



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Cambridgeshire and Peterborough Combined Authority: Minutes

Date:	Wednesday 25 January 2023
Time:	10.30am – 2.55pm
Venue:	Civic Suite, Pathfinder House, Huntingdon PE29 3TN
Present:	Councillor A Smith (Statutory Deputy Mayor and Chair) – Cambridge City Council, Councillor A Bailey – East Cambridgeshire District Council, Councillor C Boden – Fenland District Council, Councillor S Conboy – Huntingdonshire District Council, Councillor W Fitzgerald – Peterborough City Council, Councillor L Nethsingha (Non-Statutory Deputy Mayor) – Cambridgeshire County Council, A Plant – Chair of the Business Board and Councillor B Smith [to 2.03pm] – South Cambridgeshire District Council
Co-opted Members: (non-voting)	Councillor E Murphy - Fire Authority, J O'Brien – Integrated Care System and J Peach, Deputy Police and Crime Commissioner
Apologies:	Mayor Dr Nik Johnson and D Preston, Police and Crime Commissioner (substituted by J Peach)

Part 1 – Governance

327. Announcements, apologies and declarations of interest

The Deputy Mayor welcomed John O'Brien, the Chair of the Cambridgeshire and Peterborough Integrated Care Board (ICB), to his first Board meeting as the Integrated Care System's non-voting co-opted Board member. The Board's thanks were placed on record to Jan Thomas, the Chief Executive of the ICB, for her contribution to the work of the Combined Authority throughout her time as a Board member.

Following a successful meeting the previous week, the Transport and Infrastructure Committee was recommending that the Board approve £25.4m of capital and revenue expenditure. This demonstrated the amount of work that the Combined Authority and partners were continuing to deliver on transport-related projects.

The Combined Authority had secured more than £820k of revenue support for itself and partners to develop its active travel expertise and work programme, including the employment of an Active Travel Advocate. This followed the successful attainment of a Level 2 score by Active Travel England. The Combined Authority would also be working with constituent councils to develop a bid for funding through Active Travel England's Tranche 4 funding round. The bid needed to be submitted by mid-February, and a key component would relate to rural accessibility via active travel options.

The Combined Authority had recently been informed by the Department for Levelling Up, Homes and Communities (DLUHC) that it had been successful in securing nearly £50m of funding for its Levelling Up Round 2 bid for Peterborough Station Quarter.

In relation to the CPCA Affordable Housing Programme and its loan book, the Board was advised with the receipt of a payment on 19th January 2023, the loan to the East Cambridgeshire Trading Company (ECTC) that supported the delivery of a 57 unit housing scheme at Haddenham had been re-paid in full, with interest. This was ahead of the contracted re-payment date of 31st March 2023.

Apologies for absence were received from Mayor Dr Nik Johnson and Police and Crime Commissioner D Preston, substituted by Deputy Police and Crime Commissioner J Peach. Councillor B Smith offered apologies that she would need to leave the meeting early.

Declarations of interest were made by Alex Plant in relation to Item 4.1: Climate and Strategy Business Case January 2023, in that his employer Anglia Water was a landowner (minute 336 below refers); and by Councillor C Boden in relation to Item 5.2: Bus Assessment Framework and Tendering of Services, in that he was a trustee of one of the service providers (minute 343 below refers). Councillor Boden did not speak or vote on Item 5.2, recommendation b).

328. Change to the order of business from the published agenda

With the consent of the Board, it was agreed:

- i. to defer Item 3.3: Combined Authority Governance Arrangements and Item 7.1: Constitution Review to the meeting on 22 March 2023.
- ii. to move Item 3.1: Combined Authority Monthly Highlights Report January 2023 and Item 3.2: Improvement Plan Update December 2022 to the end of the agenda. Both reports were important, but did not require decisions at this meeting.

329. Combined Authority Membership Update January 2023

The Board was advised of two additional membership changes which had been received after publication of the meeting agenda. These were:

- i. the appointment of John O'Brien as the non-voting co-opted member representative for the Integrated Care System for the remainder of the municipal year 2022/23. Mr O'Brien replaced Jan Thomas.

- ii. the appointment of Councillor Oliver Sainsbury as Peterborough City Council's representative on the Employment Committee and Councillor Wayne Fitzgerald as PCC's substitute member of the Employment Committee for the remainder of the municipal year 2022/23.

On being proposed by the Statutory Deputy Mayor, seconded by Councillor B Smith, it was resolved unanimously to:

- a) Ratify the appointments by South Cambs District Council of Cllr Natalie Warren-Green as the member and Cllr Peter McDonald as the substitute on the Skills Committee for the remainder of the municipal year 2022/23.
- b) Ratify the appointment by South Cambs District Council of Cllr Brian Milnes as the substitute member for Transport and Infrastructure Committee for the remainder of the municipal year 2022/23.
- c) Ratify the appointments by Peterborough City Council of Cllr Marco Cereste as the member and Cllr Jackie Allen as the substitute on the Housing Committee for the remainder of the municipal year 2022/23.
- d) Note the appointment by Peterborough City Council of Cllr Sainsbury as the substitute on the Combined Authority Board for the remainder of the municipal year 2022/23.
- e) Note the appointment by South Cambs District Council of Cllr John Williams as the substitute member for the Employment Committee for the remainder of the municipal year 2022/23.
- f) Note the appointment by Cambridgeshire County Council of Cllr Michael Atkins as the substitute member for the Audit and Governance Committee for the remainder of the municipal year 2022/23.
- g) Note the appointment of John O'Brien as the non-voting co-opted member representative for the Integrated Care System for the remainder of the municipal year 2022/23.
- h) Note the appointment by Peterborough City Council of Cllr Oliver Sainsbury as the member and Cllr Wayne Fitzgerald as the substitute member of the Employment Committee for the remainder of the municipal year 2022/23.

330. Minutes – 30 November 2022 and Minutes Action Log

The minutes of the meeting on 30 November 2022 were approved as an accurate record and signed by the Deputy Mayor. The minutes action log was noted.

Councillor B Smith requested that Members' comments should be attributed by name in future minutes. Councillor Boden endorsed this proposal. **Action required.**

331. Petitions

No petitions were received.

332. Public questions

One public question was received from Kelly Whitley, a local resident. A copy of the question and response are attached at Appendix 1.

Part 2 – Finance

333. Mayor's Draft Budget and Mayoral Precept 2023-24 (KD2022/064) and 2023/24 Budget and Medium-term Financial Plan 2023 to 2027 (KD2022/063)

With the consent of the Board, Items 2.1: Mayor's Draft Budget and Mayoral Precept 2023/24 and Item 2.2: 2023/24 Budget and Medium Term Financial Plan 2023 to 2027 were debated together due to their close inter-connection, but voted on separately. The recommendations to both reports were moved by the Statutory Deputy Mayor, seconded by Councillor B Smith.

An error in the published papers was reported. A cross reference in paragraph 2.3 in the Mayor's budget report referred to an appendix in Item 3.4 on the Board's agenda. This should have referred to an appendix in Item 2.2, the 2023/24 Budget and Medium Term Financial Plan 2023 to 2027.

For the first time, it was proposed to implement a Mayoral precept of £12 per Band D property in response to pressures on buses. This was expected to raise £3.6m in 2023/24. A statement from the Mayor was shared with the Board, stating that this Mayoral budget was an important step in building the capability and capacity that was needed to create the transport system that the region's residents deserved. No one took the decision lightly to add even a pound a month to people's council tax bills, but the Combined Authority had a responsibility to residents. It would not be an area that failed to look after its public transport, or that failed to serve those residents who had no choice but to use the bus. The whole region - rural communities and cities alike – needed the Combined Authority to take the lead on a public transport network that worked for them. The precept meant that the Combined Authority could save the bus routes that mattered so much to many of its residents for another year.

The Board was advised that savings would be achieved in 2023/34 by the relocation of the Mayor's office from Ely to Pathfinder House, and the re-organisation of the Mayor's office staff to become part of the chief executive's team.

The 2023/24 budget report set out the amount and apportionment of the Transport Levy for 2023/24 for approval. This incorporated a 2% increase, which was lower than the amount by which it could have been increased. The report also sought the Board's approval of the revenue budget for 2023/24 and the medium-term financial plan (MTFP) for 2023/24 to 2026/27 and the capital programme for 2023/24 to 2026/27. The Board was invited the Board to note the Section 73 Officer's statutory Section 25 Statement.

The draft budget for 2023/24 had been approved by the Board for consultation in November 2022. 690 online responses to the consultation had been received, and these were summarised in Appendix 3 of the 2023/24 budget report.

Paragraph 4 of the 2023/24 budget report set out the changes which had been made from November's draft budget. This included a change to the CPCA's directorate structure and the cost of maintaining bus services at current service levels. There had also been some changes to funding awards. All revenue and capital expenditure included within the 2023/24 budget and MTFP, including both approved and subject to approval expenditure, were affordable and provided a balanced budget.

The Section 73 Officer stated that the reserves position was based on reasonable assumptions of current and future funding, and included increased levels in both capital and revenue reserves in recognition of the current uncertain situation. The proposed revenue and capital budgets were balanced and affordable across the lifetime of the MTFP.

Councillor Boden, seconded by Councillor Bailey, moved the following amendment:

THE CPCA BOARD NOTES, IN RELATION TO BUSES:

1. That current pressures on the 2023/24 CPCA Budget primarily relate to additional subsidies for bus services in Cambridgeshire & Peterborough.
2. That the CPCA is the only Mayoral Combined Authority which received no Government funding in the announcements made in March/April 2022 for Bus Service Improvement Plan (BSIP) grants and for Sustainable Transport Settlements. According to the Gov.uk website, other Mayoral Combined Authorities received:
 - a. Greater Manchester: £1.173bn
 - b. Liverpool City Region: £729m
 - c. North of Tyne: £163.5m (including area outside the Mayoral Authority)
 - d. South Yorkshire: £575m
 - e. Tees Valley: £314m
 - f. West Midlands: £1.146bn
 - g. West of England: £651m (including area outside the Mayoral Authority)
 - h. West Yorkshire: £907m
3. That no attempt appears to have been made by the CPCA to lobby Government for at least partial inclusion in the funding for Sustainable Transport Settlements, or at least for some compensatory and complementary payments given its exclusion.
4. That according to Government, failure to obtain BSIP grants demonstrated a "lack of ambition", although Transport Secretary Mark Harper has clearly and categorically stated in a Parliamentary answer that this does NOT relate to road charging, and that road charging has never been a Government requirement to receive BSIP funding.
5. That Stagecoach announced in Summer 2022 its intention to withdraw or reduce more than 20 bus service routes in Cambridgeshire & Peterborough, some of which were then provided with additional subsidy by the CPCA under new contracts, in most but not all cases using a different operator.
6. That, according to the most up-to-date information provided to the Board by CPCA Officers, the ten most costly subsidised bus service contracts (on a per passenger journey basis) would cost the CPCA £634,133 to renew for the financial year 2023/24, but that these services only relate to 7,246 return journeys a year, at an average subsidy of £87.52 per return journey.

7. That the Mayor has taken it upon himself both to chair the Transport & Infrastructure Committee and to fulfil the Combined Authority Lead Member position for Finance.

THE CPCA BOARD NOTES, IN RELATION TO HOUSING:

1. That the CPCA no longer has any new funding to promote affordable housing.
2. That the CPCA is now merely managing down the three remaining outstanding housing loans and the remaining grant monies allocated to specific affordable housing schemes.
3. That the outstanding loans are scheduled to be repaid by May 2023.
4. That, with respect to affordable housing grants, no new grants are expected to be made.
5. That, regardless of the above points, revenue staffing expenditure of £167,000 is included in the draft budget for 2023/24 in respect of housing.

ADDITIONALLY, THE CPCA BOARD NOTES THAT, AT A TIME OF SIGNIFICANT FINANCIAL CHALLENGE BOTH FOR THE AUTHORITY AND FOR LOCAL RESIDENTS, THERE IS NO ROOM IN THE 2023/24 BUDGET FOR VANITY PROJECTS OR FOR PROJECTS WHICH ARE DESIRABLE BUT NOT URGENTLY REQUIRED:

1. The City of Cambridge Capital of Culture project is a vanity project with a revenue provision of £156,000 in the proposed CPCA 23/24 Budget.
2. The proposed CPCA Budget includes a revenue provision of £75,000 for a rewilding project.

THE CPCA BOARD NOTES, IN RELATION TO THE DRAFT 2023/24 BUDGET OVERALL:

1. That the CPCA's external auditors, Ernst and Young, set out serious value for money concerns in a letter dated 1st June 2022, including concerns about investigations into key individuals in the Mayor's office following a whistleblower notification and an increased number of employment claims against the Authority.
2. That Government is currently withholding funds from the CPCA because of the concerns raised by Ernst and Young.
3. That significant sums of money have already been spent settling employment claims and committed in the implementation of the Improvement Plan.
4. That the CPCA still lacks clear definition of the aims, objectives and priorities of the Mayor.
5. That, as the Mayor moves towards setting those priorities through the CPCA Board, there will be opportunities for choices, and reductions of expenditure, to be made.
6. That the current CPCA workforce numbers demonstrate an unacceptable and relatively uncontrolled expansion of bureaucracy within the CPCA.
7. That it is both appropriate and desirable to set in-year savings targets in 2023/24 and subsequent years to ensure the overhead expenses are better controlled and more closely aligned to the priorities which the CPCA will set.
8. That the Chief Executive has already tasked officers to design an efficiency savings programme.

IN RELATION TO SUBSIDIES FOR BUSES, THE CPCA BOARD BELIEVES THAT ADDITIONAL SUBSIDIES PROPOSED FOR 2023/24 SHOULD BE REGARDED AS A SINGLE-YEAR BUDGET PRESSURE. THIS IS BECAUSE:

- a) The Mayor has cited bus service improvements as the key priority for his Mayoral term and it is therefore expected that bus services will be prioritised, both in terms of effort and funding, in the future CPCA strategy being driven through the Improvement Board work. The Mayor's strategy will need to make choices to ensure CPCA lives within its means.
- b) Longer term, CPCA is working to transform bus services in Cambridgeshire and Peterborough, through its emerging Bus Strategy, the Bus Service Improvement Plan work and its pursuit of franchising or an enhanced bus partnership.
- c) Whilst franchising or an enhanced bus partnership alone will not necessarily in itself bring more funding into the CPCA, it can deliver a well evidenced plan for an affordable and sustainable bus service network and it can yield early improvements.
- d) Shorter term, CPCA is devising a bus service framework to inform decision making about the viability of subsidised services, the contracts for which (with the exception of TING) are all due to end in March 2023.
- e) In the event of the CPCA failing to achieve the above measures, a further opportunity to re-balance priorities and funding for the CPCA will be available in its 2024/25 budget setting process.
- f) Further, whilst the CPCA has not endorsed or even discussed the Greater Cambridge Partnership's (GCP) plans for a Future Bus Network paid for by road charging, a decision on the plans is due to be taken by the GCP in June with a decision on road charging by Cambridgeshire County Council expected shortly afterwards, with fundamental consequences as to how bus services would be paid for in the future.

THE CPCA BOARD FURTHER NOTES THE OVERWHELMING OPPOSITION FROM LOCAL RESIDENTS IN ITS CONSULTATION TO THE IMPOSITION OF A NEW MAYORAL PRECEPT FOR 2023/24.

THE CPCA BOARD BELIEVES:

- 1. That the main purpose of entering into a devolution agreement was for Cambridgeshire and Peterborough to receive powers and funding from Government to implement decisions at a local level, not as a new method to raise funds through local taxation.
- 2. That the CPCA should live within its means, rather than placing additional tax burdens on local people.
- 3. That local tax payers should not be expected to pay for the failures of the Mayor and the CPCA.
- 4. That at a time when many local residents' finances are under pressure, a Mayoral Precept should be introduced only if there is absolutely no alternative available.
- 5. That it is indefensible, when CPCA finances are restricted and in the absence of a comprehensive sustainable bus strategy, to propose to include £634,133 in the CPCA 2023/24 budget to provide bus subsidies at an average rate of £87.52 per return journey
- 6. That it is indefensible, when CPCA finances are restricted and taxing residents is being proposed, that projects such as Cambridge City of Culture are being proposed for inclusion at a revenue cost of £156,000.
- 7. That in-year overhead efficiency savings, in line with CPCA priorities, are both achievable and desirable, and that a modest in-year savings target of 5% per annum is both proportionate and appropriate, but with an initial savings target of £350,000 in 23/24 to reflect the significant opportunities for cost-saving and project prioritisation once priorities are properly determined by the Authority for the year.

8. That management of the run-off of the residual and declining affordable housing programme could be adequately managed within existing budgets elsewhere in the CPCA.
9. That reserves are at a level where additional one-year non-recurring costs can be absorbed in 2023/24, whilst appreciating that choices will need to be made in subsequent years as to the prioritisation of the CPCA's many programmes and ambitions.

THE CPCA BOARD THEREFORE AGREES TO AMEND THE REVENUE ELEMENT OF THE DRAFT 2023/24 CPCA BUDGET AS FOLLOWS:

1. CESSATION OF SUBSIDY FOR THE TEN BUS SERVICE CONTACTS LISTED IN APPENDIX 1: -£634,133
2. PROVISION FOR IN-YEAR EFFICIENCY SAVINGS: -£350,000
3. CESSATION OF HOUSING OVERHEAD EXPENDITURE: -£167,000
4. CANCELLATION OF CAMBRIDGE CAPITAL OF CULTURE PROJECT:- £156,000
5. POSTPONEMENT OF REWILDING PROJECT: -£75,000
6. REDUCTION IN RESERVES: -£2,241,994
7. CANCELLATION OF PROPOSED MAYORAL PRECEPT: +£3,624,127

APPENDIX 1

Service	Route	Average Weekly Passenger Return Journeys (21/22)	Cost per Return Passenger Journey
7A	Trumpington P&R – Hinxton – Whittlesford – Trumpington P&R	7	£256.43
Citi 5 & 6 / Busway A	Madingley / Boxworth – Cambridge	2	£149.10
19	Haverhill - Linton - Burrough Green	11	£117.76
15	Over - St Ives	4	£111.00
31	Cambridge - Stapleford - Fowlmere	20	£108.05

22	St Ives - Warboys	13	£94.17
18	Newmarket - Fulbourn	6	£76.77
75	Cambridge - Orwell - Wrestlingworth	34	£61.80
415	Peterborough - Upwood	4	£61.47
8	Cambridge - Dry Drayton - Papworth Everard	39	£55.60

Speaking to the amendment, Councillor Boden stated that there was no need for a Mayoral precept, nor was it wanted by the people of Cambridgeshire and Peterborough. There had been significant underspends in previous years, partly due to staff absences and vacancies. If the Board wished, the whole of the proposed spend could be funded from reserves, although this would give rise to more difficult decisions during the lifetime of the MTFP. There was also flexibility available within the draft budget, with £1.2m of revenue budget spending proposed on projects still subject to Board approval. However, the main issue in drawing up the draft budget was bus services and bus service subsidies. In his view, the biggest disaster of the Mayoral administration had been the failure to get bus service improvement plan (BSIP) money the previous spring because the proposals were not sufficiently ambitious. It had been clarified in Parliament the previous week that this did not mean that the Combined Authority had been penalised for not including road charging in its plans. A decision had been taken as a matter of urgency seven months ago to extend as many of the former Stagecoach bus services as possible on a short-term basis to the end of March 2023. However, the Board was now being told not only that detailed work on this had not yet been done, but that it would now be another seven months until proposals on which services should be retained or what new services might be offered would come back to the Board for consideration. Councillor Boden felt this was astonishing, as the reason why Stagecoach had abandoned some of these routes was because they were uneconomical, and yet they were still included in the draft budget. The amendment highlighted 10 contracts costing c£634k which it was proposed to continue and which on the most recent figures available serviced 140 return journeys a week and cost on average a subsidy of £87.52 per passenger return journey. This was not easy to justify, and there was a need to ensure best value when spending public money. The 10 services listed in the amendment were only those where the return journey subsidy was £55 or more. In Councillor Boden's view, more granularity around these figures was needed to inform debate, as it was possible some of these services could be delivered in a different way or perhaps at a different frequency. Given the previous experience with the BSIP he would have expected that preparations for the next round of BSIP funding would have been prioritised, but in his view there had continued to be a lamentable failure to apply to Government for bus money. Other elements of the amendment included the proposal to remove funding for the Cambridge Capital of Culture project, which he considered to be a vanity project which would cost the CPCA c£500k. In his opinion, uneconomic bus subsidies and vanity projects represented a demand for money from the public to cover the failings of the Mayor in relation to the Transport and Finance portfolios. The Combined Authority had received notification of

a Best Value Notice from the Department for Levelling Up, Housing and Communities (DLUHC) the previous day, and Councillor Boden felt that the budget before the Board justified Government concerns about the best value provided by the CPCA. The figures contained in the amendment had been checked by senior finance and transport officers. A record number of responses had been received to the budget consultation and it was clear from this that the public did not support the proposal for a Mayoral precept. Public comments in response to the consultation had not been included in the published meeting papers, but had been made available to Board members the previous week on a confidential basis. The Interim Chief Executive had subsequently agreed that those comments could be referenced at this meeting, and Councillor Boden shared a selection of the views expressed. The draft budget had been produced with little or no reference to the public consultation exercise which suggested the public consultation process had been little more than a sham. Councillor Boden expressed concern that the majority of members of the Overview and Scrutiny Committee did not receive the budget papers until 10 minutes before the meeting, which he judged to be an appalling failure of governance. He saw the draft budget as a failed opportunity to get expenditure under control by a failing Authority led by a failed Mayor.

On a point of information, Councillor Fitzgerald asked whether the Constitution allowed unlimited time for the budget debate. The Interim Monitoring Officer stated that the Constitution did not specify a set time for the budget debate, and that the Chair had the right to manage the proceedings in an efficient manner.

Seconding the amendment, Councillor Bailey stated that the CPCA should live within its means, and local tax payers should not be expected to pay for the failures of the Mayor and the CPCA. 79% of respondents to the budget consultation had said no to a Mayoral precept to fund buses. The amendment set out a number of options to deliver a balanced budget without using a precept. In addition to the savings outlined by Councillor Boden, it included bringing forward work for a modest efficiency savings target in year and 5% over the period of the MTFP. It also included £167k revenue savings against the housing team staffing costs. In relation to buses, the amendment identified one route with a subsidy of £256 per return passenger journey. She could not support this, and considered it to be untenable. The proposed precept was not to improve bus services, but to maintain the status quo. The CPCA had been devising a new bus framework for when routes came up for renewal in March, but decisions on this had now been delayed until the autumn, which she could not support. The amendment identified the 10 most subsidised return bus journeys which averaged out at two return journeys per day per bus, and the Board must look at whether it was right for those services to continue or whether that money could be put to better use. If these 10 routes were removed all of the former Stagecoach routes would remain, because the data needed to understand their usage was not yet available. The CPCA had been the only combined authority (CA) to receive no Government funding for bus and transport improvements, and all other CAs had received hundreds of millions of pounds. The letter from the CPCA's external auditors in June 2022 had raised serious value for money concerns, and concerns around investigations into individuals in the Mayor's office and employment claims against the Authority which had to be funded through local resources. The Government was currently withholding funds from the CPCA, and the letter the previous day from DLUHC set out on-going concerns and was effectively putting the situation of what was effectively special measures on a more formal footing. The Interim Chief Executive had ordered a savings programme, but it was difficult to devise that programme when the CPCA's priorities and Mayoral priorities had not yet been agreed, and that must be expedited. The situation faced by the CPCA

was manageable as a one-off problem, so it was reasonable to consider using reserves responsibly in response to that. The second iteration BSIP was due to be submitted in October 2022, but unfortunately that deadline had not been met and an extension had been obtained from Government until June, with the third iteration then due in October 2023. The proposed £12 precept would come on top of expensive council tax bills and proposed council tax increases by many local councils and people facing a cost of living crisis would struggle to pay this. Councillor Bailey called on the Board not to delay the bus framework decision until the autumn, but to bring this forward to make sensible decisions about bus services. She commended the amendment as deliverable.

The Deputy Police and Crime Commissioner spoke of the difficulty discussing the Mayoral budget without the Mayor being present, and asked when he was expected to return. He understood that the Mayor had said that he would not raise a precept when he stood for election. The Police Authority was raising its precept and he believed the Fire Authority would also be increasing its precept. Council tax bills would also be increasing in many parts of the county, and he was surprised that a Mayoral precept was proposed given the underspends that existed. The Deputy Mayor stated that the Mayor was convalescing, but no precise date had been given for his return. The estimate for a procedure of the type he had undergone was of a recovery period of around three months, which would be reached around the middle of February. The Deputy Mayor extended good wishes to the Mayor on behalf of the Board for his continued recovery.

Councillor Conboy commented that she had received the amendment the previous afternoon, and so the time in which to consider it, consult officers and to conduct due diligence had been limited. She expressed disappointment that the budget consultation had not attracted more responses, but noted the 60% response rate which had been achieved in Fenland compared to a 12% response rate in Huntingdonshire and would be interested to hear outside of the meeting how this had been achieved. She was mindful of the cost of living crisis, and the amendment drew attention to the need for efficiencies. Wherever cuts were made, there was a need to be able to defend this. Some people used buses through choice, for environmental or other reasons, but others had no choice and benefitted from cheaper transport in the cost of living crisis. She would want to see all buses filled, and hoped that the Bus Strategy would do this.

Councillor B Smith commented that she had received the amendment late the previous afternoon and had not had the opportunity to discuss it with her chief executive. It had been said that no-one wanted a Mayoral precept, but people did want buses. The public speaker's comments earlier in the meeting had said that, and had set out the implications where bus services were not available (minute 332 above refers). The amendment proposed no cuts to bus services in East Cambridgeshire or Fenland, but it did propose considerable cuts to services in South Cambridgeshire. She urged the Board to consider the implications for those using the services which the amendment proposed should be cut, and expressed concern that those people would be left isolated. Those able to use cars instead would do so, which went against the CPCA's carbon reduction principles. Councillor Smith referenced the CAM Metro project which had attracted no Government funding and cost the CPCA huge sums and which she considered to be the ultimate vanity project. In her view, there would be a serious impact on the recommendations of the CPIER report, the Independent Commission on Climate and the Economic Growth Strategy if people were driven off buses and into cars. Without the precept she believed there would not be the money to preserve the

18 routes saved previously. She described the amendment as heartless and uncaring, and stated that she would not be supporting it.

Councillor Nethsingha referenced the late receipt of the amendment. Reference had been made to the need for the CPCA to live within its means. However, the CPCA had received a flat cap settlement, so with inflation its spending ability was reducing and project costs were rising. She challenged the description of the City of Cambridge Capital of Culture project as a vanity project, noting that the proposal had been brought forward by Cambridge City Council and not by the Mayor, and referenced the extent of the money she considered had been wasted on vanity projects under the previous Mayor. In her view, buses were critically important, and this was what the additional spend was about. She shared the frustrations expressed at the slow pace of improvements to the bus network, but did not believe that the best way to speed this up was to start cutting bus services. She was keen to examine the figures contained in the amendment and if these were accurate it was right that work should be done to look at those services, but not necessarily to cut them. Councillor Nethsingha did not believe that funding bus services from reserves was a long-term option. The proposed budget was to sustain the current bus network, and she spoke of the importance of this to rural residents. Cutting those services at quite short notice would leave large numbers of people without access to education and employment and increase rural isolation.

Mr Plant stated that from a business perspective, there were acute problems at a national level around the reliability of infrastructure, including transport. The inflationary situation was tough on infrastructure projects and made it difficult to deliver the outcomes needed. Simultaneously, the climate emergency was the biggest crisis facing this and future generations. There was a need to move away from reliance on the private car and have better public transport options. The situation locally was bad, and if it got worse places would be cut off which would have dire consequences, especially for those in the lower income bracket and without access to a car. There would be no money from the Government at least in the short-term, so a pragmatic response was needed. The Cambridgeshire and Peterborough Independent Economic Review (CPIER) report has emphasised the importance of improving transport and the Independent Commission on Climate had highlighted the need to tackle emissions. The Business Board's Economic Growth Strategy identified lack of accessibility to employment centres as a real issue. The recommendations before the Board were imperfect, but a sustainable solution was needed. Mr Plant welcomed the amendment's focus on driving efficiency, but felt that it gave less future flexibility. He understood that the Mayoral precept had been opposed by some consultation respondents, but of the options before the Board he felt the precept gave a bit more flexibility. Longer-term he would want to see the CPCA get a better settlement, but there was a need to deal with the situation as it was now.

Councillor Murphy commented that the lateness of the amendment was an impediment to good governance. It was within the rules, but a four page detailed and complex budget amendment was not going to get proper review in these circumstances. The Mayoral budget report did recognise that it was theoretically possible to use reserves as a one-off measure, but this would be inherently short-term and could interfere with work to develop franchising.

Councillor Fitzgerald commented that the use of either a precept or reserves would protect bus services in the short-term and would give the Mayor time to flesh out a more permanent solution. The amendment allowed the CPCA to do this from within its own

means, whereas the precept shifted the burden to the taxpayer. He saw no political undertones to the routes referenced as these had been highlighted because they were the most expensive and not because of where they were located. He noted that the bus subsidy figures had been verified by officers and were in his view unsustainable. The letter received the previous day from DLUHC referenced best value, and the CPCA needed to demonstrate that it was taking this seriously. He was supportive of the measures being taken to improve the Board and for this reason had agreed to sit on the Independent Improvement Board. However, the CPCA had been the only combined authority not to attract any Government funding through the BSIP and its proposals had been described as lacking ambition. He would like to see more community-based solutions to local transport needs, and asked whether local businesses could be used. Keeping the bus routes whatever the cost was an option, but the numbers of people involved was small. Councillor Fitzgerald felt that the Board should support the amendment. He acknowledged that it had been circulated late, but it had needed to be verified by the finance team. He also noted that the papers for the Employment Committee meeting which had preceded the Board that morning had only been circulated that morning. In his view, the amendment represented a credible alternative to taxing the public by using the CPCA's own finances.

On a point of information, Councillor Bailey stated that she had received the Board papers at the same time as everyone else. She had met with officers the previous Thursday and had been asked to submit the amendment to officers by Monday, which she had done. She further stated that it was not correct to say that the 18 former Stagecoach services would be lost if the amendment was passed.

The Deputy Mayor thanked Board members for an excellent debate on the amendment. She sought confirmation from the Section 73 Officer that the amendment was lawful and on its impact on the medium-term financial strategy (MTFS). The Section 73 Officer stated that he had prior sight of the amendment and had provided feedback. He did not see why the amendment would be unlawful. If it was assumed that the savings were achievable, and there were some questions around that, there would be implications for service delivery around the Housing and Communities Committee functions. If passed, there would be an increase of £2.24m drawdown on reserves if all efficiency savings were achievable. This would reduce revenue reserves below the balance set by the CPCA for the end of the MTFS, but it would be achievable in the first year of the MFTP.

In accordance with the Constitution, Councillor Boden exercised his right of reply as the mover of the amendment before it was put to the vote. He welcomed the productive debate, and acknowledged the differences of opinion which had been expressed. The response to the budget consultation was the largest received to date. In his view, the reason response rates to consultations were not higher was that they were not publicised very well and that people did not believe that what they said would be listened to. He did want to see efficiencies, and felt it was a shame that this was not clearly set out in the published budget. The amendment was not intended to harm bus services, but he believed that the large sums that would be spent on buses in the next year could be spent better. Given the letter from DLUHC there must be a focus on value for money and best value. In his view there must be a limit on cost if services were not being used. It had been acknowledged in debate that the richest area in the CPCA got the highest bus subsidies per passenger journey. His preference was to get rid of the most uneconomical subsidies and avoid a precept in a year when there were so many other pressures on people's budgets.

In accordance with the Constitution, the amendment was put to a recorded vote:

	For	Against	Abstain
Councillor Bailey	x		
Councillor Boden	x		
Councillor Conboy		x	
Councillor Fitzgerald	x		
Councillor Nethsingha		x	
Councillor B Smith		x	
Deputy Mayor A Smith		x	

The amendment was not carried.

Items 2.1: Mayor's Draft Budget and Mayoral Precept 2023/24 and Item 2.2: 2023/24 Budget and Medium Term Financial Plan 2023 to 2027 were opened for concurrent debate with no change to the substantive recommendations. They were voted on separately.

Councillor Boden spoke of the importance of being seen by residents and by Government as having best value and value for money. By failing to achieve that the CPCA would not get more money from Government. The responses to the budget consultation had expressed the wish for the CPCA to be more efficient and had spoken of residents being unable to afford a tax increase and the need to prioritise. In his view, the CPCA had limited resources and was failing to prioritise. The substantive motion still included the Mayoral precept so he would be voting against this.

Councillor Conboy stated that the letter from DLUHC was not a surprise and that Board members had signed up to be part of the Independent Improvement Board (IIB). Best value was important to all residents, and she expressed the hope that late amendments might be avoided next year so that Board members could work together.

Councillor Nethsingha thanked officers for the huge amount of work which had gone into producing the budget, and especially the Section 73 Officer and his team. The whole Board could sign up to the aspiration to be more efficient. There was a lot of work to do with the IIB, and the whole Board was committed to working with it to deliver best value for money. The precept was a recognition that public transport must be improved and made more reliable and user-friendly, and she thanked officers for their work to keep the precept as low as it was and the Deputy Mayor for her work to make this the most coherent budget-setting process she had experienced at the CPCA.

Councillor Fitzgerald noted that it was proposed that the Transport Levy should be increased by 2%. The team at Peterborough City Council (PCC) would keep a close eye on what value was taken from that, and he was keen to support public and active transport and infrastructure around this. He thanked the Board, CPCA officers and PCC for its work in support of the Peterborough Station Quarter bid which showed Peterborough's commitment to reducing car use. He acknowledged the work that had gone into producing the budget, but in his view it was not enough and there had been insufficient effort made for the Board to understand the budget at a granular level and to reach consensus. This required a long-term process with all members getting the opportunity to scrutinise the detail. He wanted to flag this now with a view to future arrangements. He would not vote to put an extra burden on taxpayers and was

considering abstaining from the vote. Councillor Fitzgerald concluded by speaking of his wish to make the CPCA better and to be part of that process.

Councillor B Smith stated that she believed some small efficiencies might be achieved in relation to the £240k approved project costs for the Non-Statutory Spatial Framework by working closely with partner councils. Councillor Bailey described this as an example of the need for more understanding of the granularity of the budget ahead of the public debate.

The Interim Monitoring Officer reminded the Board that the vote on the Transport Levy required a 2/3 vote in favour by representatives of the constituent councils, to include both Cambridgeshire County Council and Peterborough City Council. In accordance with the 2018 Regulations if no agreement was reached the Levy would revert to 2018 rates.

Councillor Boden welcomed the opportunity to debate the Mayor's Draft Budget and Mayoral Precept 2023/24 and the 2023/24 Budget and Medium Term Financial Plan 2023 to 2027 concurrently, and thanked the Statutory Deputy Mayor for the latitude which she had allowed as Chair to himself and Councillor Bailey to speak fully to their budget amendment, and for her leadership in facilitating a full and constructive debate.

The Deputy Mayor stated that she would be voting in her capacity as the representative of Cambridge City Council.

Item 2.1: Mayor's Draft Budget and Mayoral Precept 2023/23

Recommendation a)

Consider the proposal to implement a Mayoral General Precept of £12 (Band D):

	For	Against	Abstain
Councillor Bailey		x	
Councillor Boden		x	
Councillor Conboy	x		
Councillor Fitzgerald		x	
Councillor Nethsingha	x		
Councillor B Smith	x		
Councillor A Smith	x		

Recommendation a) was carried by a majority vote in favour, with less than 2/3 of constituent council members present and voting having voted against.

Recommendation b)

Approve the Mayor's draft budget for 2023-24 incorporating the Mayoral General Precept:

	For	Against	Abstain
Councillor Bailey		x	
Councillor Boden		x	
Councillor Conboy	x		
Councillor Fitzgerald		x	
Councillor Nethsingha	x		
Councillor B Smith	x		

Councillor A Smith	x		
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Recommendation b) was carried by a majority vote in favour, with less than 2/3 of constituent council members present and voting having voted against.

Item 2.2: 2023/24 Budget and Medium-term Financial Plan 2023 to 2027

Recommendation a)

Approve the amount and apportionment of the Transport Levy for the 2023-24 financial year, incorporating a 2% increase, as set out below:

Total Levy: £13,494,390

- i) Peterborough City Council £3,615,714
- ii) Cambridgeshire County Council £9,878,676

	For	Against	Abstain
Councillor Bailey	x		
Councillor Boden	x		
Councillor Conboy	x		
Councillor Fitzgerald	x		
Councillor Nethsingha	x		
Councillor B Smith	x		
Councillor A Smith	x		

Recommendation a) was carried unanimously and included the representatives of Cambridgeshire County Council and Peterborough City Council.

Recommendation b)

Approve the revenue budget for 2023/24 and the Medium-Term Financial Plan 2023/24 to 2026/27.

	For	Against	Abstain
Councillor Bailey		x	
Councillor Boden		x	
Councillor Conboy	x		
Councillor Fitzgerald			x
Councillor Nethsingha	x		
A Plant			x
Councillor B Smith	x		
Councillor A Smith	x		

Recommendation b) was carried by a majority vote in favour.

Recommendation c)
Approve the Capital Programme 2023/24 to 2026/27

	For	Against	Abstain
Councillor Bailey		x	
Councillor Boden		x	
Councillor Conboy	x		
Councillor Fitzgerald			x
Councillor Nethsingha	x		
A Plant			x
Councillor B Smith	x		
Deputy Mayor A Smith	x		

Recommendation c) was carried by a majority vote in favour.

Recommendation d)
To note the Section 73 Officer's statutory Section 25 Statement. No vote required.

The Deputy Mayor thanked Board members for the respectful and considered debate. These decisions had not been taken lightly, and she thanked Board members for their thoughtful contributions to an evidence-based debate. The decisions taken were a testament to the Board's commitment to the Mayor's vision to improve public transport for all those in the region, not just in cities and major towns but in rural areas too. This debate had shown that the CPCA was able to make the decisions needed to serve the region. The Board had demonstrated the capacity, capability and ability to deliver for residents which was expected for an Authority like this. The Deputy Mayor noted the comments which had been made around the timing of the issue of papers, and this might be something which could be picked up as part of future reviews of the Constitution, along with the request for more discussions. The report did contain references to efficiencies, and the Board would wish to see an update on those efficiency plans brought to a future meeting. Finally, the Deputy Mayor wished to place on record her thanks both to Board members and to officers who had worked hard on this. **Action required**

The meeting was adjourned from 12.15pm to 12.31pm.

334. Budget Monitoring Report January 2023

The Board was invited to note actual spend against the 2022/23 revenue and capital programme budgets as of 30 November 2022, and the forecast outturn position as of the end of December 2022.

An underspend of c£9.3m was forecast on revenue expenditure against a budget of c£76m. Only two of the seven consortium providers for Waves 2 and 3 of the Skills Bootcamps had been agreed by the Department for Education, and there had been a slow uptake from providers. This underspend was of no benefit to the CPCA's general reserves. Expenditure on the capital programme had been lower than expected due to some profiling issues and delays in partner invoicing. Officers were working closely with delivery partners on this.

It was resolved to:

a) Note the financial position of the Combined Authority for the year to date.

335. Cambridgeshire and Peterborough Combined Authority Corporate Strategy and Business Plan 2023-2025

Development of the CPCA's Corporate Strategy and Business Plan 2023-25 had been identified as a priority in the October Improvement Plan, and from April 2023 this framework would be in place. The drafts had been discussed extensively with Board members, constituent council chief executives and staff groups. It was designed to take the legacy of what the CPCA had agreed in previous years and to rationalise and focus this. This represented a transitional strategy focusing on short-term delivery objectives to 2025, and a broader and longer term discussion would follow once the CPCA's permanent senior leadership team was in place. If approved, officers would start work on building a 'state of the region' report with the aim of delivering a piece of work of similar stance and credibility as the CPIER report. Implementation plans would be drawn up, and the strategic framework would provide a robust mechanism to assess impact.

Councillor Boden commented that he did not agree with everything in the report, but the direction of travel was correct and so he would be voting in favour.

Councillor B Smith commented that to be truly meaningful it was necessary to start to quantify outcomes. As the process matured, she would like to see it populated with tangible and aspirational targets.

Councillor Bailey welcomed the separation of the Combined Authority Board and the outcomes of the business plan from the Mayor's objectives, which she felt was positive and gave it longevity. She did not necessarily agree with everything it contained, but could agree with the broad approach. She was looking to see how things would be done, how they would be funded and how they would be delivered.

Councillor Nethsingha welcomed the proposals as a substantial step forward for the CPCA. There was still a lot to do, but this represented an important step in that journey. She thanked Councillors Boden and Bailey for their comments and support. The Board recognised that this was a work in progress to reach an agreed set of priorities and proposals.

Mr Plant welcomed the prior engagement which informed the report, and the investment in time from Board members, constituent councils and constituent council chief executives to get to places of agreement. He welcomed the references to the CPIER report and the Economic Growth Strategy. At present there were more references to outputs than outcomes, but this could be addressed through future work. Looking forward, he emphasised the importance of engagement between both new Executive Directors and the Business Board.

The Interim Chief Executive endorsed the process for producing this iteration of the Corporate Strategy and Business Plan which had included time for broad early discussions, the active involvement of constituent council chief executives and constructive challenge. It had been couched in terms of a corporate plan focused on issues and need, and was designed to be a move away from silo working. The next phase would be tasks and activities for the next 12 months.

The Statutory Deputy Mayor expressed her thanks to all those who had participated in the collaborative process to produce the proposals which modelled the way the CPCA should be working.

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

Approve the Cambridgeshire and Peterborough Combined Authority Corporate Strategy and Business Plan 2023-2025.

Part 4 – Combined Authority Decisions

336. Climate and Strategy Business Case January 2023 (KD2022/082)

Mr Plant declared an interest in this item, in that his employer Anglia Water was a landowner. Minute 327 above also refers.

The Board's approval was sought to drawdown subject to approval funding for Meanwhile at Core Site, North East Cambridge. If approved, the project would move into the delivery phase, with monitoring and evaluation. Capital funds were sought for building costs and the proposal was HMT Green Book compliant. The project outcomes aligned with the CPCA's strategic objectives and would make use of an otherwise redundant parcel of land.

Councillor Boden welcomed the references to value for money and Green Book compliance in the report. However, he saw this as a potentially climate-related item, and from the report he had no idea whether this was a good or bad use of CPCA money towards that objective. The funding available to achieve statutory and local climate-related targets was limited. Net zero was a technical measurement, and he would like to see all proposed expenditure on climate-related objectives quantified in terms of the cost per tonne of CO2E being saved. Councillor Boden felt it was important to start measuring what was trying to be achieved. **Action required**

Councillor Bailey described the project as exciting, commenting that she would like to see the benefits spread wider. However, she had seen little activity against the Climate Action Plan which was due to come to the Board in March, given the CPCA's responsibilities across the whole geography and the work of the Independent Commission on Climate. She wanted to see an agreed definition of net zero as there were variances in definition. She would also like to understand what monitoring would be put in place and where was the performance element. **Action required**

Councillor Conboy spoke of the importance of taking learning and the value added beyond the scope of the project, which could be highly transferable. She would support the recommendation, and would be looking for that learning to be shared quite quickly.

Councillor Nethsingha commented that Board members were all learning how to make best use of public money to work towards net-zero. She felt it was preferable to get on and take learning rather than waiting for a perfect measurement to be agreed. Councillor Boden concurred, clarifying that he was not seeking a perfect measurement, but that some measurement was needed. Officers stated that the CPCA Programme Office produced monthly reports on project performance and that these were RAG-

rated. Learning lessons was a part of the wider Improvement Plan, and there was a strong impetus around performance monitoring and sharing best practice.

Councillor B Smith described the proposals as exciting and innovative, and as a potential exemplar. Building resilience was vital to communities, and she spoke of the need for a focus on environmental sustainability and truly sustainable communities. Board members knew that new communities could struggle to grow and blend, and this was an opportunity to engage at the outset to cement communities. In her view, this was exactly the sort of initiative which the CPCA should be getting involved in. The proposals sat under the Environment and Climate Change portfolio as they were primarily about place-making which would deliver environmental and climate benefits. Health, happiness and wellbeing were in her view inextricably linked to climate issues. She absolutely accepted the need for monitoring to ensure good value for money and to contribute to the move to net-zero. There would be lots of opportunities to share best practice, and she expected this to evolve over the lifetime of the project. In her view, the focus should be on seeing this as a hub and place-making proposal, rather than a project to deliver net-zero.

It was proposed by Councillor B Smith, seconded by Councillor Conboy, it was resolved by a majority to:

Approve the Business Case for Meanwhile at Core Site, North East Cambridge project and approve £1.0m from capital and £120k revenue from the subject to approval line in the medium term financial plan (MTFP).

337. Market Towns Programme – Approval of Project Proposals (Funding Call 9 January 2023) (KD2022/077)

On being proposed by the Statutory Deputy Mayor, seconded by Councillor Boden, it was resolved unanimously without debate to:

- a) Approve the project proposal received under Market Towns Programme from East Cambridgeshire District Council for the town of Littleport to the sum of £1,000,000;
- b) Approve the project proposal received under Market Towns Programme from Fenland District Council for the town of Whittlesey to the sum of £260,000;
- c) Note that the Whittlesey Town Projects proposal will be reviewed and agreed by CPCA Programme Audit & Risk Committee (PARC) to the sum of £195,000;
- d) Approve the request received from Fenland District Council to extend the grant longstop completion date for the Fenland Market Town Parking Management project from 31st March 2024 to 31st December 2025.

338. Cambridgeshire and Peterborough Growth Company Business Plan 2022-2023

On being proposed by the Statutory Deputy Mayor, seconded by Councillor Nethsingha, it was resolved unanimously without debate to:

- a) Approve the Growth Company Business Plan for 2023.
- b) Give consent for the updated business plan to be adopted by the Cambridgeshire and Peterborough Growth Company Ltd.

339. University of Peterborough - Finalisation and completion of legal documentation for the Peterborough HE Property Company (PropCo1)

On being proposed by the Statutory Deputy Mayor, seconded by Councillor Nethsingha, it was resolved unanimously without debate to:

Delegate authority to the Director of Housing and Development, in consultation with the Monitoring Officer and the Deputy Finance Officer, to sign a Development Management Agreement between CPCA and PropCo1 (Peterborough HE Property Company Limited).

340. University of Peterborough - finalisation and completion of legal documentation for the Peterborough R&D Property Company (PropCo2)

On being proposed by the Statutory Deputy Mayor, seconded by Councillor Nethsingha, it was resolved unanimously without debate to:

Delegate authority to the Director of Housing and Development, in consultation with the Monitoring Officer and Chief Finance Officer, to sign a Development Management Agreement between the CPCA and PropCo2 (Peterborough R&D Property Company Limited).

341. Part 5 – Transport and Infrastructure Committee recommendations to the Combined Authority Board

The recommendations from the Transport and Infrastructure Committee had been published late, and had been accepted by the Chair for consideration at the meeting on the following grounds:

1. Reason for lateness: The Transport and Infrastructure Committee met after the statutory deadline for publication of the agenda and reports for the Combined Authority Board meeting on 25 January 2023.
2. Reason for urgency: To delay consideration of these reports until the Board's meeting on 22 March 2023 would result in a delay to the delivery of a number of Transforming Cities Fund schemes that were time critical and hinder the seamless continuation of bus services across our region.

342. Local Transport and Connectivity Plan January 2023

On being proposed by the Statutory Deputy Mayor, seconded by Councillor Nethsingha, it was resolved by a majority without debate to:

Approve the drawdown of £100,000 of STA funding, and the application of a £178.5k ringfenced grant received from the Department for Transport (DfT), to undertake the next stages of the Local Transport and Connectivity Plan (LTCP).

The vote in favour included the votes of the members representing Cambridgeshire County Council and Peterborough City Council.

343. Bus Assessment Framework and Tendering of Services (KD2022/084)

Councillor Boden declared an interest in this item, in that he was a trustee of one of the service providers concerned. He did not speak or vote on recommendation b). Minute 327 above also refers.

The Transport and Infrastructure Committee (TIC) had agreed that a thorough, robust and comprehensive review of the bus network was needed, and that it was important that this work was informed by public consultation. It was envisaged that a full review of the service across the region would be presented to the TIC in the autumn for consideration, ahead of the budget setting process later in the financial year. Feedback was and would continue to be sought from the committee on the direction of travel of the framework, and that would come back to the Board and committee in due course. A number of bus services had been withdrawn by Stagecoach in September 2022, and as a result the CPCA had carried out a comprehensive tender process that offered alternative operators the chance to provide these services. These 23 services were due to finish at the end of March 2023 unless the CPCA invoked an extension clause. The decision on funding for passenger transport and buses was inextricably linked with the discussions earlier in the meeting, and therefore the notice period to operators might be limited. In addition, at the Board meeting in October 2022, members had been informed about a short-term waiver that had been issued to delay the tender of the six services due to terminate at the end of March 2023, rather than the original contract end date. The TIC recommended that the Board approve the procurement and re-tendering of these six services listed in recommendation b), and to approve the extension of the current 23 contracts for a period of 12 months subject to budget approval of these services.

Councillor Boden noted that the 23 contracts referenced at recommendation c) would, if an extension was approved, be reviewed as part of the full review of services. In the context of the budget amendment discussed earlier in the meeting (minute 333 above refers) he hoped that there was acceptance that the CPCA must look at the value for money of individual services. He asked whether contract extensions could be terminated before 1 April 2024 and the money spent elsewhere if this was identified as an option. If the Board would be locking itself into the contract extensions for 12 months, he considered this a wasted opportunity.

On a point of clarification, Councillor Bailey asked whether the six contracts listed at recommendation b) for approval had already been put out to tender and to procurement. The Interim Head of Transport confirmed that this was the case. The Interim Monitoring Officer stated that the procurement process had started, but that

these were pre-emptive actions. As far as she was aware, operators had not been promised contracts and potential providers were aware that this was subject to the approval of the Board. Councillor Bailey expressed great concern that once again there had been a breach of governance in relation to transport contract approvals, whereby members of the TIC had been invited to recommend the procurement and re-tendering of services and the Board was being asked to ratify that decision when it was already happening. This issue had been discussed in depth at the last Board meeting in relation to the TING. Councillor Bailey had been relatively understanding of the rationale when there had been the pressing time constraint of the March deadline to review all bus services, and there were a number of bus services that had not been out to tender for some considerable time and so needed re-tendering in order to show best value. These were the six services referenced in the recommendations to the TIC. However, the other former Stagecoach services had been recently re-tendered and could be dealt with through contract extensions. However, that rationale was irradiated by the later changes to what was understood to have been going to be the process of running the bus framework analysis for the March deadline, and deciding which bus services to continue. On this basis, she felt that there was no justification for officers to go out to procurement, put these services out to tender and then seek retrospective approval. She did not consider this as serious a breach of governance as the circumstances around the TING, when a contract had been tendered and awarded without Board approval and in contravention of the relevant process, but it was another example of things happening without proper permission, process and governance. In this case, there had been no reason to rush the decision.

Councillor Bailey, seconded by Councillor Fitzgerald, proposed an amendment to recommendation b), to:

- b) Approve the procurement and **retrospectively approve** retendering of the services provided by the 6 contracts as listed at 2.10 of this report. To also approve the budget for these services.

*Additional wording shown in **bold text**.*

The Interim Head of Transport stated that officers had gone out to tender on the six contracts referenced in recommendation b), but that no financial or other commitment had been made in relation these contracts. The Interim Monitoring Officer reiterated that all bidders had been told that the award of contracts would be subject to Board approval. The early stages of the procurement process had been undertaken, but the CPCA was not committed to entering into a contract.

Councillor Fitzgerald commented that this appeared to be clumsy language. The Interim Head of Transport had confirmed that officers had gone out for procurement, so the Board could not be asked to approve something which had already happened. This had happened now a couple of times in relation to bus contracts. In future, he asked that Board members should be advised in advance about any proposals of this type to ensure that they were sighted and comfortable. **Action required**

The Interim Chief Executive commented that there had been no explanation of why officers had taken this course of action. The Associate Director stated that one reason for going out to tender sooner was to give operators as much time as possible to prepare their bids. He confirmed that retrospective approval was being sought for the tendering process, and that procurement would follow.

On being put to the vote, the amendment was carried by a majority vote in favour which included the votes of the representatives of Cambridgeshire County Council and Peterborough CITY Council. Councillor Boden did not take part in the debate or the vote.

Speaking to the substantive recommendations, as amended, Councillor Nethsingha commented that the current bus network had been largely determined by Stagecoach, rather than by a democratic approach. Moving to a better network would take time. A number of providers had stepped in, but there had been difficulties recruiting drivers. In her view, there was a need to give bus operators and bus users a sense that the CPCA was committed to improving the bus network in the longer term. She was aware that there were still reliability issues with some services, but felt it was critical to support the existing network in the short-term to give confidence to those providers who had stepped in that there was a long-term future. In relation to the budget amendment discussed earlier in the meeting (minute 333 above refers), she understood that the costs described did not include concessionary fares. In her view, this made a big difference in relation to how much those routes were actually being used and she felt there was a need to ensure continuity of service.

Mr Plant spoke of the need to move at pace towards the optimal provision of bus services, and to get the best understanding of demand to achieve the best fit with services. He would not want to be boxed in this time next year.

Councillor Boden accepted that there would never be a perfect system in place, but that it could be better. He felt that the last seven months represented a wasted opportunity to review the urgent action taken and look for better interim measures to get better value for money. He gave the example of Whittlesey, which had lost more than half of its bus services, but which had attracted no money from the CPCA. However, it seemed that the CPCA was spending some money in inefficient ways. The numbers contained in the budget amendment had been provided by officers. To have 19 months of running services before changes were made was in his view far too long and was a failure to take advantage of a chance to achieve better value for money.

Councillor Bailey felt that the decision to defer the bus discussion from March to the autumn was very disappointing and questioned when this had been agreed, commenting that there was a need to expedite this work to provide better services for people. The Local Bus Service Assessment Framework (LBSAF) had set an upper subsidy limit of £12 per journey, and by adopting the LBSAF the CPCA was adopting that limit. She had been pressing officers for weeks to include the number of free bus pass users in the hierarchy of bus subsidies list because these were critically important, but that data was not available. As of today, 22 of the 54 services on the list would not comply with the LBSAF limit of £12. Councillor Bailey noted that the proposals were for contract extensions, and asked about the implications if these contracts were extended for a shorter period. The Deputy Mayor agreed that it would be helpful to know whether there was scope to reduce the length of the contract extensions, and how quickly the planning and thinking around future arrangements would be available so that next year this could be considered strategically. The Associate Director agreed it was right to press to move forward at pace on the review of the bus network. The work had started, but would not be ready for decisions to be taken before the end of March. He noted that bus operators could change their mind about their service offer at any time and some flexibility was needed to adapt to changing circumstances. Bus driver capacity was also an issue, and this was being considered in the context of the CPCA skills

programme. The LBSAF was an important input into the work to review the bus network and the Bus Strategy would also be important to this. The Interim Head of Transport advised that the extension of the 23 contracts (18 + 5) did need to be for a year or not at all, as the CPCA had entered into the contract on the basis of 3 +1 +1 years. It might be possible to agree a shorter contract for the remaining six routes, and officers would take this point away. The Deputy Mayor stated that the Board would not wait until the autumn to start discussing work on the bus network, although the final decision would be taken then. In her view, if the Board did not agree the contract extension for the 23 routes for a year they might be lost completely. However, a break clause might be possible in relation to the six routes referenced in recommendation b). Councillor Bailey voiced strong concerns, stating that the Board had been asked to approve the 23 contracts on the basis that this would be until March 2023, but was now being told that it was for another year beyond that. The Interim Monitoring Officer stated that the contract agreed in March 2022 had a built-in extension of 12 months plus 12 months. That was why officers were seeking a 12 month extension.

Councillor Fitzgerald stated that fundamentally he supported the concerns expressed by Councillors Boden and Bailey. However, there was a bigger issue around current services and he did not want to stand in the way of that. There were though a lot of questions to answer. He noted that there were no plans in place around the end of the central Government bus subsidy at the end of March, and asked that it should be recorded that he would be voting in favour of the recommendations, but with reservations.

On being proposed by the Statutory Deputy Mayor, seconded by Councillor Nethsingha, it was resolved without vote to:

- a) Note the outline programmes for the continued development of the Bus Strategy, the review of the Bus Franchising business case, and refreshed Bus Service Improvement Plan programme and the additional resources being used to accelerate this work;

It was resolved by a majority to:

- b) Approve the procurement and retrospectively approve retendering of the services provided by the 6 contracts as listed at 2.10 of this report. To also approve the budget for these services.
- c) Approve the extension of the current 23 contracts with providers for a period of 12 months subject to budget approval for these services. These contracts will be reviewed as part of a full review of services.
- d) Feedback on the development of the Local Bus Service Assessment Framework.

It was resolved unanimously to:

- e) Approve the reappointment of the current suppliers for the provision of the ENTCS (English National Concessionary Travel Scheme). In addition to approve the budget for this service.

It was resolved by a majority to:

- f) Delegate authority to the Interim Head of Transport to enter into contracts with successful bidders as at recommendation b), to enter into contracts to extend the period as stated at recommendation c) and to enter into contracts with the suppliers as at recommendation e).

The majority votes in favour included the representatives of both Cambridgeshire County Council and Peterborough City Council.

The Statutory Deputy Mayor asked the Interim Chief Executive to arrange an early meeting to talk through the issues raised in the debate. **Action required**

344. A1260 Nene Parkway J32/2 Full Business Case (KD2022/062)

On being proposed by the Statutory Deputy Mayor, seconded by Councillor Boden, it was resolved unanimously without debate to:

- a) Approve the Full Business Case in Appendix 1.
- b) Approve the drawdown of £5,850,000 from the subject to approval line in the MTFP to begin construction
- c) Approve £3,441,880 from the Transforming Cities Fund programme also for construction of this scheme.
- d) Delegate authority to the Interim Head of Transport in consultation with the Chief Finance Officer and Monitoring Officer to enter into a Grant Funding Agreement with Peterborough City Council.

345. March Area Transport Study: Broad Street Construction Funds (KD2022/067)

On being proposed by the Statutory Deputy Mayor, seconded by Councillor Boden, it was resolved unanimously without debate to:

- a) Approve the drawdown of £4,149,825 for the construction of MATS Broad Street.
- b) Approve the drawdown of £300,000 for the completion of the FBC 2.
- c) Delegate authority to the Interim Head of Transport in consultation with the Chief Finance Officer and Monitoring Officer to enter into Grant Funding Agreements with Cambridgeshire County Council.

346. Fengate Phase 1 Construction Funds (KD2022/068)

On being proposed by the Statutory Deputy Mayor, seconded by Councillor Boden, it was resolved unanimously without debate to:

- a) Approve the drawdown of £6,665,696 to construct the Fengate Access Study Improvement Schemes.

- b) Delegate authority to the Interim Head of Transport in consultation with the Chief Finance Officer and Monitoring Officer to enter into Grant Funding Agreements with Peterborough City Council.

347. Local Transport Model Full Business Case (KD2022/079)

On being proposed by the Statutory Deputy Mayor, seconded by Councillor Boden, it was resolved unanimously without debate to:

- a) Agree the full business case for the Transport Model including the timeline and future arrangements for the delivery of the Model.
- b) Approve the drawdown of £1.721m allocated within the Medium-Term Financial Plan for the delivery of the model.

[Councillor B Smith left the meeting at 2.03pm]

348. Authorisation of expenditure on ZEBRA zero emissions buses project (KD2022/080)

The Board had agreed in September 2021 to establish a CPCA-led consortium to buy 30 zero-emission double decker buses. Funding had been provided by the Department for Transport (DfT), the CPCA, the Greater Cambridge Partnership (GCP) and Stagecoach. The new buses had been due to enter service in September 2022, but this had been delayed. All of the new buses would be in service by April 2023.

Councillor Boden voiced the assumption that the new buses would belong to Stagecoach. If these were replacements for existing buses, he would like to know what would happen to the vehicles they would be replacing and whether any recompense was possible. The Interim Head of Transport offered a response on this outside of the meeting, once more information had been obtained from Stagecoach. Councillor Boden expressed himself to be astonished that the project had reached this point without knowing who would own the new assets. **Action required**

Councillor Fitzgerald was happy to support the proposal, and referenced the £4m funding which had been received by Peterborough City Council (PCC) the previous week to do the same thing.

Councillor Nethsingha welcomed the arrival of the new electric buses, although the delay was disappointing. A small number of electric buses were already in service in Cambridge, and were much better for those cycling near to them. She understood that the new buses would largely be replacing the existing Park and Ride bus fleet, and so would make a big difference to pollution levels in Cambridge. If the process was being started now she would not want to use Stagecoach, but she considered these to be small steps in a better direction and hoped to see similar progress in Peterborough. Officers stated that the second round of the ZEBRA scheme was understood to be imminent, and it would be critical to work with PCC on that in relation to the work on the electric bus depot.

On being proposed by the Statutory Deputy Mayor, seconded by Councillor Fitzgerald, it was resolved by a majority of those present and voting to:

Approve capital expenditure of £2,994,000 of funds allocated to the approved ZEBRA Business Case.

The majority vote in favour included the representatives of both Cambridgeshire County Council and Peterborough City Council.

Part 6 – Skills Committee Recommendations to the Combined Authority

349. ARU Peterborough Phase 3 Full Business Case and monitoring arrangements for the new University (KD2022/051)

On being proposed by the Statutory Deputy Mayor, seconded by Councillor Nethsingha, it was resolved unanimously without debate by those present to:

- a) Approve the University of Peterborough Phase 3 Living Lab, Full Business Case.
- b) Note the following next steps for the development of a University Programme Business Case:
 - i. In consultation with the University partners and shareholders of PropCo1 and PropCo2, review governance arrangements with a view to developing a programme related governance structure.
 - ii. Preparation of the Campus Outline Planning Application for the potential future ambition.
 - iii. Further progress update against progress measures agreed with partners including outline for the University of Peterborough Programme Business Case.

350. Wave 4 Skills Bootcamps (KD2022/074)

On being proposed by the Statutory Deputy Mayor, seconded by Councillor Nethsingha, it was resolved unanimously without debate by those present to:

- a) Accept the Grant Funding from the Department of Education in the sum of £2,878,150.00 to deliver Wave Four Skills Bootcamps for the 2023-2024 financial year.
- b) Approve an addition of a corresponding budget for delivery of the Wave Four Skills Bootcamps in the 2023-2024 budget.
- c) Delegate authority to the Interim Associate Director of Skills, in consultation with the Chief Finance Officer and Monitoring Officer to:
 - i. enter into, sign and award grant agreements or awards to training providers to deliver Wave Four Skills Bootcamps with existing providers, where procurement regulations allow and enter into contracts with new

providers for Wave Four following an appropriate procurement exercise, and

- ii. where appropriate, extend contracts with existing providers.

Part 3 – Improvement

351. Combined Authority Monthly Highlights Report: January 2023

The Interim Chief Executive provided a verbal update on matters arising since the meeting papers had been published. Board members had seen the Best Value Notice which had been issued to the CPCA by the Department for Levelling Up, Housing and Communities (DLUHC) the previous day. This was a new mechanism and reflected the Government establishing a framework to bring a gradation to its forms of intervention. In one sense, this was a description of what the Board already knew, and it did include a small acknowledgement of the Improvement Plan agreed by the Board. The Interim Chief Executive had met officials the previous afternoon, and there was an expectation of a quarterly update and review against the items in the letter which he judged to be helpful. The letter also highlighted the importance which DLUHC attached to the Independent Improvement Board (IIB). Lord Kerslake, the Chair of the IIB, would be providing DLUHC with quarterly updates.

Turning to the report, the Interim Chief Executive drew the Board's attention to the second quinquennial review of the CPCA which would take place in 2023/24, and which was the mechanism to release devolution deal funding for the following five year period. A different process would be in place for this cycle, with the CPCA needing to commission and pay for a design for the evaluation of its work prior to a final challenge meeting in around two years' time. This would involve significant cost, and would be happening in a number of combined authorities. The report also set out the funding which had been agreed since October, in addition to the funds for the Peterborough Station Quarter project which had subsequently been announced. He highlighted the significant work involved for officers within the CPCA and the constituent councils in producing bids, giving an example in the pre-Christmas period when a 72 hour bidding window had been announced and funding of over £8m had been collectively secured. The Statutory Deputy Mayor asked that the Board's thanks should be conveyed to officers for all they were doing.

Councillor Boden spoke of the need to improve, and to be seen to improve, governance, best value and best value for money and that on-going investigations were concluded as soon as possible. He sought clarification of whether there was to be a continuation of the restriction of funding to the CPCA. The Interim Chief Executive stated that he was not sure whether the letter referenced future funding or not; rather, it stated that the fact that the CPCA received funding should not be taken as an endorsement of progress. He had written to a senior official about funding continuation before Christmas and chased this in the new year, but had not yet received a reply.

Mr Plant highlighted the greater activity being seen around devolution and saw this as an opportunity to look at future opportunities for the CPCA, notwithstanding its on-going improvement work. This would benefit from the collective support of the CPCA, the

Business Board and constituent councils. Work around East West Rail and the OxCam pan-regional partnership had also come back into focus, and would align with this.

Councillor Fitzgerald commented that the issuing of the Best Value Notice had effectively placed the CPCA in special measures. The letter from DLUHC was very serious and a judgement on the CPCA's current position, although it did acknowledge the work being done. He urged Board members to take account of this and expressed the hope for collective improvement. The Interim Chief Executive commented that he did not think the term 'special measures' was quite right. It was a non-statutory letter, and had been described in his meeting the previous day with officials as a warning letter. It was a regularisation of the current position.

Councillor Nethsingha commented that everyone in the room was aware that there were major concerns about the CPCA, and that this had been the case for some period of time. She welcomed the recognition of the role of the Independent Improvement Board (IIB) in the DLUHC letter, and the clear expectation around full engagement with the IIB.

Councillor Conboy described the letter as regularising the current position, and welcomed the positive engagement which had been demonstrated during the meeting. In her judgment, the greatest cause for concern would be if an organisation was unaware that it had an issue. The CPCA was acutely aware of its issues, but improvement was a journey and the momentum must be maintained.

It was resolved to:

Note the content of this report.

352. Improvement Plan Update - December 2022

The Board was invited to note the progress that had been made across all areas of the Improvement Plan, whilst acknowledging that there was still much to do. A staffing structure had been put in place for the office of the Mayor; the senior staffing structure had been agreed; a workshop with the Business Board had taken place on 7 December 2022; consultation on the Bus Strategy had begun on 9 January 2023; and the constituent councils' chief executives were actively involved and their contributions valued. Changes for timelines on delivery had been made in conjunction with the chief executives engaged with each area. An induction day had been held for the Independent Improvement Board (IIB) which had included the involvement of Board members and constituent council chief executives, and the IIB would begin to meet bi-monthly. The report also set out the key areas identified by the Board where progress should be seen, to identify and take learning and to maintain pace.

Councillor Fitzgerald welcomed the work being done and the progress being made, but emphasised that there was still a long way to go. He would not want anyone watching the meeting to feel that this was not understood.

The Statutory Deputy Mayor described herself as encouraged by much of the debate which had taken place to develop an operating model to deliver for the CPCA's residents.

It was resolved to:

- a) Note the progress against the Corporate Improvement Plan in December 2022.
- b) Note the outcome from the inaugural meeting of the Independent Improvement Board held on 17 January 2023.
- c) Note the proposals for a three-month assessment of progress against the key deliverables identified in the Chief Executive's assessment.

353. Combined Authority Governance Arrangements

With the consent of the Board, this report was deferred to the meeting on 22 March 2022.

Part 7 – Governance Reports

354. Constitution Review

With the consent of the Board, the report was deferred to the meeting on 22 March 2022.

355. Procurement Policy

On being proposed by the Statutory Deputy Mayor, seconded by Councillor Nethsingha, it was resolved unanimously without debate by those present to:

- a) Approve the attached procurement policy.
- b) Delegate authority to the Monitoring Officer in consultation with the Chief Finance Officer/S.73 Officer and the Chief Executive Officer to amend the policy when the expected changes in law come into force, later this year.

356. Implementation of Subsidy Control Act 2022

On being proposed by the Statutory Deputy Mayor, seconded by Councillor Nethsingha, it was resolved unanimously without debate by those present to:

- a) Note the commencement of the UK Subsidy Control Regime on 4th January 2023 and the implications of this for the Combined Authority.
- b) Subject to (c) below, unanimously agree the delegation of authority to each of the Combined Authority's Executive Directors to sign off Subsidy Control Assessments on behalf of the Combined Authority in consultation with the Monitoring Officer and Chief Finance Officer, and to note that such delegation will be added to the Standing List of Delegations to Officers contained in the Constitution.

- c) Approve the delegation of authority to the Combined Authority's Chief Executive in consultation with the Mayor, the Monitoring Officer and Chief Finance Officer to sign off Subsidy Control Assessments for subsidies that are subject to referral to the national Subsidy Advice Unit, and to note that such delegation will be added to the Standing List of Delegations to Officers contained in the Constitution.

357. Forward Plan January 2022

On being proposed by the Statutory Deputy Mayor, seconded by Councillor Nethsingha, it was resolved unanimously without debate by those present to:

Approve the Forward Plan for January 2023.

(Mayor)

Cambridgeshire and Peterborough Combined Authority Board
January 2023

Public question

	Question from:	Question to:	Question:
1.	Kelly Whitley, local resident	Councillor Anna Smith, Statutory Deputy Mayor	My twin teenagers are in further education in Cambridge, but our village of Bassingbourn has no bus service to Cambridge, nor any bus service at all to take them to the nearest public transport link in Royston early enough in the morning to reach college. Both boys also work at McDonald's in Royston at weekends but there is no bus service at all on a Sunday, and Saturday bus times, like weekdays, are very limited. The cycling route along the A1198, crossing the A505 roundabout, is dangerous and we do not own a car. I am a single mum with two younger children as well and cannot afford regular taxi fares to Royston. Young people in Bassingbourn, which is a relatively large village, have no suitable public transport links for young people needing to get to education, training and jobs. What can the Combined Authority advise for my sons?
	Response from:	Response to:	
	Councillor Anna Smith, Statutory Deputy Mayor	Kelly Whitley, local resident	<p>Thank you for this timely and important question.</p> <p>As a former teacher in sixth forms in Cambridge, I really sympathise with the issues your twins are facing on a daily basis. So many of our young people rely on public transport and active travel to access our key services and employment locations across the whole of Cambridgeshire and Peterborough. This is something that the Combined Authority and our constituent councils are committed to working on to improve.</p>

	Question from:	Question to:	Question:
			<p>It is so important that we encourage people to use an improved bus network as we cannot simply afford for people to buy cars to make up for failing public transport or lack of active travel, especially as driving is not an option for everyone. That is why, as part of the Local Transport and Connectivity Plan, we have developed a Bus Strategy that outlines the strategic goals for our bus network. This will provide a basis for funding bids to Government to hopefully allow for these improvements to be made.</p> <p>The strategy, which is currently out for consultation, consists of a new way of running services in the first place, including franchising, in order to give more control over routes and schedules. The Greater Cambridge Partnership is currently out to consultation on sustainable travel zones, which would see an additional £50M invested in buses, which would be the biggest shake up of buses outside London since services were deregulated in 1985.</p> <p>It goes without saying that better buses will benefit everyone, providing access to education, training and employment, as well as the ability to reach all the things that people need in their daily lives. Despite the importance of bus travel, we know that services have been in decline for many years, and it is vital this is addressed if we are to achieve our ambitions for social equality, accessibility, climate change and public health. Therefore, this Board meeting will be examining the financial options available to it to maintain and improve the bus offer for the people of Cambridgeshire and Peterborough, including Bassingbourn.</p> <p>Especially in relation to active travel, we acknowledge that safe cycle routes are needed in so many places across our region. I understand that Bassingbourn to Royston features in the Cambridgeshire Active Travel Strategy, and in that context will be in the next iteration of the Local Cycling and Walking Infrastructure Plan. In order to progress this scheme in a timely manner, funding is important, and the</p>

	Question from:	Question to:	Question:
			<p>Combined Authority alongside Cambridgeshire County Council are exploring sources to ensure this scheme can be delivered.</p> <p>A key part of the Combined Authority's new Active Travel Advocate's role will be examining accessibility and routes within our rural and semi-rural areas by bike and foot. The outputs from this work will form the basis of our bid for further funding from Active Travel England, with the hope that this vital improvement can be made to the routes in these areas of our region.</p> <p>Finally, as part of the recommendations from the Transport and Infrastructure Committee, Route 17 – which is Royston, Bassingbourn and the Mordens – is one of the six contracts we are seeking approval for today to allow procurement and re-tendering. If this is agreed and the procurement is approved, then the Interim Head of Transport and his team will engage with the successful bidder and operator to ensure that your views and those of the community are understood and we subsequently seek to improve the offer for those living in Bassingbourn.</p> <p>Thank you.</p>