consider these fully.

183. Performance Management of the Sustainable Growth Ambition Statement

The Board considered proposals to revise the format of future performance management reports to include a wider set of key performance indicators (KPIs) which would align with the Sustainable Growth Ambition Statement. Reports would be submitted on a quarterly basis with the opportunity to update and refine the information it contained as required.

Councillor Boden expressed reservations about the usefulness of the data provided given that much of it was out of date by the time it was considered by the Board. The Analysis and Evaluation Manager stated that this issue had been raised collectively with the Office of National Statistics by Combined Authorities. The ONS was behind on its data schedule due to Covid, but had promised an improvement in the speed of data

release. Until this happened, interim indicators would be used where these were available.

The Mayor stated that 29 performance indicators and sub-measures were proposed under the new arrangements compared to the previous three KPIs, and welcomed the enhanced level of scrutiny and rigour.

On being proposed by the Mayor, seconded by Councillor Nethsingha, it was resolved unanimously by those present to:

- a) Adopt the approach to performance management summarised in section 4 of the report.
- b) Adopt its initial set of strategic indicators as shown in table 1, Appendix 1.
- c) Agree future reporting timescales set out in section 5 of this report, including the removal of the 'key projects' profile element of the Performance Dashboard.

184. Local Assurance Framework

The Board was invited to approve the proposed amendments to the Local Assurance Framework (LAF) in order to align it with updates to the National Local Growth Assurance Framework. There were no significant changes to LAF obligations, but a small number of areas had been amended to improve clarity, reflect Combined Authority decisions and correct inaccuracies. A new set of Exemptions had also been issued offering temporary adjustments to compliance requirements. The LAF would be reviewed again following the outcomes of the governance review, review of the Constitution and the LEP review.

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

Approve the amended draft of the Local Assurance Framework and to delegate authority to the Monitoring Officer (in consultation with the Chief Finance Officer and Chair of the Audit and Governance Committee), to make the relevant changes to the Local Assurance Framework.

185. Forward Plan

The Board reviewed the Forward Plan for March 2022. Councillor Bailey asked for confirmation of whether all Mayoral Decision Notices and Officer Decision Notices had now been published on the Combined Authority website, whether the decision to support the Wisbech Tesco bus service had been a Mayoral Decision or an Officer Decision, and whether all Mayoral Decisions had been reported to the Combined Authority Board. The Monitoring Officer stated that he had been assured that all Decision Notices had been placed on the website, but that he would confirm this with his team outside of the meeting. If any Mayoral Decision Notices had not been shared with the Board this would be reported back and resolved.

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

Approve the Forward Plan for March 2022.

(Mayor)