



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY: MINUTES

Date: Wednesday 31 July 2019

Time: 10.30am – 1.30pm

Venue: Council Chamber, Fenland Hall, County Road, March, PE15 8NQ

Present: J Palmer (Mayor)

Councillors A Bailey – East Cambridgeshire District Council, G Bull – Huntingdonshire District Council, C Count - Cambridgeshire County Council, J French – Fenland District Council, J Holdich – Peterborough City Council, M Sargeant – Cambridge City Council and B Smith – South Cambridgeshire District Council

Co-opted Members J Ablewhite (Police and Crime Commissioner) (to 12.40pm) and Councillor D Over (Vice Chairman, Cambridgeshire and Peterborough Fire Authority)

386. ANNOUNCEMENTS, APOLOGIES AND DECLARATIONS OF INTEREST

Apologies were received from Mr A Adams, Interim Chair of the Business Board, Councillor C Boden, (substituted by Councillor J French) and Councillor L Herbert (substituted by Councillor M Sargeant). Unfortunately Mr Adams' substitute was also unable to attend so the Mayor asked John T Hill to join the meeting in his capacity as the Chief Officer to the Business Board so that he would be able to brief members on the Business Board's views where relevant. Mr Hill would have no voting rights.

There were no declarations of interest.

387. MINUTES – 26 JUNE 2019

The minutes of the meeting on 26 June 2019 were agreed as an accurate record and signed by the Mayor.

388. PETITIONS

No petitions were received.

389. PUBLIC QUESTIONS

No public questions were received. The Mayor stated that a number of comments had been received from the Overview and Scrutiny Committee. These would be heard when the relevant agenda item was reached.

390. COMBINED AUTHORITY FORWARD PLAN

The Mayor stated that the Forward Plan was available to view on the Combined Authority website and was updated regularly. The version included with the meeting papers was published on 19 September 2019 to coincide with the publication of the agenda for the Overview and Scrutiny Committee. There had been no changes since publication.

The Forward Plan was noted.

391. EXECUTIVE COMMITTEES – CHANGES IN MEMBERSHIP

The Board reviewed the changes to Executive Committee membership proposed by Fenland District Council and Huntingdonshire District Council. Councillor Bailey stated that she had previously advised that she would be East Cambridgeshire District Council's substitute member on the Skills Committee and asked that this should be recorded again.

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

- a) Approve the change of lead member on the Transport and Infrastructure Committee for Fenland District Council from Councillor Chris Boden to Councillor Chris Seaton and the substitute member to Councillor Chris Boden.
- b) Approve the substitute member on the Housing and Communities Committee for Fenland District Council from Councillor David Oliver to Councillor Sam Hoy.
- c) Approve the change of lead member on the Skills Committee for Huntingdonshire District Council from Councillor Graham Bull to Councillor Jon Neish;
- d) Note the vacant seat for the East Cambridgeshire District Council substitute member on the Skills Committee will be filled by Councillor Anna Bailey.

392. BUSINESS BOARD ALLOWANCES

The Mayor invited Councillor Kevin Price, Vice Chair of the Overview and Scrutiny Committee, to share the Committee's representations on the report with the Board.

Councillor Price stated that the Overview and Scrutiny Committee had met on 29 July 2019 and had raised the following questions:

1. Was there any reason for using the East Cambridgeshire District Council Independent Remuneration Panel (IRP) over any other panel from the other Constituent Councils.
2. By providing the Business Board members with an allowance, would there be a domino effect or an expectation that other bodies and appointed commissioners would receive an allowance?
3. How did the workload of the Local Enterprise Partnership members differ from that of the Business Board members to warrant the post being remunerated?
4. What responsibilities would the Vice-Chair have and what would be the frequency of their deputising responsibility?

5. Why were the allowances being backdated?
6. The role of 'Business Board member' had been advertised already and stated that Business Board Members would be remunerated. Did this not pre-determine the decision of the Combined Authority Board as it had not yet agreed this recommendation.
7. What steps were being taken to exceed the government recommendations with regards to equality and representation on the Board to include a greater percentage of women.
8. Could the Business Board consider 'rolling' appointments to support continuity of knowledge and expertise.

The Director of Business and Skills stated that the Combined Authority Board had instructed the then Interim Monitoring Officer Patrick Arran to appoint the IRP from one of the Constituent Councils. Only East Cambridgeshire District Council had a constituted and sitting IRP at that time so that was the Panel which was used. It was common practice amongst other Local Enterprise Partnerships (LEPs) to remunerate members so the recommendations in relation to the Business Board were following an established practice rather than setting a precedent. The role of the Business Board was qualitatively different to that of the LEP which had preceded it, including significantly deeper operational elements and a more proactive and strategic role. The level of governance was also higher as a result of the national review of LEPs and the Assurance Framework now in place. The proposed allowances were not particularly based on workload, but were a means by which to compensate business leaders of the calibre required for the time commitment involved. The previous Chair of the Business Board and Director of Business and Skills had conducted an in-depth analysis of the role of the Business Board Chair. They had concluded that it was impractical for a single person to commit the amount of time required to properly discharge the role whilst maintaining their business interests. To address this the Chair's commitments had been divided between the Chair and Vice Chair resulting in a similar time commitment of between three and five days per month for both. The original advert for Business Board members which was issued in 2018 had stated that the post would be remunerated and it was for this reason that it was recommended that the allowances should be backdated. The next advertisement for Business Board members would not be issued until the Combined Authority Board had reached a decision on allowances and so would reflect the Board's decision rather than pre-empt it. Every effort would be made to attract a larger pool of applicants on this occasion through the use of the press, social media and business networks and to encourage applications from under-represented and minority groups. Appointments to the Business Board were made for three years and could be extended once by mutual consent so a rolling appointment programme was effectively already in place.

The Mayor stated that he had been surprised to see statements in the press reporting comments from two members of the Overview and Scrutiny Committee which criticised the appointment of a geneticist involved in work on genetically modified organisms (GMOs) to the Business Board and suggested that the appointment would be used to promote their own position. He expressed surprise that Members expressing these views at the Overview and Scrutiny Committee meeting had not been reprimanded by the Chair and expressed concern that such personal and unwarranted criticism could make it difficult to attract more female members to the Business Board. He further judged that the comments demonstrated a disappointing lack of understanding of agriculture in relation to genetically modified crops and husbandry.

Councillor Price commented that the remarks had been made during the Overview and Scrutiny meeting and not during press briefings given after the meeting. Many Members of the Committee held strong views on the issue of GMOs and they must be allowed the

freedom to express their views and give their opinions. He would though take these comments back to the Committee.

Councillor Holdich stated that the comments as reported constituted a personal attack and not a commentary on policy which was the remit of the Overview and Scrutiny Committee.

Councillor Smith commented that she believed that South Cambridgeshire District Council had also had an IRP in place and would check this. She found it difficult to understand how the Business Board's responsibilities could be greater than those placed on other LEPs and asked whether the proposed level of remuneration was comparable with neighbouring LEPs given that they would they would be seeking to attract some applicants from the same pool. Councillor Smith expressed concern that most Business Board meetings and those of the nearby South East Midlands Local Enterprise Partnership (SEMLEP) and the New Anglia LEP were closed to the public and elected Members. The Director for Business and Skills stated that there was no difference in the responsibilities of the Business Board and other LEPs. The revised level of allowances which was proposed reflected its qualitatively different role to the previously constituted LEP. Officers had not looked at the types and levels of allowances paid to other LEPs as the Combined Authority Board had decided that this should be reviewed independently by an IRP and not by officers. However, Section B Paragraph 1.5.1 of the IRP indicated that a bench-marking had taken place and that wide variations existed. Officers undertook to find out the remuneration rates for contiguous LEPs.

The Mayor stated that the reason for instructing an IRP was to obtain an independent assessment. He judged that the recommendations should be taken as a whole and either accepted or rejected.

Councillor Smith commented that the level of allowances proposed by the IRP was higher than that which the Board was being recommended to approve. She questioned whether this was consistent with the expressed wish to attract more applicants of the highest calibre. The Director of Business and Skills stated that the level of allowances proposed by the IRP had been discussed informally with members of the Business Board. They judged that a significant part of their work fell to the Chair and Deputy Chair and were comfortable with the £24k proposed for the Chair and a slightly lower figure of £21k for the Deputy Chair. They judged that the £18k proposed for other members was too high and that £5k represented a more reasonable sum.

Councillor Smith expressed reservations that the figures recommended by the IRP had been revised in the officer recommendations to the Board. She suggested that it would be good to monitor the next recruitment round to the Business Board to explore how significant the level of remuneration was to applicants' decision to apply and the calibre of applications received. She further suggested that the option for review should be kept open.

Councillor Bailey commented that there was a need to strike a balance. She did not feel that the proposed reduction in the standard allowance from £18k to £5k would make a difference in encouraging the right people to apply. However, given the lower rate which was proposed she judged that it would be appropriate for members to be permitted to claim mileage to and from Business Board meetings in addition to their standard allowance. The Director of Business and Skills stated that Business Board members had been comfortable with this cost being met from within the £5k allowance, but that it could be paid in addition to the standard allowance if the Combined Authority Board deemed this appropriate.

Councillor Holdich commented that the £5k allowance was intended to cover costs incurred in relation to Business Board members' regular duties and as such he would not support the payment of mileage costs to and from Business Board meetings in addition to the £5k allowance.

Councillor Count commented that Business Board members were already permitted to claim mileage for attendance at meetings other Business Board meetings so the mechanism for doing so was already in place. Given that the proposal to exclude mileage to and from Business Board meetings had been based on the higher standard allowance recommended by the IRP he would support it being paid at the Government recommended rate if the reduced allowance rate of £5k was approved.

On being proposed by Councillor Bailey, seconded by Councillor Count, it was resolved by a majority to:

- a) Consider recommendations relating to the Business Board Scheme of Allowances from the Independent Remuneration Panel;
- b) Approve the adoption of a Member Allowance Scheme for the Business Board as proposed, including members of the Business Board being eligible to claim mileage for travel to and from meetings of the Business Board;
- c) Approve the alternative levels of remuneration as set out under the proposed scheme within the Financial Implications section of this report; and
- e) Approve the backdating of the Member Allowance Scheme to 24 September 2018.

393. BUDGET MONITOR UPDATE

The Mayor invited Councillor Kevin Price, Vice Chair of the Overview and Scrutiny Committee, to share the Committee's representations on the report with the Board.

Councillor Price asked for clarification of the term 'passporting' at Appendix 2.

Councillor Count, Portfolio Holder for Investment and Finance, stated that the forecast outturn position was at an early stage for the year and contained few variations against budget. Revenue budget adjustments reflected the virement of £235k from the non-transport feasibility budget to the Business and Skills budget in accordance with the Board's decision on 29 May 2019 to approve the Skills' Committee's recommendation to allocate funding in support of the University of Peterborough Action Plan. An increase of £276.7k to the Transport budget was to fund a more comprehensive engagement process for consultation on the draft Local Transport Plan. A variance of £4.9m on grant income and Business and Skills expenditure related to the newly devolved Adult Education Budget (AEB) as the original figure had been based on the full 2019/20 academic year allocation and only the part falling within the 2019/20 financial year had been received to date. Budget adjustments to the capital programme reflected a reduction of £235k to the University of Peterborough capital allocation to match the increase by the same sum of its revenue allocation; updates to the Cambridge City Housing Programme budget to reflect the expected expenditure profile reported to the Board in May 2019; and the allocation of Local Highways Maintenance capital grants to Cambridgeshire County Council and Peterborough City Council in line with the Department for Transport formula. Both revenue and capital budgets remained affordable and balanced. Directors were currently carrying out a line by line review of

the Medium Term Financial Plan (MTFP) and the refreshed version would be brought to the Board in September 2019. In response to the query from the Overview and Scrutiny Committee, Councillor Count stated that the term 'passporting' was used when money was received by one body and passed on to another body which was responsible for the delivery of a service.

Councillor Sargeant asked whether the increased costs associated with the Cambridge Autonomous Metro were reflected in the report, whether it was anticipated that there would be a return to budgeted figures for the AEB in future years and when the Board would see a review of the quarterly outturn.

Councillor Count stated that a separate report on the agenda contained proposals for an increase in funding for the Cambridge Autonomous Metro (minute 398 below refers). If approved by the Board the revised budget would remain affordable and be reflected in future budget reports. There was no difference in the delivery level of services via the AEB as the smaller sum of money received covered a shorter period of time. The quarterly outturn figures would be reported in the usual way via budget monitor update reports.

Councillor Holdich commented that Ernst and Young LLP were unlikely to complete their audit of the Combined Authority's 2018/19 statement of accounts by the publication deadline of 31 July 2019 due to capacity issues. In accordance with the Accounts and Audit Regulations 2015 this would require the Authority to publish a notice stating that it had not been possible to publish the statement of accounts and the reasons for this. It was important to make clear that this was due to a technical issue on the part of the auditors and not due to any issues with the Combined Authority's statement of accounts.

It was resolved to:

- a) Note the updated financial position of the Combined Authority for the year.
- b) Note the status of the audit of the 2018/19 statement of accounts

394. £100M AFFORDABLE HOUSING PROGRAMME SCHEME APPROVALS: JULY 2019 – WERRINGTON, PETERBOROUGH

The Mayor stated that there were three schemes for consideration this time so they would be considered in turn. He reminded the Board that if Members wished to discuss the exempt appendices relating to any of the projects proposed it would be necessary to consider whether to exclude the press and public from that part of the debate. He asked whether any Member wished to discuss the exempt appendices relating to any of the three projects to be discussed. No Member requested to do so. The Mayor invited Councillor Price, Vice Chair of the Overview and Scrutiny Committee, to share the Committee's representations on the report with the Board.

Councillor Price stated that the Overview and Scrutiny Committee had asked whether a definition or some clarity could be given with regards to the term 'affordable rent'. He further asked whether the Board could explain the varying levels of grant between projects in the Affordable Housing programme and the difference in cost per affordable unit under the revolving loan scheme.

The Director of Housing and Development stated that affordable rented housing was let by local authorities or private registered providers of social housing to households who were eligible for social rented housing. Affordable rent was subject to rent controls that required that the rent was no more than 80% of the local market rent (including service

charges where applicable). Each affordable housing development scheme had a unique set of circumstances which would be set out by officers to enable the Board to consider each scheme on its own merits. The revolving fund allowed capital to be deployed to deliver schemes, but at zero cost to the Combined Authority as the money would be re-paid and re-invested into future schemes.

The Mayor stated that the average grant per property paid across the Combined Authority area was around £35k compared to a grant of around £140k in Cambridge City.

Councillor Sergeant commented that £37m of the £40m revolving fund would be committed if the schemes being considered at the meeting were approved and asked when this money would be returned for re-investment. The Director of Housing stated that the cumulative cash-flow was reported to each meeting of the Housing and Communities Committee. There remained sufficient headroom to proceed with more schemes at present if these met with the Board's approval. Some re-payments were expected later in the current financial year.

Councillor Bailey commented that rather than providing affordable homes at zero cost to the Combined Authority the revolving fund was actually delivering a profit on some schemes. This was generating additional funds to be spent on delivering affordable housing units where it would not otherwise have been possible. As such, she strongly supported the scheme and East Cambridgeshire District Council would continue to seek out suitable projects for consideration.

The Mayor stated that the revolving fund was available to support suitable schemes within every constituent council's area and encouraged all Board members to submit suitable projects for consideration. Due to the creation of the revolving fund money would continue to be available to support new schemes beyond the end of the original funding period of 2022.

In relation to the proposals for the site at Werrington, Peterborough the Director of Housing and Development stated that approval was sought to make a grant of £3,845,600 to deliver 88 new homes for affordable rent on a brownfield site. The project would be delivered by the Funding Affordable Home Housing Association. The proposals would support the regeneration of the local area and were consistent with the Housing Strategy approved by the Board in September 2018.

Councillor Smith asked for clarification of the figure of £13k average grant per unit in the table at paragraph 2.2 when the Mayor had previously stated that the average grant per unit was £35k. The Director of Housing and Development stated that the £13k average was a cumulative average across the whole £100m Affordable Housing Scheme funding and included projects in both the £40m revolving fund and the £60m grant fund. He undertook to clarify the language used in future reports to make this clear.

Councillor Count commented that the Board was repeatedly being asked to revisit the definition and purpose of the revolving fund. The nature and purpose of the revolving fund had been agreed by the Board and explained on numerous occasions and he expressed the hope that there would be no need to do so again.

Councillor Over commented that he knew Werrington well and welcomed the scheme. There were large numbers of young adults and pensioners in the area looking for affordable housing and in his judgement it represented a modest and reasonable in-fill of a brownfield site which would address existing need. It was located close to health

service providers and schools and would invigorate local shops. Councillor Over highlighted the need for sprinklers or misters in the properties.

The Mayor stated that he had been concerned during a recent visit to an affordable housing scheme to learn that residents were expected to provide their own cooker and fridge. As a point of principle he would want all affordable homes delivered by the Combined Authority to include a cooker and fridge.

Councillor Bull, Portfolio Holder for Housing, commended the recommendations to the Board as demonstrating a flexible and creative approach to the delivery of affordable housing.

On being proposed by Councillor Bull, seconded by Councillor French, it was resolved unanimously to:

Commit grant funding of £3,845,600 from the £100m Affordable Housing Programme to deliver 88 new affordable homes at a site in Werrington, Peterborough.

**395. £100M AFFORDABLE HOUSING PROGRAMME SCHEME APPROVALS JULY 2019
- CROWLAND ROAD, EYE GREEN, PETERBOROUGH**

The site at Crowland Road, Eye Green, Peterborough was located about four miles east of Peterborough City Centre. Full planning permission had been granted in February 2019 for a total of 35 units including 10 affordable housing units delivered via S106 funding. It was proposed to convert the remaining 25 units to affordable housing units rather than offering them for market sale. The proposals were consistent with the Housing Strategy approved by the Board in September 2018.

Councillor Sergeant sought confirmation that the type of property proposed was in line with local need. Councillor Holdich confirmed that this was the case.

On being proposed by Councillor Bull, seconded by Councillor French, it was resolved unanimously to:

Commit grant funding of £875,000 from the £100m Affordable Housing Programme to deliver 25 new affordable homes at a site in Crowland Road, Eye Green, Peterborough.

**396. £100M AFFORDABLE HOUSING PROGRAMME SCHEME APPROVALS JULY 2019:
DRAKE AVENUE, PETERBOROUGH**

Drake Avenue, Peterborough was a brownfield site with planning permission for 15 family homes with no affordable housing obligation. Cross Keys Homes was proposing to acquire the site and convert the scheme to deliver 33 homes for affordable rent, subject to planning approval. The proposals were consistent with the Housing Strategy approved by the Board in September 2018.

Councillor Holdich commented that if the proposals before the Board were approved this would bring the total of affordable homes approved to date to 962, almost half way to the 2,000 new affordable homes target.

On being proposed by Councillor Bull, seconded by Councillor French, it was resolved unanimously to:

Commit grant funding of £1,430,154 from the £100m Affordable Housing Programme to deliver 33 new affordable homes at a site in Drake Avenue, Peterborough.

397. HOUSING DEVELOPMENT COMPANY – APPROVAL OF SHAREHOLDER AGREEMENT

The Mayor invited Councillor Price, Vice Chair of the Overview and Scrutiny Committee, to share the Committee's representations on the report with the Board. Councillor Price stated that the Overview and Scrutiny Committee had some concerns that the power of the Mayor over the Housing Company would lack scrutiny and considered there to be a need for increased transparency. The Committee also asked whether Scrutiny would be able to have access to exempt information (both reports and minutes) in order to properly scrutinise issues, especially in light of the number of Boards that were being set up by the Combined Authority.

The Mayor stated that his actions would continue to be subject to Scrutiny in the usual way. The Director of Housing and Development stated that the Overview and Scrutiny Committee had the right of access to exempt information as set out in the Combined Authority's Constitution. As such, exempt information would be made available on reasonable request, but on the basis that it would remain exempt and must not be shared further. Introducing the report, he stated that on 27 March 2019 the Combined Authority Board had approved the establishment of a Combined Authority Trading Company. A commitment was included in that report to submit the final Shareholder agreement to the Board for approval.

Councillor Sergeant asked what percentage of the Director of Housing and Development's time would be spent on work for the Trading Company and for clarification of who would be the Chief Executive. He further asked whether the Chief Executive's conflict of responsibilities in relation to the Combined Authority and Angle Holdings Ltd and Angle Developments Ltd had been addressed. The Director of Housing and Development stated that the division of his time would be no different to the present arrangements and would flex from time to time to meet business need. Recruitment was in hand to bring his team to full capacity and he remained confident that the £100m Affordable Housing programme would be delivered. He stated that Kim Sawyer would be the Chief Executive appointed to the Angle Holdings Board and Angle Developments Board. Officers stated that there were no known conflict of interests between the Chief Executive's roles in relation to the Combined Authority and Angle Holdings Ltd and Angle Developments Ltd, but should any arise these would be managed in the usual way via the governance structure.

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

- a) Approve the Shareholder Agreement as detailed in Appendix 1;
- b) Approve Angle Holding Limited Articles of Association as detailed in Appendix 2;
- c) Approve Angle Developments Limited Articles of Association as detailed in Appendix 3;
- d) Approve the composition of Angle Holdings Limited Board of Directors as set out in paragraph [para 2.6];

- e) Approve the composition of Angle Development Limited Board of Directors as set out in paragraph [para 2.8].

Furthermore, in order to implement a)-c), authorise and approve:

- f) The Chief Executive and the senior legal officer to complete the necessary legal documentation to implement the above; and

398. CAMBRIDGE AUTONOMOUS METRO – JULY 2019

The Mayor invited Councillor Price, Vice Chair of the Overview and Scrutiny Committee, to share the Committee's representations on the report with the Board. Councillor Price stated that the Overview and Scrutiny Committee had asked what lessons had been learned from previous boards in relation to recruitment and diversity and if these would be applied to the Partnership Board and any future Boards that were established by the Combined Authority. The Committee further asked whether the Cambridge Autonomous Metro (CAM) Partnership Board would consult with stakeholders including residents and environmental groups and the level of confidence with regards to the financial viability of the Outline Business Case given the budget changes outlined in the report.

The Director of Delivery and Strategy stated that the Partnership Board would comprise those individuals nominated by partner organisations. The Combined Authority would though welcome diversity amongst representatives. The Partnership Board would not be taking on statutory responsibilities for consultation and engagement so these would remain with the relevant public sector bodies. When budgets for the 2019/20 financial year were set these assumed that the CAM Outline Business Case (OBC) costs would be met in part from public funds and partly from private sector contributions. However, on reflection it was felt that it would be preferable to fund this stage of the project solely through public funds to avoid any perception of undue influence on the project by private sector contributors. To facilitate this it was proposed to transfer £1.7m from the Feasibility Studies Non-Capital Budgets in 2019/20 and 2020/21 to meet this cost. A further £300k was being contributed by the Greater Cambridge Partnership.

Councillor Smith commented that the Board had decided in March 2019 that the costs of the OBC would be shared between the public and private sectors. At some point a decision had been taken to progress using solely public sector funds and she felt that this decision should not have been made outside of the Board. She asked what consultation had taken place with the private sector to inform this decision and whether in this context the University of Cambridge was considered a public or private sector organisation. The Mayor stated that officers were recommending that the OBC costs should be met solely through public funds at this stage and that it was for the Board to decide now whether to accept that recommendation. The Director of Delivery and Strategy stated that for the purposes of this proposal the University of Cambridge was considered to be a private sector body. No formal approaches had been made to private sector bodies, but officers had taken informal soundings. These demonstrated that a positive response could be expected if a formal approach was made in relation to joint public and private sector funding of the OBC. However, on balance officers judged that it would be more appropriate if the OBC was funded wholly by the public sector. Councillor Smith asked that there should be greater clarity in future about what constituted formal or informal approaches to outside organisations.

Councillor Sergeant welcomed the proposed establishment of the Partnership Board, commenting that the Overview and Scrutiny Committee had highlighted the importance of engagement with stakeholders. His recollection was that a final decision on whether

to proceed would be made in 2021. There had been some slippage in relation to the OBC and he asked whether the Board would still be in a position to make this decision in 2021. Given that the current phase of work would cost around £3m with officers estimating costs of around £10m for the next stage he asked when it was envisaged that a private sector contribution would be sought. The Overview and Scrutiny Committee would have an important role to play alongside the Partnership Board in offering critical input to the OBC and Councillor Sergeant expressed the hope that it would be provided with similar access to information and resources to support it in this work. The Mayor stated that members of the Partnership Board represented a broad spectrum of opinion in relation to the CAM, not just those seen to support the project. It was proposed that the Partnership Board would initially be chaired by the Mayor, but once established it would be for the Partnership Board to decide whether that would continue. The incoming Prime Minister's statement had indicated that he intended to invest in the regions and Mayoral areas. The Mayor was investing a lot of time pressing the case for the CAM and other key projects with Government and he was confident that there would be an opportunity to attract more investment into the Combined Authority area. The Director of Delivery and Strategy stated that the Overview and Scrutiny Committee had discussed establishing a working group to look at the OBC and this would have access to officer support.

On being proposed by Councillor Bull, seconded by Councillor French, it was resolved by a majority, which included the representatives of Cambridgeshire County Council and Peterborough City Council, to:

- a) Approve the increased allocation of £780,000 in 19/20 and £965,000 in 20/21 for the CAM OBC to be funded from the Feasibility studies non-capital budgets including re-profiling from 20/21 to 19/20
- b) Note the establishment of a Partnership Board with the terms of reference set out at Appendix A
- c) Note the proposed client-side project management structure

399. A428 BLACK CAT TO CAXTON GIBBET CONSULTATION RESPONSE

The Mayor invited Councillor Price, Vice Chair of the Overview and Scrutiny Committee, to share the Committee's representations on the report with the Board. Councillor Price stated that the Overview and Scrutiny Committee would like to know how the Combined Authority would work with Highways England to address the issues raised in the draft response to the consultation with regards to biodiversity. The Director of Delivery and Strategy stated that this could be followed up via the Highways England Member Stakeholder Board and through officer level contacts. The draft response represented a collective effort across the Combined Authority, Cambridgeshire County Council, Huntingdonshire District Council, South Cambridgeshire District Council and the Greater Cambridge Partnership.

Councillor Smith asked that the response should refer to the needs of non-motorised road users including riders as a number of bridleways would be affected by the scheme. She further suggested that it should reference the commitment to doubling nature. Councillor Smith commented that she saw her role as the Environmental Lead for the OxCam Arc as complimentary to her work with the Combined Authority and that she would welcome support from the CA to ensure that she was able to represent it to best effect. The Mayor welcomed this offer, commenting that Councillor Smith's appointment placed the Combined Authority in a strong position and that he was sure that they could work together on this.

Councillor Bull commented that he was pleased to see Councillor Smith leading on this issue for the OxCam Arc. He judged that this would be of great advantage to the Combined Authority and he looked forward to working with her to take this forward. In relation to the proposed consultation response, Councillor Bull commented that he understood that the deadline for comments had passed and sought clarification from officers. The Director of Delivery and Strategy stated that Highways England was aware of the broad tone of the Combined Authority's position and that officials were aware that the issue would be discussed by the Board today and that a formal response would follow.

Councillor Count commented that he had a number of comments which, subject to the consent of the Board, he would like to see included in the response in addition to the points raised by Councillor Smith. These were:

- i. Para 17: The sentence '...a firm commitment to introduce appropriate and necessary mitigation measures should the scheme fail to deliver expected reductions...' should be amended to read '...a firm commitment to introduce appropriate and necessary mitigation measures *and funds* should the scheme fail to deliver expected reductions...'
- ii. Para 42: Replace 'wishes to see provision' with '*insists that* provision is made for a full length cycle route...'. The Combined Authority's response should make clear that 'The Combined Authority insists that...' as the text currently referred to Cambridgeshire County Council.
- iii. A428 junctions must align with the CAM metro once the CAM metro route was known.
- iv. The references to biodiversity were insufficient and should be strengthened to reflect a premise of net environmental gain.
- v. It was essential that full fibre was laid at the same time that groundworks were carried out.
- vi. Consultation should take place with Anglian Water and South East Electric to utilise the groundworks to accelerate their own delivery plans.

Councillor Count asked that his and Councillor Smith's comments should be shared with the Chairman of the Cambridgeshire County Council Economy and Environment Committee with a request that the County Council's response to the consultation should also reflect these views.

On being proposed by Councillor Bull, seconded by Councillor Smith, it was resolved unanimously to:

Approve the proposed consultation response attached at Appendix A, subject to the revisions requested by Board members.

400. ST NEOTS MASTERPLAN – PHASE 1 DELIVERY

The St Neots Masterplan for Growth was approved by the Combined Authority Board in October 2017. In June 2018, the Board approved the Strategic Business Case and associated £4.1m of direct investment into St Neots to support Phase 1 delivery of St Neots Masterplan for Growth. This sat alongside £1.7m of partner investment making a total investment to date in St Neots of £5.8m. £3.95m had been allocated in the current Medium Term Financial Plan (MTFP) capital programme for Masterplan implementation. However, specific budget allocations had not been made within the MTFP for the revenue costs approved by the Board in June 2018. Approval was sought to allocate

£403k of revenue from the Non-Transport Feasibility Programme to deliver the Combined Authority funding commitments.

Councillor Bull commented that he understood that Huntingdonshire District Council was leading on the programme management of capital workstreams, but that this was not shown on the table at paragraph 2.10. The Director of Business and Skills confirmed that this was the case.

Councillor Sergeant commented that the report did not give him a sense of how the proposals would meet future growth needs, for example by improving the employment situation in St Neots. The Director of Business and Skills stated that the St Neots Masterplan was a document created for and by St Neots and focused on the issues identified locally. Within the wider Local Industrial Strategy (LIS) there were a number of initiatives designed to stimulate growth. The LIS also contained measures to support the growth of existing medium sized enterprises which would support this aim.

Councillor Bull commented that the Masterplan was having a significant and positive impact in St Neots.

Councillor French commented that she fully supported the proposals. Fenland District Council was preparing its own Masterplans and hoped to bring these forward shortly for consideration.

The Mayor stated that the Market Town Strategy was of real importance and direct relevance to every market town in the Combined Authority area. He urged those residents living in market towns and those constituent councils with market towns within their areas to look at opportunities available to them.

On being proposed by Councillor Bull, seconded by Councillor Smith, it was resolved unanimously to:

- a) Approve the allocation of £403k from the non-transport feasibility budget within the Medium-Term Financial Plan to meet programme commitments as part of the £4.1m package of Combined Authority funding approved by the Board in June 2018 to deliver the first phase of the St Neots Masterplan for Growth.
- b) Approve the re-profiling the capital expenditure in the Medium Term Financial Plan (MTFP) to match the updated forecast from the delivery partner.

401. A VISION FOR NATURE

The Mayor invited Councillor Price, Vice Chair of the Overview and Scrutiny Committee, to share the Committee's representations on the report with the Board.

Councillor Price stated that the Overview and Scrutiny Committee had raised the following questions:

1. How would the Vision for Nature be delivered in the decision-making process.
2. Did the Board consider that there was a need for more conservation bodies to be involved and consulted.
3. What consideration had been given to climate change and the effects of this if they were to increase rich wildlife areas and promote better access to natural areas.

4. What were the risks of genetically modified organisms (GMO) considering they did not compliment and counteract bio-diversity.
5. What capacity did the Combined Authority have to deal properly with climate change.

Councillor Price commented that there was the potential for the Overview and Scrutiny Committee's input to be perceived as negative so he wished to make clear that the Committee welcomed this report. Small changes across the range of Combined Authority business had the potential to make a real and positive impact. For example, he suggested that consideration be given to the inclusion of hedgehog holes in the fencing for new homes.

The Strategic Planning Manager stated that the report responded to a request made at the previous meeting for officers to provide a basis for the Board to discuss its vision going forward. With some notable exceptions, the Combined Authority's area had one of the lowest proportions of wildlife-rich areas and access to green spaces in the country. In response to the points raised by the Overview and Scrutiny Committee, he stated that the Vision for Nature would, if approved, be reflected in all future Combined Authority policies and activity. The Vision had been developed in conjunction with Natural Cambridgeshire (the Local Nature Partnership) which was an umbrella body for local statutory and voluntary bodies with an interest in the natural environment. Climate change was not specifically addressed within the Vision, but the measures proposed would have a beneficial effect and this was something which could be reviewed going forward. As a vision for nature rather than the environment the Vision did not address the issue of GMOs. Embedding the 'doubling nature' approach would have a positive effect in relation to climate change whilst one of the three goals for the Local Transport Plan related to tackling climate change. Sustainable transport initiatives such as the Cambridge Autonomous Metro would also have a beneficial impact.

Councillor Smith thanked the Strategic Planning Manager for his excellent work and engagement with Natural Cambridgeshire. She judged that this work reflected well on the Combined Authority and each of its constituent councils and partner organisations. She remained keen that the Combined Authority should not seek merely to achieve parity with other areas but to exceed them. She had suggested previously that the Board might consider arranging a summit with Natural Cambridgeshire and OxCam Arc partners and commended this idea for further consideration.

The Mayor stated that conversations were taking place in relation to South Cambridgeshire garden villages which had the potential to create 3,500 acres of parkland. The Vision for Nature would be incorporated into future discussions by the Cambridge Autonomous Metro Board, which would in turn support the delivery of the garden villages. Developments such as the one at Waterbeach illustrated the significant open spaces which could be incorporated into new developments.

Councillor Count commented that he was generally in favour of the proposals. However, a significant amount of acreage in the Fens was dedicated to farmland so there was a broader question of whether seeking to create additional open space in this part of the county would be of most benefit. He highlighted that untended spaces were not necessarily bio-diverse and that opportunities to improve bio-diversity could be sought in farming strips as well as in parks and other open spaces. The demand for land for housing and farming in Cambridgeshire was significant and whilst he would endorse the Vision for Nature he judged that there was a need to be clever about how this was delivered to ensure that it benefitted the county as a whole.

Councillor Bull welcomed the creative approach advocated in the report and commented that he would wish to see the public sector take a lead in this area. He highlighted the need for education on the environmental impact of individuals' actions. He described a delegation he had received recently from a local school in relation to single use plastics. The students' passion and commitment had been humbling and he was keen to harness this energy. He would speak to officers outside of the meeting about the Great Fen project which he found of particular interest.

The Mayor commended the Strategic Planning Manager for his work on the Vision for Nature.

On being proposed by Councillor Smith, seconded by Councillor Bull, it was resolved unanimously to:

Endorse the Vision for Nature.

BY RECOMMENDATION TO THE COMBINED AUTHORITY

402. GROWTH DEAL PROJECT PROPOSALS JULY 2019 – LOCAL GROWTH FUND PROGRAMME UPDATE

The Board reviewed the proposals in its capacity as the Accountable Body for the Business Board. As of 30 June 2019 the Combined Authority's Growth Deal programme had nine projects in delivery in 2019/20 with a forecast contracted spend of £97.7m. The previously approved and allocated A428 road improvements project was not now going ahead so the £9m allocated for this project had been removed from the forecast spend figures and returned to the funds available in the current round. The Business Board was required to submit formal monitoring returns to Government on a quarterly basis and was seeking the Board's approval to submit the Quarter 1 report for 2019/20. Those projects rated as amber were delayed but were still on course to deliver within the planned timescale. The Kings Dyke project was rated as red and work was in hand to establish whether it could be delivered by March 2021.

The Business Board was recommending the allocation of £3m for a pilot capital growth grant for small businesses. At its meeting on 22 July 2019 the Board revised the range of grants proposed from the original £10k-£100k to £10k-250k. If approved this would expedite managing a high volume low grant schemes which could constitute up to 1500 grants.

Councillor Smith commented that the proposed scheme was restricted to capital grants only, but small businesses could find it more difficult to obtain revenue funding. She expressed the hope that this could be looked at separately or in addition to the capital grants proposed. The Director of Business and Skills stated that all of the Local Growth Fund was capital funding. However, within the context of the Local Industrial Strategy (LIS) officers were working on a method to produce a revenue grant. However, this would be relatively small.

Councillor Smith expressed the hope that support would be made available within the grant programme to some innovative but high risk projects with an acceptance that not all of these would be successful.

Councillor Count asked whether the reference to road re-surfacing sat comfortably in the Growth Deal Dashboard and asked that its inclusion in future reports should be reviewed. In addition to continuing to encourage increased productivity he asked for a greater focus on increasing exports and targeting the ability to export. He suggested

that the Business Board might consider how to improve exports as a whole. The Mayor stated that only 5% of businesses in Cambridgeshire and Peterborough were currently involved in the export market and agreed that there was a wish to increase this figure.

Councillor Holdich asked that the presentation of the tables in the appendices be revised in future as they were not sufficiently legible to make the information clear and transparent.

Councillor Sergeant commented that the job forecast was low for the current year in comparison to the years preceding and following it and asked for the reasons behind this uneven profile. The Director of Business and Skills stated that performance was probably consistent over time, but resources had been focused on designing and launching schemes when BEIS funding was received which left limited time for collecting and analysing data. A new member of staff had now been recruited to manage this going forward. The Mayor stated that the Business Board had been formed in September 2018, but the funding and assets of the former Local Enterprise Partnership had not been released until February 2019. Given that funding had only been available since that time he commended the Director of Business and Skills and his team for the work which had been achieved since then.

On being proposed by Councillor Count, seconded by Councillor Bull, it was resolved unanimously to:

- a) Approve the submission of the Growth Deal monitoring report to Government to end Q1 2019/20.
- b) Approve the proposed creation of a Capital Growth Grant scheme for small businesses using Local Growth Fund (LGF) and approve a £3m pilot programme and for Officers to run a procurement for a provider to deliver the pilot programme.

403. REVIEW OF BUSINESS BOARD CONSTITUTION

The Board was advised that the Constitution stated that changes to the Business Board Constitution required a two thirds majority of the Combined Authority Board voting in favour and not a simple majority as stated in the report.

Councillor Smith commented that the grammar at Part 1: Paragraph 3.1 was incorrect and that the table at Part 1: Paragraph 9.2 still contained a reference to the LEP (Local Enterprise Partnership).

Councillor Sergeant asked why a specific delegation of authority to the Director of Transport in consultation with the Chair of the Transport Committee was proposed in relation to delivering the agreed Wisbech Access Strategy Package works on behalf of the Business Board at key gateway stages (paragraph 1.3 referred). He further asked what was happening around Business Board co-terminosity. The Director of Business and Skills stated that a delegation was sought to allow an agile response at key points in the project, but that the delegation required amendment as it would not be to the Director of Transport. In relation to co-terminosity, the Director of Business and Skills stated that memorandums of understanding had been now been agreed in principle with half of the Local Enterprise Partnerships (LEPs) and local authorities contiguous to the Business Board. These would be taken to the Business Board and Combined Authority Board in September 2019 for approval.

Councillor Bull commented that Ramsey had been omitted from the table in Part 1: Paragraph 2.2 and asked that officers ensure that it was included.

Councillor Count commented that Part 2: Paragraph 3.1 stated that Business Board members were permitted to participate in meetings remotely, for example via video conferencing or Skype. He noted that this arrangement would not apply to the annual meeting of the Business Board or any other Business Board meetings which were held in public as it remained a statutory requirement that all participants at public meetings attended in person. The Director of Business and Skills undertook to clarify this point.

The Mayor stated that he welcomed the opportunity for the Business Board to meet at venues around the county, but that the accommodation must be appropriate for the size and nature of the meeting. He offered his apologies to the members of the press who had been invited to the last Business Board meeting when it was in fact a private rather than public meeting.

On being proposed by Councillor Count, seconded by Councillor French, it was resolved unanimously to:

- a) Approve the amendments to the constitution set out in Appendix 1, and the additional revisions requested during the meeting.
- b) Authorise the Monitoring Officer to make any consequential changes to the Combined Authority Constitution.

404. ALCONBURY ENTERPRISE ZONE MEMORANDUM OF UNDERSTANDING AND ENTERPRISE ZONE PROGRAMME GOVERNANCE

The Board considered a recommendation by the Business Board to approve a Memorandum of Understanding between the Combined Authority and Huntingdonshire District Council around the governance and distribution of National Non Domestic Rate (NNDR) monies on Alconbury Enterprise Zone and the proposed Terms of Reference for the Enterprise Zone Governance.

Councillor Count commented that the recommendation as drafted could limit how services were delivered. As it had already been approved by Huntingdonshire District Council and the Business Board any change at this stage would need to be taken back to those bodies for approval. To address this issue Councillor Count proposed, seconded by Councillor Bull, that recommendation a) be amended to read:

- a) Approve the Alconbury Enterprise Zone Memorandum of Understanding between CPCA and Huntingdonshire District Council, *subject to the removal of the following words at the end of paragraph 6.1.2 "including towards meeting the community and infrastructure demands of the Alconbury Weald development" and to instruct the Director of Business and Skills to negotiate with Huntingdonshire District Council and the Interim Chair of the Business Board to remove the wording;*

On being put to the vote the amendment was carried.

In discussion of the substantive recommendation the Mayor stated that he would wish it to be recorded that the decision reached was unique to the circumstances of the Alconbury Enterprise Zone and that it should not be seen as a template or precedent for future business rate retention decisions.

On being proposed by Councillor Count, seconded by Councillor Bull, it was resolved unanimously to:

- a) Approve the Alconbury Enterprise Zone Memorandum of Understanding between CPCA and Huntingdonshire District Council, subject to the removal of the following words at the end of paragraph 6.1.2 “including towards meeting the community and infrastructure demands of the Alconbury Weald development” and to instruct the Director of Business and Skills to negotiate with Huntingdonshire District Council and the Interim Chair of the Business Board to remove the wording; and
- b) Approval to adopt the proposed Enterprise Zone Programme Terms of Reference and associated governance.

405. UNIVERSITY OF PETERBOROUGH – TRANSITIONAL FUNDING

The Board considered a recommendation from the Skills Committee to approve the release of £148,304 from the Skills Strategy Implementation budget for 2019/20 to support University Centre Peterborough through the transitional phase. The joint venture would be completed and cease to operate on 1 August 2019. This would allow all parties to bid to deliver the University of Peterborough through the open procurement process which would begin the following week.

Councillor Holdich expressed disappointment that University Centre Peterborough (UCP) had issued a press release stating that the funding request was in response to a complaint which stated that UCP had requested £440k from the Combined Authority and had only been offered £148,604. This information was incorrect as the funding agreed by the Combined Authority Board on 31 July 2019 was in response to a request and not a complaint and the figure agreed by the Board had been agreed by UCP prior to the Skills Committee and Combined Authority Board meetings.

On being proposed by Councillor Holdich, seconded by Councillor Bull, it was resolved by a majority to:

- a) Note the findings of the request from University Centre Peterborough to continue to fund the activity for the University of Peterborough up until the 1st August 2019.
- b) Approve the release of £148,304 from the Skills Strategy Implementation budget for 2019/20 to support University Centre Peterborough through the transitional phase.

406. DATE OF NEXT MEETING

The Combined Authority will meet next on Wednesday 25 September 2019, Kreis Viersen Room, Shire Hall, Cambridge, CB3 0AP.

(Mayor)