

Overview and Scrutiny Committee – Mayor’s Question Time Session – 11am 17 October 2022

Each question will be read out by a member of the Committee and a supplementary follow up question will be allowed.

No.	Received from	Question
1.	Cllr Hassell	<p>How does the CPCA seek to address the, potentially opposing, challenges of required economic growth with the need to meet climate change targets?</p> <p><u>Response:</u></p> <p>I am proud that the Combined Authority’s Sustainable Growth Ambition Statement sets out a vision for ‘good growth’ that considers the Six Keys as an assessment framework – the six keys include climate, innovation and infrastructure. Economic growth and the climate response can, and should be seen, as compatible. A good environment is essential for good growth, and vice versa. There are economic opportunities for Cambridgeshire and Peterborough as we move towards a low-carbon economy, including the retrofit market and our strengths in technological innovation. Our strategies, such as the Skills and Economic strategies and the forthcoming Local Transport and Connectivity Plan, are designed to assist in that transition to a low-carbon economy that can support a good quality of life.</p> <p>One such example is the provision of transport in West Huntingdonshire to connect to key local towns – the Ting service. Specifically, this transport initiative connected over 600 festival goers to Buckfest in the summer. The service connects people, in this case, typically young music enthusiasts to key towns and events removing reliance on individual car journeys and their environmental impact, and importantly given connection and access to cultural opportunities and growth.</p>

2.	Cllr Hassell	<p>In the rural areas of Cambridgeshire and Peterborough, what is your 'active travel' strategy to address climate change targets, reduce pollution levels and increase fitness levels in communities that are currently highly dependent on cars?</p> <p><u>Response:</u></p> <p>Active travel in rural areas will be a priority for the Combined Authority in the next financial year, that will complement the work currently being undertaken by Active Travel England (ATE). CPCA has just been awarded £3.4million from the new £110m Rural England Prosperity Fund to support projects that will boost the rural economy and jobs in our region.</p> <p>The Combined Authority will be in a good position to bid for Tranche 4 funding from ATE that it is expected to further focus on rural active travel improvements.</p> <p>The Combined Authority are working with Cambridgeshire County Council on the development of an Active Travel Strategy, which is heavily linked and influencing our Local Transport and Connectivity Plan. As part of this work the Combined Authority will be engaging an Active Travel Advocate to challenge and advise the development of innovative initiatives and schemes.</p>
3.	Cllr Hassell	<p>What actions are you taking to reinstate the recent cancellations of key rural bus routes by Stagecoach and what actions can be taken to prevent other companies from taking similar action against, what they consider to be, unprofitable routes?</p> <p><u>Response:</u></p> <p>In my time so far as Mayor, no issue has evoked as strong a response as this announcement by Stagecoach. I maintain that this decision by Stagecoach, whilst they continue to receive government funding, is absolutely unacceptable, and the timing during a cost-of-living crisis could not be worse.</p> <p>I authorised an urgent process to retender the affected routes, with the intention of retaining as many of the affected bus services as possible, like-for-like, and with no gaps in service. This took place the day after</p>

		<p>Stagecoach announced their withdrawal of services with the process launching quickly and running until 13th October.</p> <p>The Combined Authority has identified up to £1.7m to support as many of the withdrawn services as possible between the end of October and the end of March 2023.</p> <p>The outcome from the retendering process will be reported to Combined Authority Board on 19th October for decisions to be taken on which withdrawn routes can be supported and maintained. The initial response from other bus operators to the retendering process has been very positive. These actions have the support of the Combined Authority Board.</p> <p>While stepping in to support bus services is necessary in the short term, it is clearly not sustainable in the long term. There has already been a severe lack of national investment and vision for buses going back decades. Covid-19 has brought many of the issues around passenger numbers, especially in rural areas and in our market towns, to a head.</p> <p>Change and a new future for our whole bus system is needed. The Combined Authority has been working on that new future through a dedicated Bus Strategy with the aim of providing high quality services for passengers, wherever they live and whatever their income. The Bus Strategy is planned for discussion at the Transport and Infrastructure Committee in November 2022.</p>
4.	Cllr Robertson	<p>At the July meeting of the Committee it was expected that a “natural review point” in the Improvement Plan would be reached by September. Has there been a review of progress and is the Mayor confident that on completion of the Plan the Combined Authority will have “sufficient capacity, capability, and appropriate culture to support the effective governance and operation of the organisation and how it discharges its statutory services” and will satisfy the DLUCH and the external and internal auditors?</p> <p>In this context, could the Mayor confirm the programme and timetable for recruitment of a permanent Chief Executive and senior managers as required.</p>

		<p><u>Response:</u></p> <p>The Combined Authority Board will discuss a paper on 19th October seeking the approval of a recommended revised executive director structure and permission to commence recruitment activities. Indicative timescales will be provided to the Board and it is expected that roles will be recruited and in place for Spring 2023. A more detailed timeline will be developed following Board discussion.</p>
5.	Cllr Dupre	<p>Without using the words <i>compassion</i>, <i>community</i>, <i>co-operation</i>, or the phrase <i>the three Cs</i>, what is your strategic vision for Cambridgeshire & Peterborough?</p> <p><u>Response:</u></p> <p>To make life better, healthier, and fairer for all. To strive to serve our community by working cooperatively and leading with compassion; aiming for growth – but good growth. To close the gap in healthy life expectancy and salaries, increase access to employment and education, protect our environment and boost innovation. To deliver this, six key areas to use as an assessment framework have been set out that will help unlock sustainable growth for the region.</p> <ul style="list-style-type: none"> • Innovation • Health and Skills • Infrastructure • Climate and Nature • Finance • Inequalities <p>There is work currently taking place to refresh this vision and it is proposed that discussion will take place through November; including at Leaders Strategy Meeting on route to Board in January 2023</p>
6.	Cllr Dupre	<p>Is there any benefit to Cambridgeshire & Peterborough in having a Mayoral Combined Authority, and if so, what is it?</p> <p><u>Response:</u></p>

		<p>Many other areas of the country are continuing to work towards devolution, they want what we've managed to successfully get for our region. Which is the <u>opportunity</u> for member councils to be collectively more ambitious in their joint working and take advantage of powers and resources devolved to them from national government that would otherwise not have been available. Having a combined authority that is well placed to have a single and powerful voice with Central Government and the wider system.</p> <p>Working well with our constituent councils and business partners around shared ambitions places our region into a good position to take up future opportunities, including awarding of funding.</p> <p>We've already taken advantage of that opportunity to the extent that we've brought forward projects that have been under discussion for some many years. Deliverables that have been achieved at pace and within appropriate financial envelopes as a result of having a Combined Authority are the new ARU Campus in Peterborough, Soham Station, Kings Dyke, the Independent Climate Commission as well as additional investment in digital connectivity, our market towns and skills and learning so this area can grow more quickly and more sustainably.</p> <p>We shouldn't forget that being an elected Mayor I also bring the democratic accountability to ensure that there is accountability to delivering what we say we are to.</p> <p>Looking forward being a Mayoral Combined Authority enables the mayoral influence to enable the bidding for potential investment zones, a future devolution deal, lobbying for fairer funding and enable delivery of our revised strategy (to be discussed in December and January).</p>
7.	Cllr Dupre	<p>What is your strategic vision as Mayor for transport (in its broadest sense) in Cambridgeshire & Peterborough? Who do you need to work with to make this vision a reality, and how will you do that?</p> <p><u>Response:</u></p> <p>My inbox shows me that Connectivity and infrastructure continue to be areas of high priority not just for the combined authority but for residents, businesses and education providers.</p> <p>Much work has been done to progress the Local Transport and Connectivity Plan. The region's first Local</p>

		<p>Transport Plan was put in place in early 2020. Since then, many changes have taken place locally and in the wider world and I wanted the plan to be updated. The revision to this plan has been subject to a public engagement exercise and a 12-week public consultation that closed in early August 2022. This document outlined the strategic vision for transport, namely:</p> <ul style="list-style-type: none"> - <i>A transport network which secures a future in which the region and its people can thrive.</i> - <i>It must put improved public health at its core, it must help create a fairer society, it must respond to climate change targets, it must protect our environment and clean up our air, and it must be the backbone of sustainable economic growth in which everyone can prosper.</i> - <i>And it must bring a region of cities, market towns and very rural areas closer together.</i> - <i>It will be achieved by investing in a properly joined-up, net zero carbon transport system, which is high quality, reliable, convenient, affordable, and accessible to everyone. Better, cleaner public transport will reduce private car use, and more cycling and walking will support both healthier lives and a greener region. Comprehensive connectivity, including digital improvements, will support a sustainable future for our region's nationally important and innovative economy.</i> <p>This vision received significant positive feedback from the public and stakeholders alike. The transport team continue to work on the Plan, analysing and reflecting on the feedback to date and supplementing the strategic direction with further technical work in order meet the expectations of both the Board and central government alike.</p> <p>In order to achieve our vision, it will be essential for the Combined Authority and public and private stakeholders and partners to continue to work together in order to achieve our common goals for transport.</p> <p>On 2nd November 2022 the National Infrastructure Commission are visiting Cambridgeshire and Peterborough to discuss our region's infrastructure priorities. Transport is one of two themes being discussed and will enable clear articulation of our vision and opportunities.</p> <p>The impact of getting this right will be life changing, there are too many barriers that travel currently faces, be that no regular bus or train service impacting people's ability to get a decent job, education or just enjoy life with fun leisure opportunities with family and friends.</p>
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8.	Cllr Dupre	<p>How will the Combined Authority under your leadership instil confidence in central government about the authority's ability to deliver?</p> <p><u>Response:</u></p> <p>A priority for me is to continue build our organisation's relationships with key people in central Government; I will be actively doing this in the months ahead but I am proud of my track record over the last 18 months and am already delivering much for the region. The first students arriving at the new university for Peterborough this September, the opening of Soham station providing vital links to jobs, education and leisure. Currently I am working closely with officers to make sure we have the solutions to safeguarded vital bus routes so disastrously dropped by stagecoach. I am confident our strategy for a regional, affordable sustainable bus service will meet the needs of those communities it needs to serve.</p> <p>As Mayor I endorse and agree with the proposed key areas of improvement set out in the October Board Improvement report and associated delivery plan. Working with the Chief Executive I will provide leadership to the improvements identified within the proposed governance arrangements and will support the required changes to working and culture of the Combined Authority. I will work with colleagues to ensure the concerns set out by the external auditor are addressed to his satisfaction resulting in renewed confidence by DLUHC. We are already seeing the benefits of this approach; our recent meetings with partners has strongly shown our ability to lead and come together.</p>
9.	Cllr Smith	<p>Affordable Housing Programme:</p> <p>The Combined Authority will need sufficient resources to deliver the Improvement Programme, it is then important that monies owed to it are repaid in full and in a timely manner.</p> <p>It was reported to the Housing and Communities Committee on 7th October 2022, that £14.1m of the £30.3m in loans extended to East Cambs Trading Company Limited by Mayor Palmer was outstanding as of 16th August 2022. The cash flow is behind forecast and repayment by the due date of 31st March 2023 will depend on how quickly properties can be sold.</p>

		<p>As reported in the East Cambs Trading Company's accounts for the year ending 31st March 2022, the company had net liabilities of £1m. After the year end the company received a loan of £7.5m at a fixed rate of 4.5% from East Cambridgeshire District Council. This replaced the Council's loan of £4.9m at a fixed rate of 3.5% for which repayment was due between 31st March 2023 and 31st July 2023.</p> <p>Following the mini budget, financial commentators are forecasting the base rate to peak at 6.0% and house prices to fall by 10%. The prospects for rapid sales are bleak without heavy discounting of the assets on which the company is relying to repay the loans.</p> <p>Could the Mayor please confirm:</p> <p>i) Have the directors of the East Cambs Trading Company Limited given the Combined Authority sufficiently well documented evidence of its ability to draw down an alternative loan / facility to ensure repayment of the loan on 31st March 2023?</p> <p><u>Response:</u></p> <p>ECTC have confirmed that they have recently been granted a new facility of up to £7.5 million from East Cambridgeshire District Council, as evidenced in the decision list dated 26th April 2022 from the council meeting on 21st April 2022 (see item 9). Security for that loan is ranked behind the Combined Authority security until the Combined Authority loan is fully re-paid.</p> <p>ii) Will the Combined Authority take precedence over East Cambs District Council in the order with which the company will repay the outstanding debt to the Combined Authority in full?</p> <p><u>Response:</u></p> <p>The Combined Authority has a legal charge over the properties until they are sold, which ensures that as houses are sold re-payment is made to the Combined Authority to pay off the loan before other loan repayments.</p>
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10.	Cllr Sharp	<p>Does the shock withdrawal of bus services by Stagecoach expose the lack of plans for bus services?</p> <p><u>Response:</u></p> <p>In my time so far as Mayor, no issue has evoked as strong a response as this announcement by Stagecoach. My mailbox is full of emails from residents concerned about the loss of their service, from teachers who won't be able to get to school to teach and students who won't be able to get to college, to older members of our society who will lose their only means of transportation out of their village to get to the shops or attend essential hospital appointments. It will also lead to more cars on our already overburdened roads, which goes against our need to cut carbon emissions across our districts. I maintain that this decision by Stagecoach, whilst they continue to receive government funding, is absolutely unacceptable, and the timing during a cost-of-living crisis could not be worse.</p> <p>The Combined Authority Officer and I have acted at pace to find a solution to these cuts.</p> <p>Our bus services are a mixture of commercial routes (paid for from fares) and supported services (which we commission and fund through competitive tender). Around 90% of journeys on buses in the Combined Authority area are commercial. In recent months several economic factors have worsened the market for</p>

		<p>running commercial bus routes. Government has supported the bus industry during the Covid period through a Bus Recovery Grant (BRG). This grant was due to end on 30th September; however, on 19th August, following extensive lobbying by the Combined Authority and other Local Transport Authorities, the DfT announced a six-month extension to the BRG to continue supporting bus services in England outside London. Up to £130m is being provided under the extension, available from October and will be in effect until March 2023. The extension applies to commercial operators and Local Authorities.</p> <p>Stagecoach, is accepting the BRG from central government, whilst cutting critical services, the very services that will impact our vulnerable communities the most. In September it was confirmed by Stagecoach that a number of services will be withdrawn. Therefore, the Combined Authority has commenced a competitive tender process that offers alternative operators the chance to provide them. If some services remain in need of financial support and/or will be reduced, the Combined Authority will need to consider whether it is able to provide limited support. In order to retender the services in a timely manner, the Combined Authority are needing to work to very tight and restrictive timescales, outlined below:</p> <ul style="list-style-type: none"> • Final deregistrations noted on 16th September; • Services (contracts) put out to tender on 21st September; • Combined Authority in receipt of tenders on 6th October; • Combined Authority to analyse the potential results by 12th October; • Offer contracts subject to 10-day standstill period by 13th October; and • New contracts commence 30th October <p>In relation to a Bus Strategy, the Combined Authority wants to address significant transport related concerns around social exclusion and become a leader in public transport provision. Buses carry more people with less demand on road space. To ensure buses are not caught in congestion we need to provide new infrastructure. It is essential that we ensure that people can travel around the network safely, efficiently, and sustainably to achieve their social needs.</p> <p>The Bus Strategy will be prepared by the Combined Authority, working with constituent councils, stakeholders, and public transport operators. It is important that a bus network is created and maintained that people want, and are able to use, so that, as we emerge from the Covid-19 pandemic, we see growth in passenger</p>
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11.	Cllr Sharp	<p>In view of the mayor's response to the mini budget by the Chancellor of the Exchequer that there was not enough emphasis on skills, how does he compare that to the report to the July Overview & Scrutiny Committee that the number of jobs created was below the forecast number.</p> <p><u>Response:</u></p> <p>Job creation and skills budgets are not necessarily a direct correlation of impact. Our skills funding is to support individuals at all points of their lives and careers in job roles that are both currently in existence and those that are emerging.</p> <p>Alex Plant, Chair of the Business Board and my joint response to the mini-budget was a call for further and increased devolution of all skills budgets. Businesses continue to tell me that accessing people with the right skills is a barrier to growth. This is following a period of chronic underfunding for adult skills, and limited funding available for post 16 education.</p> <p>I am proud of the way the Combined Authority has been successful in their competitive tender to attract further funding to the area to develop higher level technical skills for adults. This aligned to regional and industry needs, bringing in excess of £5m, in addition to the devolved Adult Education Budget. This is in line with the</p>

		<p>Employment and Skills strategy, and further funding will allow the Combined Authority to direct the support to the individuals and areas where the need is greatest to support economic growth and recovery.</p> <p>The Overview and Scrutiny report in July showed an underperformance in job creation against the Local Growth Fund and the Growth Works contracts. It is important to note that during the presentation apologies were given regarding the way that information was presented. Whilst job creation does indeed look lower than expected, timelines were not provided in the initial report, recognising that many projects are working to a ten-year target. Some of the projects that are delivering job creation are within their infancy, for example the University of Peterborough and as such, job creation will follow. Currently performance of all contractors is being managed to ensure that all projects are delivering upon the job creation metric. It is recognised that whilst figures may appear to be behind, performance has not dropped unexpectedly, but growth is slower than anticipated, against a difficult economic backdrop following Covid, Brexit and the war in the Ukraine.</p>
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