

PUBLIC MEETING

Tuesday, 28th May 2019

3:00pm – 5:00pm

Meeting Room 1, Incubator 2, First Floor,
Alconbury Weald Enterprise Campus, Huntingdon, PE28 4WX

AGENDA

Number	Agenda Item	Chair/ Lead Member/ Chief Officer	Papers	Pages
1.	Part 1 – Governance Items			
1.1.	Apologies and Declarations of Interests	Members	Oral	-
1.2.	Minutes of the Meeting on 25th March 2019	Dawn Cave	Yes	4-8
1.3.	Forward Plan	Howard Norris	Yes	9-19
1.4.	Schedule of Meetings 2019/20	Howard Norris	Yes	20-22
1.5.	Combined Authority Update	Domenico Cirillo	Yes	23-67
1.6.	Business and Skills Annual Delivery Plan for 2019-20	Domenico Cirillo	Yes	68-85
2.	Part 2 – Funding and Growth Fund			
2.1.	Growth Deal Project Proposals May 2019 <i>Appendices A to F of this report are confidential. If Members wish to discuss these appendices, it will be necessary to exclude the press and public.</i>	Steve Clarke	Yes	86-87
2.2.	Progress on Growth Fund Programme	John Stenhouse / Steve Clarke	Yes	88-100

Number	Agenda Item	Chair/ Lead Member/ Chief Officer	Papers	Pages
2.3.	Greater Peterborough Inward Investment Pilot <i>Appendix 1 of this report is confidential. If Members wish to discuss this appendix, it will be necessary to exclude the press and public.</i>	Steve Clarke	Yes	101-102
2.4.	Growth Co. Strategic Outline Business Case <i>Appendix 1 of this report is confidential. If Members wish to discuss this appendix, it will be necessary to exclude the press and public.</i>	John T Hill	Yes	103-107
3.	Part 3 – Strategy and Policy			
3.1.	OxCam Arc Update	John T Hill	Yes	108-145
3.2.	Energy Hub	Maxine Narburgh	Yes	146-193
3.3.	Assurance Framework	Kim Sawyer	Yes	194-239
3.4.	Better Sharing Chair and Member Tasks across the Business Board	Domenico Cirillo	Yes	240-253
3.5.	Constitution Review	Dawn Cave	Yes	254-276
4.	Part 4 – Future Meetings			
4.1	Business Board Headlines for Combined Authority Board	John T Hill	Oral	-
4.2	Date of next Business Board meeting: 22 nd July 2019 – 2.30pm, Alconbury Weald	Chair	Oral	-

Membership

The Board currently comprises:

Public Sector Members

Name	Position	Body
James Palmer Substitute Cllr Steve Count	Mayor	Cambridgeshire and Peterborough Combined Authority
To be appointed Substitute Councillor Anna Bailey	Deputy Mayor and Portfolio Holder for Economic Growth	Cambridgeshire and Peterborough Combined Authority

Private Sector Members

Member	Sector	Organisation
Austen Adams	Advanced Manufacturing	Stainless Metalcraft/Peter Brotherhood
Douglass Cuff	Life Sciences and Healthcare	BioMed Realty
William Haire	Agri-tech	East of England Agricultural Society
Aamir Khalid	Advanced Manufacturing and Skills	The Welding Institute (TWI)
Mark Dorsett	Advanced Manufacturing	Perkins Engines/Caterpillar UK
Andy Neely	Education	University of Cambridge
Tina Barsby	Agri-tech	NIAB

The Business Board is committed to open government and supports the principle of transparency. With the exception of confidential information, agendas and reports will be published 5 clear working days before the meeting. Unless where indicated, meetings are not open to the public.
For more information about this meeting, please contact Dawn Cave at the Cambridgeshire County Council on 01223 699178 or email dawn.cave@cambridgeshire.gov.uk.

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY
BUSINESS BOARD: MINUTES



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Date: Monday, 25th March 2019

Time: 2.30pm – 3.45pm

Location: The Welding Institute, Abington

Present: Aamir Khalid (Chairman), Austen Adams, Councillor Charles Roberts, James Palmer, Tina Barsby, Douglas Cuff, Mark Dorsett, William Haire and Andy Neely

33. APOLOGIES AND DECLARATIONS OF INTERESTS

There were no apologies for absence.

Douglas Cuff advised that he had an interest in relation to the Haverhill Business Park (item 37), which could be considered a competitor to Granta Park. It was confirmed that he did not need to declare an interest in relation to this item.

34. MINUTES OF THE MEETING HELD ON 28TH JANUARY 2019

The minutes of the Business Board meeting held on 28th January 2019 were agreed as a correct record and signed by the Chairman.

35. FORWARD PLAN

Note the Forward Plan.

36. LOCAL INDUSTRIAL STRATEGY

The Local Industrial Strategy (LIS) was presented to the Board. The document had been revised following comments from Business Board Members at their last meeting.

Presenting the LIS, Mike Emmerich of Metro Dynamics commented that the key purpose of the Strategy was to detail how the government's national ambitions, as set out in the national Industrial Strategy, would be delivered locally. Whilst it should be neither a statement of all of the CPCA's work, or a bidding document, it should explain the interventions required to deliver sustainable growth set out in the national Industrial Strategy, based on Cambridgeshire and Peterborough's specific local requirements, using the evidence base of the CPIER. The LIS had been revised following Board Members' comments at the January meeting, including greater focus and clarity around the key interventions that had been made and were required in future. Annex 1 provided a summary of the evidence and a clearer narrative.

The three principle ambitions set out in the LIS were:

1. Improving the long-term capacity for growth in Greater Cambridge;
2. Increasing the sustainability and broadening the base of Cambridgeshire and Peterborough's economic growth;
3. Expanding and building on the clusters and networks that have promoted innovation and enabled Cambridge to become a global leader.

In terms of processes, the LIS would be approved locally by the Combined Authority Board on 27/03/19, and would then be submitted to government, ultimately being fed in to the Chancellor's Spending Review. Ensuring that the Strategy was implemented, i.e. putting in place the actions set out in the Strategy would be key. Informal discussions with government officials indicated that they were content that the LIS was going in the right direction, and the measured, evidence-based approach was the correct approach.

Board Members made the following comments:

- noted that there would be a deeper dive behind each of the four strategic growth sectors;
- noted that the approach to Agri-tech was slightly different, as there was already an existing Agri-tech scheme, but there would be wider engagement in developing a more detailed strategy. Board Members commented that this wider engagement was necessary, as those involved to date could be too focused, whilst others would be better placed to approach this issue from a national perspective;
- noted that the reference to Cambridge Agri-tech as a venture capital fund was incorrect as it was an Angel Fund;
- noted comments from the Overview & Scrutiny Committee that greater focus on Climate Change being should be at the core of the LIS, and also a greater focus on digital connectivity. Board Members commented that environmental and sustainability issues had been included from the early draft stages, and whilst these were to some extent beyond the scope of the LIS, sustainable growth was key to the LIS, with important linkages to Climate Change, especially with agriculture and health, Agri-tech, Agrifood, and Health and Wellbeing;
- a Board Member commented that whilst appreciating that the Business Board was working within the structure of national government, he found it difficult to support the comments about the Apprenticeship Levy, as from the perspective of an employer, he found it a poorly thought through scheme, with a lack of providers and standards. He felt that although it was well-intentioned, the Apprenticeship Levy was proving to be a clumsy tool. Officers advised that they were in dialogue with the West Midlands Combined Authority who have a pilot, and government, with a view to using the Apprenticeship Levy and frameworks to make the scheme work better for businesses. The Board Member suggested that the Apprenticeship Levy should be a choice, not an involuntary distribution. Mayor James Palmer agreed that there had been numerous discussions with

businesses on this, but there would be no compulsion – any arrangement would be on consensus basis;

- noting the targets for Peterborough University (2,000 students by 2022 and 12,500 by 2030), a Board Member asked if these were conservative or ambitious student number estimates. It was confirmed that these were realistic and conservative estimates.

The Board noted the proposal that officers would be making minor refinements to the LIS as part of their discussions with government, and proposed to bring the LIS back to the Business Board in May, with any significant changes requiring Business Board approval.

It was resolved to:

- (a) recommend the Cambridgeshire and Peterborough Industrial Strategy to the Combined Authority Board for approval;
- (b) recommend that the Combined Authority Board delegate to the Business Board and the Director of Business and Skills, in consultation with the Chair of the Housing and Communities Committee, to take the Industrial Strategy through the remaining stages of national sign-off, and refine;
- (c) note the first Digital Sector Strategy for Cambridgeshire and Peterborough, independently produced to inform the Local Industrial Strategy, to be considered further by the Board at a future meeting.

37. GROWTH DEAL PROJECT PROPOSALS

The Business Board received a report on the new applications submitted for the Growth Fund, which included independent external assessment undertaken.

It was resolved to:

- (a) consider the confidential reports by external assessors of projects submitted for Growth Deal Funds;
- (b) recommend Applicants 2 and 3 as suitable for approval to the Combined Authority Board for approval, and ask for further detail from Applicants 1 and 4;
- (c) note the update on progress of projects that were approved at the January 2019 Business Board meeting and Small Grant Scheme.

38. GROWTH PROGRAMME UPDATE

The Business Board considered a report on the performance of the Growth Deals programme to deliver new homes, jobs and skills across the LEP area from April 2015

to December 2018, and the current in-year position to end February 2019 for both the Growth Deal and Growing Places Funds combined.

As at 28th February 2019, CPCA's Growth Deal programme had eight projects in delivery in the financial year, and the contracted forecast spend total was £81.58M. The cumulative programme spend to that date, including completed projects, was £67.51M. There had not been a great deal of movement over the past 12 months, but Growth Deal funding was now being allocated. The way projects were being monitored was being reviewed, and the impact of funding considered in greater detail i.e. jobs created and houses built.

A Board Member expressed concerns on the timescales, noting that the funding needed to be committed by Spring 2021. Officers acknowledged this point, and commented that it ruled out certain projects e.g. major infrastructure in favour of projects which could have a greater impact in the shorter term. Another Member observed that some of the requirements could be quite off-putting to be potential applicants e.g. the £5K per job, and suggested that flexibility was vital. It was also noted that whilst funding needed to be committed by Spring 2021, outcomes could be counted throughout the length of the project i.e. past that date.

It was resolved to:

(a) note the accumulative and in-year programme position to 28 February 2019 for Growth Deal and Growing Places Fund.

(b) note and recommend the Combined Authority Board agree the submission of the Growth Deal monitoring report to Government to end Q3 2018/19.

39. ASSURANCE FRAMEWORK

The Business Board considered a report on the Assurance Framework. The key purpose of the Assurance Framework was to ensure that the necessary systems and processes were in place to effectively manage the delegated funding from government budgets.

Board Members were reminded that at their first meeting on 24th September 2018, the Board had approved an interim Assurance Framework based on the previous GCGP LEP's agreed framework, as at that stage, government was due to publish revised guidance for Mayoral Authorities with a local enterprise partnership. That guidance was published in January, and it required Combined Authority Boards and Business Boards to merge their Assurance Frameworks in to a single Assurance Framework.

Apologies were given for the late circulation of the Assurance Framework to Board Members, but this was due to a number of key staffing changes, and the need for a number of lead officers to input in to the document. Final checks were being made against the Government guidance which would result in further amendments. Because of this, it was proposed that the Assurance Framework would be considered again at the next meeting, to enable more in-depth consideration. The Interim Chief Executive commented that discussion on the preceding items around issues such as reputational

due diligence were particularly relevant to consideration of the Assurance Framework. However, timescales dictated that an Assurance Framework was signed off and presented to government by 29th March 2019.

It was resolved to:

agree the revised single Assurance Framework which is in line with the Ministry of Housing, Communities & Local Government's revised National Local Growth Assurance Framework for Mayoral Combined Authorities with a Single Pot and Local Enterprise Partnerships.

40. DATE OF NEXT MEETING

It was noted that the next meeting was scheduled for Tuesday 28th May 2019. There was a proposal to move this date to the previous week, and it was agreed that this could be explored outside of the meeting, but there was some reluctance to change dates once they had been set, as Board Members had arranged their other engagements around the scheduled date. **Action required.**

There was a Member question as to whether virtual attendance e.g. Skype-ing into meetings was permissible and practicable. Officers agreed to follow this up. **Action required.**

A Member asked if any progress had been made with the recruitment of more Board Members. Officers advised that co-opting had been considered, but was considered sub-optimal compared to a full recruitment campaign.

A number of Members indicated that it would be helpful to have a standing agenda item providing an update on what was happening at the Combined Authority. **Action required.**

A Member asked if in future iterations of the Local Industrial Strategy and similar documents could be presented in a "track changes" format to highlight revisions, so that it was clear what changes had been made.

Chairman

BUSINESS BOARD FORWARD PLAN

AS AT 17TH MAY 2019

DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	DECISION	PURPOSE	CONTACT DETAILS / REPORT AUTHORS	LEAD MEMBER
Business Board Annual Meeting – 28th May 2019 (East Cambridgeshire District Council - Ely)							
1.	Minutes of the Meeting on 25th March 2019	Business Board	28th May 2019	Decision	To approve the minutes of the last meeting as a correct report	<i>Monitoring Officer for Combined Authority</i>	Chair
2.	Schedule of meetings 2019/20	Business Board	28th May 2019	Decision	To agree schedule of meetings for 2019/20	<i>Monitoring Officer for Combined Authority</i>	Chair
3.	Combined Authority Update	Business Board			To provide BB members with an update on overall issues concerning the Combined Authority.	<i>Domenico Cirillo, Business Space Manager</i>	Chair
4.	OxCam Arc Update	Business Board			To provide BB members with an update on the OxCam Arc.	<i>John T Hill, Director Business & Skills</i>	Chair
5.	Progress on Growth Fund Programme	Combined Authority Board	28th May 2019	Decision	To monitor and review programme performance and risks Recommend projects for approval to CA Board (if required)	<i>John Stenhouse, Growth Hub Manager</i>	Chair

DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	DECISION	PURPOSE	CONTACT DETAILS / REPORT AUTHORS	LEAD MEMBER
6.	Growth Co: Strategic Outline Business Case	Combined Authority Board	28th May 2019	Decision		<i>John T Hill, Director Business & Skills</i>	Chair
7.	Annual Delivery Plan	Combined Authority Board	28th May 2019	Decision	To approve the final version of the Annual Delivery Plan	<i>Domenico Cirillo, Business Space Manager</i>	Chair
8.	Assurance Framework	Combined Authority Board	28th May 2019	Decision			Chair
9.	Constitution Review	Combined Authority Board	28th May 2019	Decision	To review the Business Board section of the CPCA Constitution (Appendix 5)	<i>Monitoring Officer for Combined Authority</i>	Chair
10.	Greater Peterborough Inward Investment Pilot	Combined Authority Board	28th May 2019	Decision		<i>Steve Clarke, Inward Investment Manager</i>	Chair
11.	Growth Deal Project Proposals	Combined Authority Board	28th May 2019	Decision	Identified on CA Forward Plan as Key Decision for 27 th March	<i>John T Hill, Director Business & Skills</i>	Chair
12.	Business Board Headlines for Combined Authority Board	Business Board					

DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	DECISION	PURPOSE	CONTACT DETAILS / REPORT AUTHORS	LEAD MEMBER
13.	Forward Plan	Business Board	28th May 2019	Decision	To note the forward plan	<i>Monitoring Officer for Combined Authority</i>	Chair
Business Board – 22nd July 2019 (Combined Authority – Alconbury Weald)							
1.	Minutes of the Meeting on 28th May 2019	Business Board	22nd July 2019	Decision	To approve the minutes of the last meeting as a correct report	<i>Monitoring Officer for Combined Authority</i>	Chair
2.	Combined Authority Update	Business Board			To provide BB members with an update on overall issues concerning the Combined Authority.	<i>Domenico Cirillo, Business Space Manager</i>	Chair
3.	OxCam Arc Update	Business Board			To provide BB members with an update on the OxCam Arc.	<i>John T Hill, Director Business & Skills</i>	Chair
4.	Remuneration Review	Business Board	28th May 2019	Decision		<i>Debbie Ford, Governance Adviser</i>	Chair
5.	Business Board Membership Changes	Business Board	22nd July 2019	Decision		<i>John Hill, Director Business & Skills</i>	Chair

DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	DECISION	PURPOSE	CONTACT DETAILS / REPORT AUTHORS	LEAD MEMBER
6.	Business Board Headlines for Combined Authority Board	Business Board					
7.	Forward Plan	Business Board	22nd July 2019	Decision	To note the forward plan	<i>Monitoring Officer for Combined Authority</i>	Chair
Business Board – 23rd September 2019 (Combined Authority – Alconbury Weald)							
1.	Minutes of the Meeting on 22nd July 2019	Business Board	23rd September 2019	Decision	To approve the minutes of the last meeting as a correct report	<i>Monitoring Officer for Combined Authority</i>	Chair
2.	Combined Authority Update	Business Board			To provide BB members with an update on overall issues concerning the Combined Authority.	<i>Domenico Cirillo, Business Space Manager</i>	Chair
3.	OxCam Arc Update	Business Board			To provide BB members with an update on the OxCam Arc.	<i>John T Hill, Director Business & Skills</i>	Chair

DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	DECISION	PURPOSE	CONTACT DETAILS / REPORT AUTHORS	LEAD MEMBER
4.	Business Board Headlines for Combined Authority Board	Business Board					
5.	Forward Plan	Business Board	23rd September 2019	Decision	To note the forward plan	<i>Monitoring Officer for Combined Authority</i>	Chair
Business Board – 25th November 2019 (To be hosted by a Business Board member – Venue to be confirmed)							
1.	Minutes of the Meeting on 23rd September 2019	Business Board	25th November 2019	Decision	To approve the minutes of the last meeting as a correct report	<i>Monitoring Officer for Combined Authority</i>	Chair
2.	Combined Authority Update	Business Board			To provide BB members with an update on overall issues concerning the Combined Authority.	<i>Domenico Cirillo, Business Space Manager</i>	Chair
3.	OxCam Arc Update	Business Board			To provide BB members with an update on the OxCam Arc.	<i>John T Hill, Director Business & Skills</i>	Chair

DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	DECISION	PURPOSE	CONTACT DETAILS / REPORT AUTHORS	LEAD MEMBER
4.	Business Board Headlines for Combined Authority Board	Business Board					
5.	Forward Plan	Business Board	25th November 2019	Decision	To note the forward plan	<i>Monitoring Officer for Combined Authority</i>	Chair
Business Board – 27th January 2020 (Combined Authority – Alconbury Weald)							
	Minutes of the Meeting on 25th November 2019	Business Board	27th January 2020	Decision	To approve the minutes of the last meeting as a correct report	<i>Monitoring Officer for Combined Authority</i>	Chair
	Combined Authority Update	Business Board			To provide BB members with an update on overall issues concerning the Combined Authority.	<i>Domenico Cirillo, Business Space Manager</i>	Chair
	OxCam Arc Update	Business Board			To provide BB members with an update on the OxCam Arc.	<i>John T Hill, Director Business & Skills</i>	Chair

DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	DECISION	PURPOSE	CONTACT DETAILS / REPORT AUTHORS	LEAD MEMBER
	Business Board Headlines for Combined Authority Board	Business Board					
	Forward Plan	Business Board	27th January 2020	Decision	To note the forward plan	<i>Monitoring Officer for Combined Authority</i>	Chair
Business Board – 23rd March 2020 (Combined Authority – Alconbury Weald)							
	Minutes of the Meeting on 27th January 2020	Business Board	23rd March 2020	Decision	To approve the minutes of the last meeting as a correct report	<i>Monitoring Officer for Combined Authority</i>	Chair
	Combined Authority Update	Business Board			To provide BB members with an update on overall issues concerning the Combined Authority.	<i>Domenico Cirillo, Business Space Manager</i>	Chair
	OxCam Arc Update	Business Board			To provide BB members with an update on the OxCam Arc.	<i>John T Hill, Director Business & Skills</i>	Chair

DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	DECISION	PURPOSE	CONTACT DETAILS / REPORT AUTHORS	LEAD MEMBER
	Business Board Headlines for Combined Authority Board	Business Board					
	Forward Plan	Business Board	23rd March 2020	Decision	To note the forward plan	<i>Monitoring Officer for Combined Authority</i>	Chair
Business Board Annual Meeting – 26th May 2020 (Venue to be confirmed)							
	Minutes of the Meeting on 23rd March 2020	Business Board	26th May 2020	Decision	To approve the minutes of the last meeting as a correct report	<i>Monitoring Officer for Combined Authority</i>	Chair
	Combined Authority Update	Business Board			To provide BB members with an update on overall issues concerning the Combined Authority.	<i>Domenico Cirillo, Business Space Manager</i>	Chair
	OxCam Arc Update	Business Board			To provide BB members with an update on the OxCam Arc.	<i>John T Hill, Director Business & Skills</i>	Chair

DECISION REQUIRED		DECISION MAKER	DATE DECISION EXPECTED	DECISION	PURPOSE	CONTACT DETAILS / REPORT AUTHORS	LEAD MEMBER
	Constitution Review	Business Board	26th May 2020	Decision	To review the Business Board section of the CPCA Constitution (Appendix 5)	<i>Monitoring Officer for Combined Authority</i>	Chair
	Business Board Headlines for Combined Authority Board	Business Board					
	Forward Plan	Business Board	26th May 2020	Decision	To note the forward plan	<i>Monitoring Officer for Combined Authority</i>	Chair

SUBMIT YOUR COMMENTS OR QUERIES TO BUSINESS BOARD

Your comment or query:

How can we contact you with a response?
(please include a telephone number, postal and/or e-mail address)

Name

Address

.....

Tel:

Email:

Who would you like to respond?



THE BUSINESS BOARD

BUSINESS BOARD	AGENDA ITEM No: 1.4
28TH MAY 2019	PUBLIC REPORT

SCHEDULE OF MEETINGS 2019/20

1.0 PURPOSE

- 1.1 The Combined Authority agrees the date and time of ordinary meetings of the Board, its Committees and the Business Board for the coming Municipal Year at each annual meeting.
- 1.2 Members are asked to agree the calendar of meetings for the 2019/20 Municipal Year. These dates are subject to the outcome of the review of the Constitution which will be considered by the Board in May 2019.

<u>DECISION REQUIRED</u>	
Lead Member:	Business Board Chairman
Lead Officer:	Howard Norris, Interim Monitoring Officer
Forward Plan Ref: N/A	Key Decision: No
<p>The Business Board is recommended to:</p> <p>Approve the Calendar of Meetings for 2019 / 2020, subject to the outcome of the review of the Constitution to be reported in May 2019 (Appendix 1).</p>	<p>Voting arrangements</p> <p>Simple majority of all Members</p>

2.0 FINANCIAL IMPLICATIONS

- 2.1. There are no financial implications.

3.0 LEGAL IMPLICATIONS

3.1. There are no legal implications.

4.0 SIGNIFICANT IMPLICATIONS

5.1 There are no significant implications.

5.0 APPENDICES

5.1. Appendix 1 – Calendar of meetings 2019/20

<u>Source Documents</u>	<u>Location</u>
None	

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY MEETING CARD - 2019/20

MEETING	2019									2020				
	TIME	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Directors Meetings														
Combined Authority Board	10.30 am		26	31		25	30	27	18 *	29	26	25	29	
Annual Combined Authority Board	10.30 am	29												27
Committees														
Transport and Infrastructure	10.00 am		26				2			8			1	
Skills	10.00 am			10			2			8			8	
Housing and Communities	14.00 pm			10			9			8			1	
Overview and Scrutiny	11.00 am	31 (14.00pm)	24	29		23	28	25	16	27	24	23	27	26
Audit and Governance	10.00 am	[31]	14	19		27			13			27		[26]
Employment Committee (unscheduled)														
Business Board	14.30 pm	28		22		23		25		27		23		26
Informal Working Groups														
Informal Cabinet	10.00 am	15	12	17		11	16	13	4	15	12	11	15	13
Leaders Workshops	14.00 pm	7, 20	3, 17	8, 22		2, 16	7, 21	4, 18	2, 16	6, 20	3, 17	2, 16	6, 20	5, 18
Other Bodies														
Fire Authority			20					7			5			
Cambridgeshire Public Service Board	9.30 - 12.00	17	14	12	16	13	11	15	13					
GCP Joint Assembly	14.00 pm		6			12		21						
GCP Executive Board	16.00 pm		27				3		12					
Cambridgeshire CC Full Council	10.30 am	14		23			15		10		11 [14]	17		12
Cambridge City Council Full Council	18.00 pm	23 (11 am)		18			17				20		9	21 (11am)
East Cambridgeshire DC Full Council	18.00 pm	30		18			17			[16]	20		16	21
Fenland DC Full Council	16.00 pm	23		18		19		7	12		20			14
Huntingdonshire DC Full Council	19.00 pm	15		24			16		18		26			
Peterborough CC Full Council	18.30 pm	20												
South Cambridgeshire DC Full Council	14.00 pm	16												
Conferences														
Conservative Party Annual Conference						29 -	2							
Labour Party Annual Conference						22 - 25								
Liberal Democrat Annual Conference						14 - 17								

Board meets Monthly on a Wednesday

Overview and Scrutiny to meet the Monday before the Board

Leaders Workshops - twice monthly Monday meetings

Audit and Governance Committee to meet 4 times a year on a Friday usually the same week as O&S (must meet by end of June and end of September to sign off accounts and have a reserve meeting in May

Business Board last Monday every other month before CA Board

Transport, Housing and Skills Committees 4 times a year on a Wednesday

CPSB Meeting are on Fridays

[] Reserve dates

* To discuss budget only



THE BUSINESS BOARD

BUSINESS BOARD	AGENDA ITEM No: 1.5
28TH MAY 2019	PUBLIC REPORT

1.0 COMBINED AUTHORITY UPDATE

<u>RECOMMENDATIONS</u>
Lead Officer: Kim Sawyer – Interim Chief Executive Officer
<p>The Business Board is recommended to:</p> <p>Consider the updates provided following the meetings of the Board held on the 26th September, 31st October, 28th November 2018, 30th January, 27th February and 27th March 2019.</p>

2.0 BACKGROUND

- 2.1 This report provides an update for the Business Board on the activities of the Cambridgeshire and Peterborough Combined Authority (CPCA) Board meetings since September 2018 to date.
- 2.2 The decision sheets from those meetings are attached as appendices for Business Board consideration.

3.0 RECOMMENDATION

- 3.1 That the Business Board are recommended to consider the update provided following the meetings of the Board held on the 26th September, 31st October, 28th November 2018, 30th January, 27th February and 27th March 2019.

4.0 FINANCIAL IMPLICATIONS

4.1 There are no direct financial implications arising from the report.

5.0 LEGAL IMPLICATION

5.1 There are no direct legal implications arising from the report.

6.0 APPENDICES

6.1 **Appendix A** - Decision Sheet for CPCA Board meeting 6th September 2018

6.2 **Appendix B** - Decision Sheet for CPCA Board meeting 31st October 2018

6.3 **Appendix C** - Decision Sheet for CPCA Board meeting 28th November 2018

6.4 **Appendix D** - Decision Sheet for CPCA Board meeting 30th January 2019

6.5 **Appendix E** - Decision Sheet for CPCA Board meeting 27th February 2019

6.6 **Appendix F** - Decision Sheet for CPCA Board meeting 27th March 2019

Appendix A

<u>CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY-</u>	
Decision Summary	
Meeting: 26 th September 2018 http://cambridgeshirepeterborough-ca.gov.uk/meetings/cambridgeshire-and-peterborough-combined-authority-board-4/?date=2018-09-26	

Item	Topic	Decision
	Part 1 – Governance Items	
1.1	Announcements, Apologies and Declarations of Interest	The Mayor introduced and welcomed Aamir Khalid who had been elected Chair of the Business Board at its meeting on 24 September 2018. Apologies were received from Councillor K Reynolds. Councillor Count declared a conflict of interest in relation to Agenda Item No.2.5, and explained that he would be acting in his capacity as Leader of Cambridgeshire County Council rather than Combined Authority Portfolio Holder for Investment and Finance in relation to this item.
1.2	Minutes – 25th July 2018	It was resolved to approve the minutes of the meeting of 25th July 2018 as a correct record.
1.3	Petitions	None received.
1.4	Public Questions	Two questions were received. A summary of the questions and responses is published at the following Cambridgeshire and Peterborough Combined Authority meeting 26/09/2018
1.5	Forward Plan	The Board approved the draft Forward Plan of Executive Decisions, which listed decisions up to 29 May 2019, dated to be published on 1 October 2018.

1.6	Membership of Combined Authority and Committees - Amendments	<p>The Board was advised of amendments to its substitute membership and amendments to the membership of the Overview and Scrutiny Committee. It was resolved to:</p> <ul style="list-style-type: none"> a) note the appointment by Cambridge City Council of Councillor Anna Smith as its substitute member on the Combined Authority Board for the remainder of the municipal year 2018/2019. b) note the appointment by Cambridge City Council of Councillor Dave Baigent as one of its substitute members on the Overview and Scrutiny Committee for the remainder of the municipal year 2018/2019. c) note the appointment by Peterborough City Council of Councillor June Stokes as one of its members on the Overview and Scrutiny Committee for the remainder of the municipal year 2018/19.
1.7	Review of Constitution – Committee Structure and Other Related Matters	<p>The Board was reminded that it agreed at a previous meeting to establish three committees. It therefore considered proposed amendments to the constitution to take account of this decision. It was resolved:</p> <ul style="list-style-type: none"> a) to approve the amendments to the constitution as set out in Appendix 1 of the report and summarised below. b) to note and agree the Mayor's nominations to portfolios and the membership of the committees including the Chairs of committees as set out in Appendix 2. c) that the Overview & Scrutiny Committee be advised of the amendments to the constitution to include the Overview & Scrutiny Committee's rights to call in these executive committee decisions. d) that a 6 month review of the committee process be undertaken and brought back to the Combined Authority Board in March 2019.
1.8	Audit and Governance Committee – Annual Report and Constitution Review	<p>The Board was asked to note the Audit and Governance Committee Annual Report. It was resolved to:</p>

		<ul style="list-style-type: none"> a) note the Audit and Governance Committee Annual Report and provide any feedback to the Committee. b) request that the Chief Finance Officer for the Business Board update the Audit and Governance Committee's Terms of Reference to reflect their role in regard to the Business Board for approval by a future meeting of the Board upon the recommendations of the committee.
1.9	Overview & Scrutiny Committee - Recommendations	<p>Councillor Nethsingha presented a report proposing a public question scheme for the Committee, and requesting a budget be allocated for the Overview and Scrutiny Committee to help support future work. It was resolved to:</p> <ul style="list-style-type: none"> a) agree that the Overview and Scrutiny Committee adopt a public question scheme as outlined in Appendix 2 of the report and that the constitution be amended accordingly. b) agree that an annual budget of £20k be available in the Combined Authority budget to support the work of the Overview and Scrutiny Committee; funds to be allocated subject to specific work programmes.
1.10	Government review of LEPs - Strengthened Local Enterprise Partnerships	<p>The Government had launched a review of LEPs across the UK on 24 July 2018 with a requirement to respond to the question of geography by 28 September 2018, and separately on governance and performance matters by 31 October 2018. The Board was asked to agree the draft response from the Business Board on the question of geography. It was resolved to:</p> <ul style="list-style-type: none"> a) act as the Accountable Body agree the draft response to Government from the Business Board as set out in Appendix A. b) agree the position on a coterminous boundary between the Local Enterprise Partnership area and Combined Authority area for submission to the Government. c) agree that any final insubstantial amendments that are required prior to submission of the response to Government.

1.11	Appointment of Interim Chief Finance Officer (s73)	<p>The Board considered a report on the process which had led to the appointment of Karl Fenlon as Interim Chief of Finance and was asked to appoint Mr Fenlon as interim s73 Chief Finance Officer. It was resolved to:</p> <p>appoint Karl Fenlon as interim s73 Chief Finance Officer to the Combined Authority</p>
1.12	Interim Arrangements for Chief Executive	<p>The Board was asked to consider interim management arrangements following the resignation of Martin Whiteley, Chief Executive, Cambridgeshire and Peterborough Combined Authority (CPCA). It was resolved to:</p> <ul style="list-style-type: none"> (i) appoint Kim Sawyer, Legal Counsel and Monitoring Officer, CPCA and John Hill, Chief Executive, East Cambridgeshire District Council as interim Chief Executives of the CPCA until 31st March 2019 (or until the appointment of a permanent Chief Executive, whichever is the sooner). (ii) appoint Patrick Arran as the CPCA interim Monitoring Officer until 31st March 2019 (or until the appointment of a permanent Chief Executive, whichever is the sooner).
	Part 2 – Combined Authority Matters	
2.1	Housing Strategy	<p>The Board considered a report which set out an innovative and bold strategy to address the shortage in housing in all tenures in the area as quickly as possible. It was resolved to:</p> <ul style="list-style-type: none"> a) agree the approach to delivering the Housing Strategy set out in the 31Ten report in Appendix 1 of the report. b) agree the concept of creating a revolving fund of monies from within the £100m programme for housing investment, to run within and beyond the 5 year programme.

2.2	Affordable Housing Programme- Cambridge City Council £70m 2018/2019 Budget	<p>The Board considered a report detailing the baseline and current forecast programme expenditure and a specific request for the budget approval for the financial year 2018/19 to enable payments to be made to Cambridge City Council in accordance with claims and monitoring processes. It was resolved to:</p> <ul style="list-style-type: none"> a) note the expenditure profile for 2018/19 financial year in respect of the Cambridge City Council £70 million, as part of the Authority's £170 million Affordable Housing Programme. b) approve the carry forward of 2017/18 approved budget of £387,041 to 2018/19. c) approve 2018/19 budget provision of £14,669,959, giving a 2018/19 total budget of £15,057,000 to enable the programme to proceed.
2.3	Public Service Reform: Health and Social Care Proposal	<p>The commitment by partners to progress health and care transformation was enshrined within the Devolution Deal. There was a need to take this commitment forward given that the area's health economy was one of the most challenged in the country. It was resolved to:</p> <ul style="list-style-type: none"> a) note the devolution deal commitment to, and the economic and administrative case for, taking action to implement new models of public service delivery. b) agree the proposal to design an innovative Cambridgeshire and Peterborough health and social care proposition based on further devolution which makes the case to Government for the further transfer of resources, decision-making and accountability relating to health and social care. c) agree the establishment of an independent Public Service Reform and Innovation Commission which will support, inform and challenge the development of the Cambridgeshire and Peterborough health and social care proposition. d) agree the commitment of up to £450,000 in 2018/19 from within the existing approved allocation for Public Sector Reform in the Medium Term Financial Plan (MTFP).

2.4	Soham Rail Station- Budget Update	<p>The Combined Authority had assumed responsibility for the Soham Rail station from the County Council in June, 2018. The Authority had already allocated £1.5m to the delivery of the current phase, and an additional £1.7m was required to continue with the completion of GRIP 3. It was resolved to:</p> <ul style="list-style-type: none"> a) approve a budget of £1.7m for GRIP Stage 3 for the acceleration and delivery of the Soham Rail Station. b) agree the DSA novation in principle and delegate to the Chief Finance Officer and Monitoring officer, in consultation with the Chair of the Transport Committee, to agree the terms of the novation. c) note that verbal commitments have taken place to progress this project at an accelerated pace and identify opportunities for early delivery. d) agree that an update will be provided to the CPCA Board, or other nominated meeting, prior to the end of GRIP Stage 3 to outline progress to date and identify the CPCA's requirements for the delivery of GRIP Stages 4 – 8. e) note how this work fits within the opportunities that have been identified to accelerate the transport projects; as reviewed in the July board.
2.5	Business Rate Pilot	<p>The Board received a report detailing the one year business rate retention pilot bid to the Ministry of Housing, Communities and Local Government. It was proposed that all councils would be compensated for their expected business rates for the year. It was resolved to:</p> <ul style="list-style-type: none"> a) ratify the Cambridgeshire and Peterborough 2019-20 Business Rates pilot bid submitted to MHCLG on the 25th September 2018.
	Part 3- Business Board matters	
3.1	Business Board Recommendations of the last meeting	<p>The Board noted the recommendations of the meeting of the Business Board held on 23 July and received an oral update of the meeting held on 24 September 2018.</p>

3.2	Membership of Business Board	<p>The Board considered a report detailing the membership of the Business Board, following a recruitment campaign and interview process for private sector members. It was resolved to note:</p> <ul style="list-style-type: none"> a) note the appointments of private sector members of the Business Board as set out in paragraph 2.16 of the report. b) note the appointment of Aamir Khalid as Chair and Andy Neely as Vice Chair of the Business Board. c) approve the Business Board's nomination of Aamir Khalid as a member of the Combined Authority Board to represent the Business Board and Andy Neely as his substitute member.
3.3	Cambridgeshire & Peterborough Independent Economic Review	<p>The Board was informed that the Cambridgeshire and Peterborough Independent Economic Review (CPIER) had been published and that it was going to be used as evidence for the Local Industrial Strategy. It was resolved to:</p> <ul style="list-style-type: none"> a) welcome the publication of the Cambridgeshire and Peterborough Independent Economic Review (CPIER) as a major milestone in the development of our Local Industrial Strategy and all 14 recommendations contained within the CPIER report. In doing so it agreed that these recommendations would form the basis of work undertaken by the Combined Authority in the development of a tailored Local Industrial Strategy which would incorporate the development of Growth, Business Investment, Skills Development, Housing and Spatial Planning Strategies. b) provide any initial opinions on the findings of the CPIER, in advance of the upcoming engagement sessions.
3.4	Growth Prospectus 2018/19-	<p>The Business Board had approved the Growth Prospectus on 24 September 2018. The provisional date for the launch would be 8 October 2018. It was resolved to:</p> <ul style="list-style-type: none"> a) agree the draft Growth Prospectus 2018/19 and the programmes contained therein, subject to final version to be signed off by Chief Executive (Acting).

		<p>b) agree provisional allocations for each programme within the Prospectus, subject to review and cashflow within Growth Deal and Growing Places Fund budgets.</p> <p>c) agree processes for due diligence and appraisal, subject to review; and</p> <p>d) note that applications and business cases will be brought to the Business Board for consideration and recommendation to the Combined Authority, from November 2018 onwards.</p>
	Part 4- Motion submitted under Committee Procedure Rule 14	
4.1	<p>Motion from Councillor Bridget Smith:</p> <p>That the Combined Authority urgently commissions an organisation with suitable expertise to conduct an independent, full organisational review to be reported to the Combined Authority Board and senior officers, and to then be published in full. The review to include: delivery objectives for 2018/2019; governance, top to bottom staffing, operations and project delivery.</p>	The Board discussed the motion proposed by Councillor Smith and seconded by Councillor Herbert. On being put to the vote, the motion was lost.
	Part 5- Date of next meeting	
5.1	<p>Date: Wednesday, 31 October 2018 Council Chamber, Peterborough City Council Town Hall; Bridge Street, Peterborough PE1 1HG</p>	It was resolved to note the date of the next meeting.

Appendix B

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY	
Decision Statement	
Meeting:	31st October 2018
Minutes:	Cambridgeshire & Peterborough Combined Authority

Summary of decision taken at this meeting

Item	Topic	Decision
	Part 1- Governance Items	
1.1	Announcements, Apologies and Declarations of Interest	<p>The Mayor welcomed Patrick Arran to his first meeting since his appointment as Interim Monitoring Officer.</p> <p>Apologies were received from J Ablewhite, Police and Crime Commissioner, substituted by R Bisby, Deputy Police and Crime Commissioner.</p> <p>There were no declarations of interest.</p>
1.2	Minutes – 25th July 2018	<p>It was resolved to:</p> <p>a) approve the minutes of the meeting of 26 September 2018 as a correct record.</p>
1.3	Petitions	None received.
1.4	Public Questions	A question was received from Councillor Chris Boden, however he was not in attendance so his written question was read to the board.

1.5	Forward Plan	<p>The Board reviewed the Forward Plan of Executive Decisions which was published on 29 October 2018.</p> <p>It was resolved unanimously to:</p> <p>a) note the Forward Plan.</p>
1.6	Appointment to Business Board	<p>The Board considered a recommendation to appoint Councillor Wayne Fitzgerald as substitute for Councillor Charles Roberts on the Business Board in place of Councillor Anna Bailey.</p> <p>It was resolved unanimously to:</p> <p>d) appoint Councillor Wayne Fitzgerald as substitute for Councillor Charles Roberts, Portfolio for Economic Growth on the Business Board</p>
1.7	Membership of the Combined Authority and Committees - Amendments	<p>The Board considered changes to the substitute membership of the Combined Authority Board and Overview and Scrutiny Committee.</p> <p>It was resolved unanimously to note:</p> <p>a) the appointment by Cambridgeshire County Council of Councillor Ian Bates temporarily as its substitute member on the Combined Authority Board</p> <p>b) the appointment by Peterborough City Council of Councillor Shaz Nawaz as one of its substitute members on the Overview and Scrutiny Committee for the remainder of the municipal year 2018/19</p>
	Part 2- Combined Authority Matters	
2.1	£100m Housing Programme - Scheme Approvals	<p>The Board considered a report detailing a new scheme to consider in the context of the overall investment pipeline for the Combined Authority's £100m programme.</p> <p>It was resolved unanimously to:</p>

		c) commit grant funding of £1.634m from the £100m Affordable Housing Programme to support delivery of new affordable housing scheme at Lion Works, Station Road, Whittlesford.
2.2	Commission of the Local Transport Plan	<p>The Board considered a report seeking confirmation of the scope and outputs proposed in the commission of the Local Transport Plan (LTP) for the Combined Authority area.</p> <p>It was resolved unanimously to:</p> <ul style="list-style-type: none"> c) agree the scope of the Local Transport Plan for the Combined Authority d) agree the stakeholder engagement strategy
2.3	East-West (North) Corridor – A47 Dualling Study – Strategy, Phasing and Prioritisation Stage 0	<p>The Board considered a request to approve additional funding of up to £1m consisted of £800k to establish a supply chain and meet County Council and land costs plus a £200k contingency fund.</p> <p>It was resolved unanimously to:</p> <ul style="list-style-type: none"> a) note the findings of the revised A47 Strategic Outline Business Case, and Options Appraisal Report which confirms that a strong case exists for the dualling of the whole section of the route. b) note the three identified route options being developed to the standards of both HE DCO Compliant PCF Stage 0 and SGAR. c) approve the continuation of Skanska consultancy support via the existing Cambridgeshire County Council framework arrangement and Budget of additional funding of up to £1,000,000, (at a level of £800,000 plus £200,000 contingency subject to CEO / CFO release) for the development of HE DCO Compliant PCF Stage 0 products to achieve a Green SGAR approval. d) note the need to identify funding for a contribution towards the development stage of up to £30,000,000 of an estimated total £60,000,000 over the period 2019 to 2025 as a contribution to the design and development of the preferred route. e) delegate authority to the Transport Director, in consultation with the Chairman of the Transport Committee, to consider and negotiate the concept of amending the continuation or cessation of

		the current proposed Highways England Intervention at Guyhirn, to then utilise the funding in the development of the wider scheme.
2.4	Cambridge Autonomous Metro: Update	<p>The Board received an update on the CAM project and specifically on the decisions taken at the July Board.</p> <p>It was resolved by a majority to:</p> <ul style="list-style-type: none"> a) note the progress of the CAM project towards the production of the Strategic Outline Business Case by December 2018 b) agree the outcomes of the review of the A429 Camborne to Cambridge project, following the pause agreed at the July Combined Authority Board meeting c) note the progress of the work to assess the potential delivery models to ensure the priority transport projects (including the CAM) can be delivered at pace.
2.5	A605 Kings Dyke Level Crossing Closure	<p>The Board considered a request for funding to enable the construction of King's Dyke level crossing closure scheme to proceed to completion in 2020, following the completion of detailed design.</p> <p>It was resolved unanimously to:</p> <ul style="list-style-type: none"> a) note the independently reviewed Business case supporting the progression of the scheme as value for money b) agree to provide funding contribution of up to £16.4m over the original £13.6m allocation to enable the scheme to progress to construction c) agree the apportionment of 40 / 60 as a split of any under / over spend against the above budget between Cambridgeshire County Council and the Combined Authority as set out in the report.
2.6	Performance Reporting	<p>The Board considered future performance reporting arrangements.</p> <p>It was resolved unanimously to:</p>

		c) agree the proposed performance reporting arrangements described in this paper.
	PART 3- Date of Next Meeting	
3.1	Wednesday, 28 November 2018 Council Chamber, Fenland Hall, County Road, March PE15 8NQ	

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY	
Decision Statement	
Meeting:	28th November 2018
Minutes:	<u>Cambridgeshire & Peterborough Combined Authority Decision Statement</u>

Summary of decisions taken at this meeting

Item	Topic	Decision
	Part 1 – Governance Items	
1.1	Announcements, Apologies and Declarations of Interest	<p>Apologies were received from Councillor B Smith (substituted by Councillor A Van de Weyer) and Councillor S Count (substituted by Councillor I Bates)</p> <p>Declarations of interest were made in relation to Item 6.1: £100m Affordable Housing Programme – Scheme Approvals by Councillor C Roberts and John Hill as Directors of the East Cambridgeshire Trading Company.</p> <p>The Mayor stated that he did not consider that he had any interest to declare in relation to Item 1.6: Members’ Allowances Scheme.</p>
1.2	Minutes – 31st October 2018	It was resolved to approve the minutes of the meeting of 31st October 2018 as a correct record.
1.3	Petitions	None received.
1.4	Public Questions	None received.
1.5	Forward Plan	It was resolved to note the Forward Plan.

1.6	Members' Allowances Scheme	<p>The Combined Authority Board was asked to agree that the independent Remuneration Panel be requested to review the Members' Allowance Scheme in relation to the Mayor's allowance and to consider the payment of a standard allowance for any independent commissions set up by the Combined Authority. It was also asked to ratify the decisions taken by the Business Board in relation to convening an Independent Remuneration Panel to consider the level of allowances payable to the Chair, Vice-Chair and other private sector board members on the Business Board.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> e) review the Members' Allowance Scheme (Mayor's Allowance); f) consider the payment of allowances/expenses to those appointed to any independent commissions set up by the Combined Authority; and g) ratify the decisions of the Business Board reported orally at the meeting.
PART 2- Finance		
2.1	£2019/20 Draft Budget and Medium Term Financial Plan 2019 to 2023	<p>The Combined Authority Board was asked to approve the draft revenue and capital budgets for 2019/20 reflecting the current priorities and available resources and a medium term financial plan (MTFP). It was resolved to:</p> <ul style="list-style-type: none"> d) agree the draft revenue budget for 2019/20 and the MTFP to 2023 to go forward for consultation with wider stakeholders; e) agree the draft capital programme to go forward for consultation with the wider community. f) that each element of the annual Combined Authority overheads budget be urgently reviewed and overheads spend significantly reduced for 2019/2020 from the projected figures when the annual budget is published in February 2019.
2.2	Budget Monitor Update	<p>The Combined Authority Board considered a report providing a mid-year update of actual expenditure to date against the 2018/19 budget as presented to the Board in May 2018 as part of the draft Medium Term Financial Plan.</p>

		<p>It was resolved to:</p> <ul style="list-style-type: none"> a) note the half year financial position of the Combined Authority for the year to 31 March 2019. b) agree the provisional outturn for 2018/19.
	PART 3- Combined Authority Matters	
3.1	Wisbech to March Rail – Grip 3b Study	<p>The Combined Authority Board considered a report outlining the proposed plans for the Wisbech to March Rail project.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> a) approve the budget of £1,500,000 (£1,300,000 estimated cost and £200,000 contingency for Chief Executive Officer/Chief Finance Officer discretionary release) as a proportion of the £3.25m indicated in March 2018 as part of the potential £6.5m Wisbech Garden Town funding, and b) agree to delegate authority to the Transport Director to appoint a supplier to deliver the study as successful tenderer in the current procurement exercise, and c) agree to delegate authority to the Transport Director to negotiate with all relevant stakeholders both in regard of the exploration of the rail link and low cost non-heavy rail alternative, in consultation with the Chairman/woman of the Transport Committee.
3.2	Response to the Cambridgeshire and Peterborough Independent Economic Review (CPIER): A Growth Ambition Statement	<p>The Combined Authority Board considered a report recommending a formal response to recommendations of the Cambridgeshire and Peterborough independent Economic Review (CPIER).</p> <p>It was resolved to:</p>

		<ul style="list-style-type: none"> a) agree the response to the CPIER main recommendations at Annex B; b) adopt the Growth Ambition Statement at Annex A; c) mandate officers to ensure consistency with the Growth Ambition Strategy in developing future strategy documents and business plans for transport, planning, business and skills, including reviewing previously agreed timescales to make aligning content more feasible. d) The Mayor and Combined Authority commence producing a comprehensive funding strategy for CAM Metro, covering both capital and operating cost, ahead of further decisions on CAM, and on the need for Mayoral Development Corporations as potential funding sources.
3.3	Performance Reporting	<p>The Combined Authority Board considered a report providing a first quarterly update under the new performance reporting process agreed by the Board.</p> <p>It was resolved to note the November Delivery Dashboard.</p>
	PART 4- Business Board Recommendations to Combined Authority	
4.1	Growth Fund Projects	<p>The Combined Authority considered a report outlining the Growth Prospectus approved by the Business Board in September 2018. It was resolved to note the decisions of the Business Board and, subject to confirmation from Government that local growth funds had been released for allocation by the Business Board, to:</p> <ul style="list-style-type: none"> a) accept and approve recommendations from officers of small grant awards to Small and Medium Enterprises (SMEs) totalling £19,490. b) agree delegated authority to approve small grants to SMEs between £2,000 and £20,000 to Director of Business & Skills subject to Section 151 Officer approval, and regular reporting to the Business Board.

		c) give approval to procure and appoint independent project appraisers of business cases over £20,000.
4.2	Eastern Agri-Tech Growth Initiative	<p>The Combined Authority considered a report informing the Business Board about the Eastern Agri-Tech Growth Initiative which had transferred over from the previous Local Enterprise Partnership and asked the Business Board to recommend to the Combined Authority Board that the initiative should continue until March 2021 with associated funding.</p> <p>It was resolved to note the decisions of the Business Board and, subject to confirmation from Government that local growth funds have been released for allocation by the Business Board, to:</p> <ul style="list-style-type: none"> a) agree that the Eastern Agri-Tech Growth Initiative should continue across the existing geographical areas of both the BB and New Anglia Local Enterprise Partnership (NALEP); b) agree a funding allocation of £4m from new Growth Deal funding; c) agree the Terms of Reference for the Eastern Agri-Tech Programme Board. d) delegate authority to the Eastern Agri-Tech Programme Board to make decisions about applications for grant funding on behalf of both the CA/BB and NALEP; e) agree that the Eastern Agri-Tech Programme Board should become a Sub-Board of the BB, and f) agree that a member of the BB, nominated by the BB, should become Chair of the Eastern Agri-Tech Programme Board.
4.3	<p>Growth Deal</p> <p>(a) Wisbech Access Strategy – Summary of study work and request to proceed to delivery of</p>	<p>The Combined Authority Board considered a report asking approval from the Business Board for the full release of the previously allocated £10.5m Growth Deal investment in October 2017. It was resolved to note the decisions of the Business Board and, subject to confirmation from Government that local growth funds have been released for allocation by the Business Board, to:</p>

	<p>design with simultaneous construction of phase 1 interventions</p> <p>(b) M11 Junction 8 Improvement Project</p>	<ul style="list-style-type: none"> a) approve a budget of £10,500,000 to enable the procurement of an appropriate design and build contractor to immediately commence the delivery of an overlapped phased design and construction programme. b) delegate authority to the Transport Director, in consultation with the Chair of the Transport Committee, at key gateway stages to deliver this package of works on behalf of the Business Board. c) subject to BEIS Ministerial approval of the release of future Growth Deal funds, release of the £10.5m Growth Deal funding for the delivery of this vital scheme for the housing and economic growth of Wisbech. <p>The Combined Authority Board considered a report detailing the M11 Junction 8 improvement project that is being led by Essex County Council (ECC) and requests that the Business Board support the recommendation to release £1million of Growth Funding towards this project. It was resolved to:</p> <p style="padding-left: 40px;">release the £1m Growth Deal funding to Essex County Council, to support the delivery of the range of improvements outlined within this paper for the M11 Junction 8.</p>
4.4	The Greater South East Energy Hub – Rural Community Energy Fund	<p>The Combined Authority Board considered a report asking to approve the inclusion of the RCEF as an additional funding support offer by the Greater South East Energy Hub in advance of final agreement by Combined Authority as Hub Accountable Body.</p> <p>It was resolved to note the decisions of the Business Board and, subject to confirmation from Government that local growth funds have been released for allocation by the Business Board, to:</p> <p style="padding-left: 40px;">agree that the Greater South East Energy Hub assumes the RCEF management role.</p>

	Part 5- Skills Committee Recommendations to Combined Authority	
5.1	University of Peterborough – Review and Evaluation for Phase 1 and 2 of the Programme	This report was withdrawn as there was no recommendation from the Skills Committee to the Board to agree.
5.2	Adult Education Budget Devolution	<p>The Combined Authority Board considered a report that sought to secure support to the proposal for progressing with the next steps of the Devolution of the Adult Education Budget (AEB) and its implementation by agreeing to the proposal for financial sustainability in AEB delivery, the progress towards the devolution programme, and the role of the Skills Committee in governing the AEB programme post 2019.</p> <p>It was resolved by a majority to note the recommendations of the Skills Committee and to:</p> <ul style="list-style-type: none"> a) approve business case requesting a top slicing allocation up to 4.9% to ensure the delivery of the AEB is resourced appropriately. b) approve the proposed commissioning approach for the CPCA devolved AEB. c) authorise officers to enter into a negotiated grant commissioning process to develop and work with the 15 indigenous and contiguous Cambridgeshire and Peterborough Colleges and Local Authority providers currently grant funded by the Education Skills Funding Agency. (This would mean disinvestment in the remaining 120 Grant funded providers spatially distant from Cambridgeshire & Peterborough.) d) agree to procure contracts for services for all other providers, including Independent Training Providers, Further Education Institutions based outside of the CPCA area and other organisations (which might include the voluntary & community sector). Further to give delegated authority to the Director of Business & Skills to award contracts.

5.3	Skills Prioritisation Plan - Careers Enterprise Company	<p>The Combined Authority Board considered a report informing the Skills Committee of the next steps in the delivery of the Careers Enterprise Company (CEC) contract and to seek support for the proposed ways of working in the delivery of the contract post March 2019.</p> <p>It was resolved:</p> <ul style="list-style-type: none"> (a) to approve that the CPCA cease resourcing the Careers Enterprise Company contract for delivery. (b) that delegated authority be provided to the Portfolio Holder and Director of Business and Skills to engage with the CEC to identify potential local partners to undertake the remaining CEC Delivery Contract.
	Part 6 - Combined Authority Matters	
6.1	£100m Affordable Housing Programme - Scheme Approvals	<p>The Combined Authority Board considered a report seeking approval for the provision of a 2 year repayable commercial loan facility capped at £24.4m to the East Cambridgeshire Trading Compact (ECTC) to purchase a site currently comprising 88 empty houses and land.</p> <p>It was resolved by a majority to:</p> <ul style="list-style-type: none"> a) approve the provision of a commercial loan facility of £24.4m to East Cambridgeshire Trading Company (ECTC) for a scheme of 92 units based on the heads of terms detailed in Appendix 1. b) authorise the Director, Housing to bring forward commercial proposals for the CPCA to joint venture as a development partner with ECTC for the delivery of up to 62 additional homes on the undeveloped infill land, once the land has been acquired. c) authorise the Director, Housing in consultation with Legal Counsel and Portfolio Holder Fiscal to conclude any necessary legal documentation to secure the loan, to include a charge upon the land.

	Part 6- Finance- Part 2 item	
6.2	Exclusion of Press and Public	<p>It was resolved:</p> <p>that the press and public be excluded from the meeting on the grounds that the agenda contains exempt information under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, and that it would not be in the public interest for this information to be disclosed -information relating to the financial or business affairs of any particular person (including the authority holding that information)</p>
6.3	Wisbech: 11 & 12 High Street	The Combined Authority Board considered a confidential report on 11 & 12 High Street, Wisbech. It was resolved to approve the recommendations in the report.
	Part 7- Date of Next Meeting	
7.1	Date: Wednesday 30 January 2019 at 10.30am, Civic Suite Room A, Huntingdonshire District Council, Pathfinder House, St Mary's Street, Huntingdon, PE29 3TN	

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY	
Decision Statement	
Meeting:	30 th January 2019
Minutes:	<u>Cambridgeshire & Peterborough Combined Authority Decision Statement</u>

Summary of decisions taken at this meeting.

Item	Topic	Decision
	Part 1 – Governance Items	
1.1	Announcements, Apologies and Declarations of Interest	Apologies were received from Councillor S Count (Substituted by Councillor I Bates), Councillor C Roberts, Jason Ablewhite and Jess Bawden.
1.2	Minutes- 28 November 2018	It was resolved to: Approve the minutes of the meeting of 28th November 2018 as a correct record.
1.3	Petitions	None received.
1.4	Public Questions	Three questions were received. A summary of the questions and responses is published at the following link - <u>Combined Authority: Public Questions</u>
1.5	Forward Plan	It was resolved to: Note the Forward Plan.
1.6	Housing and Communities Committee: Change of Membership	The Combined Authority Board was asked to approve a change in membership of the Housing and Communities Committee.

		<p>It was resolved to:</p> <p>Approve the change of Member on the Housing and Communities Committee for Fenland District Council from Councillor Seaton to Councillor Denise Laws.</p>
1.7	Appointment of Interim Chief Finance Officer (s73 Officer)	<p>The Combined Authority Board was asked to appoint Noel O'Neill as interim s73 Chief Finance Officer.</p> <p>It was resolved to:</p> <p>Appoint Noel O'Neill as interim s73 Chief Finance Officer to the Combined Authority</p>
1.8	Audit and Governance Committee - Recommendations	<p>Following the Audit and Governance Committee meeting on the 30th November. The Committee members agreed that they would like to recommend to the Combined Authority that a review be undertaken on the procedures in place for the termination of the employment of senior officers.</p> <p>It was resolved to:</p> <p>Instruct the Chief Executive to carry out a review of procedures for termination of the employment of senior officers and report the outcome of that review to the Audit and Governance Committee</p>
PART 2- Finance		
2.1	Budget Monitor Update	<p>The Combined Authority Board considered a report providing an update of income and expenditure for the year to the end of November 2018 against the forecast for the year as approved by the Board on 28 November 2018.</p> <p>It was resolved to:</p> <p>Note the financial position of the Combined Authority for the year to date</p>

2.2	2019/20 Budget and Medium Term Financial Plan 2019-2023	<p>The Combined Authority Board considered a report outlining the 2019/20 Budget and Medium Term Financial Plan 2019 to 2023. The Board were asked to approve the revenue and capital budgets.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> e) Approve the revenue budget for 2019/20 and Medium Term Financial Plan 2019 to 2023 f) Approve the capital programme 2019 to 2022
2.3	Combined Authority Business Plan 2019/20	<p>The Combined Authority Board was asked to adopt a recommended 2019-20 Business Plan.</p> <p>It was resolved to:</p> <p>Adopt the 2019-20 Business Plan</p>
2.4	Budget 2019/20 (Mayor's Budget)	<p>The Combined Authority Board was asked to approve the Mayor's draft budget for 2019/20.</p> <p>It was resolved to:</p> <p>Approve the Mayor's draft budget for 2019/20</p>
2.5	11&12 Wisbech High Street	<p>At the last meeting, the Combined Authority delegated authority to the interim Section 73 Officer and the interim Chief Executive to formalise the potential arrangements to support Fenland District Council in the event that step in is required. The Combined Authority Board was asked to approve this potential support to Fenland District Council.</p> <p>It was resolved to:</p> <p>Approve the arrangements to support Fenland District Council if required to see successful conclusion of the project.</p>

	PART 3- Combined Authority Matters	
3.1	Strategic Bus Review	<p>In November 2017 the Combined Authority commissioned a strategic review of the regional bus network. This report presents the outcomes of that review and proposes recommendations for consideration.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> d) Note the recommendations of the Strategic Bus Review e) Approve to develop and deliver a Business case assessment of the benefits of operational models open to the Combined Authority including Enhanced Partnerships and franchising opportunities in line with DfT Guidelines and as set out in the Bus Service Act. The business case will be completed in Q1 2021 f) Approve the establishment of a cross-organisational group “Bus Reform Group” to build up the implementation strategy based on the recommendations of the Strategic Bus Review for short and medium term improvements.
3.2	Transport Delivery- Appointment of Inner Circle	<p>The Combined Authority Board considered a report providing a briefing relating to the appointment of Inner Circle LTD as transport consultants to the Authority under delegated powers.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> d) Note the arrangement with Inner Circle to date e) Authorise the Chief Executive, in consultation with the Chair of the Transport Committee, to take whatever steps are necessary to secure appropriate consultancy arrangements after the end of March 2019 and until the appointment of the permanent transport team.

	PART 4- Business Board Recommendations to Combined Authority	
All of the following Business Board recommendations are conditional pending confirmation from Government that local growth funds have been released for allocation by the Business Board.		
4.1	Growth Deal Projects Proposals January 2019	<p>The Business Board was responsible for allocating the Growth Fund subject to ratification by the Combined Authority (CA) Board with the objective of creating new jobs and boosting productivity. The Combined Authority Board was asked to approve the recommendations set out in the report.</p> <p>It was resolved to approve upon the recommendation of the Business Board:</p> <ul style="list-style-type: none"> a) Consider the reports by external assessors of projects submitted for Growth Deal Funds b) Recommend those schemes which are suitable to the Combined Authority Board for approval c) Note the summary of Small Grants approved under delegated powers. a) Bid A b) Bid B subject to there being recognition of the source of the funds from the Business Board by the recipient and that the following conditions precedent are satisfied before any funds are released. <ul style="list-style-type: none"> i) Confirmation that 50% of the £30m follow up funding had been secured ii) There be a professional assessment of the 3.5% equity figure in terms of risk

4.2	Draft Annual Delivery Plan for Business and Skills	<p>On the 28th January 2019, the Business Board considered a report bringing forward the first draft of the Business and Skills Annual Delivery Plan. The Combined Authority Board was asked to approve the recommendations set out in the report.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> a) Consider the content of the draft Annual Delivery Plan b) Identify any areas for further development by officers c) Note the draft Annual Delivery Plan for Business and Skills
4.3	Rural Community Energy Fund- Management and Administration	<p>The Cambridgeshire and Peterborough Combined Authority (CPCA) was the Accountable Body for the Greater South East Energy Hub that covers fifteen counties and Greater London. The Energy Hub had been set up to unlock current restrictions and blockages relating to local energy infrastructure. By aligning the Rural Community Energy Fund (RCEF) with the Energy Hub it enabled greater connectivity and maximises the resultant opportunities to create, initiate and deliver projects locally. The Combined Authority Board was asked to approve the recommendations set out in the report.</p> <p>It was resolved to:</p> <p style="text-align: center;">Agree that the Greater South East Energy Hub assumes the RCEF management role, administers the fund and employs the Community Energy Advisor.</p>
4.4	Growth Programme Update (from November 2018 Business Board)	<p>The Greater Cambridge and Greater Peterborough Local Enterprise Partnership (GCGP LEP) negotiated three successive Growth Deals with Government between 2014 and 2017, securing £146.7m to deliver new homes, jobs and skills across the LEP area. In addition to the Growth Deal, GCGP secured £16.1m from the Growing Places Fund to establish a recyclable pot of grants and loans for projects delivering economic benefit across the region. The Combined Authority Board was asked to approve the recommendation set out in the report.</p> <p>It was resolved to:</p>

		<ul style="list-style-type: none"> a) Note the accumulative and in-year programme position to 31 October 2019 for Growth Deal and Growing Places Fund b) Note and agree the submission of the Growth Deal monitoring report to Government to end Q2 2018/19; and c) Approve an extension to the funding period for the Lancaster Way Phase 2 (grant). See section 3.8 to 3.11)
	Part 5- Date of next meeting	
5.1	<p>10.30am Wednesday 27 February 2019, Council Chamber, South Cambridgeshire District Council, South Cambridgeshire Hall, Cambourne Business Park, Cambourne, Cambridge CB23 6EA</p>	

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY	
Decision Statement	
Meeting:	27 th February 2019
Minutes:	Cambridgeshire and Peterborough Combined Authority: Minutes

Summary of decisions taken at this meeting.

Item	Topic	Decision
	Part 1 – Governance Items	
1.1	Announcements, Apologies and Declarations of Interest	Apologies were received from Councillor S Count (Substituted by Councillor I Bates) and Councillor C Roberts (Substituted by Councillor A Bailey). There were no declarations of interest.
1.2	Minutes - 30 th January 2019	It was resolved to: Approve the minutes of the meeting of 30 th January 2019 as a correct record.
1.3	Petitions	None received.
1.4	Public Questions	None received
1.5	Forward Plan	It was resolved to: Note the Forward Plan.

	Part 2- Finance	
2.1	Budget Monitor Update	<p>The Board considered a report providing an update of income and expenditure for the year to the end of December 2018</p> <p>It was resolved to:</p> <p>Note the financial position of the Combined Authority for the year to date</p>
	Part 3- Combined Authority Matters	
3.1	<p>£100m Affordable Housing Programme – Scheme Approval, Springfield Avenue, March.</p> <p><i>[Contains exempt appendices. If the Board wishes to discuss these it will be necessary to resolve to exclude the press and public]</i></p>	<p>As part of the Devolution Deal, the Combined Authority successfully secured £100 million from Government to deliver 2,000 affordable home across Cambridgeshire and Peterborough. The Board considered a report providing details of a new scheme to consider in the context of the overall investment pipeline for the Combined Authority's £100m programme.</p> <p>It was resolved to:</p> <p>Commit grant funding of £440,000 from the £100m Affordable Housing programme to support delivery of new affordable housing on a scheme at Springfield Avenue, March, Fenland subject to the conditions set out in paragraph 3.11.</p>
3.2	Strategic Spatial Framework Phase 2	<p>The Board considered a report outlining a revised timetable and process, including arrangements for working with planning authorities, for the next stages of work on the Cambridgeshire and Peterborough Non-Statutory Strategic Spatial Framework (NSSF).</p> <p>It was resolved to:</p> <p>Agree the work programme and approach for Phase 2 of the Strategic Spatial Framework.</p>

3.3	Quarterly Performance Reporting	<p>The Board considered a report providing the next quarterly update on performance reporting, as agreed by the Board in October 2018.</p> <p>It was resolved to:</p> <p style="text-align: center;">Note the February Delivery Dashboard</p>
3.4	University of Peterborough Funding	<p>The Board considered a report seeking approval to release £446,000 to University Centre Peterborough as arrears of funding payment for project delivery against agreed project outputs during the period September 2018- March 2019.</p> <p>It was resolved to:</p> <p style="text-align: center;">Agree the £446,000 payment to University Centre Peterborough contingent upon the funding agreement being executed before funding is released.</p>
	Part 4 – Motion Submitted under Proceedings of Meetings Rule 14	
4.1	<p>Motion from Councillor Lewis Herbert</p> <p><i>[The Interim Monitoring Officer advised that the motion was in order as drafted]</i></p>	<p>The Board considered a motion submitted under proceedings of meetings rule 14 from Councillor Lewis Herbert, seconded by Councillor Bridget Smith.</p> <p>On being put to the vote, both the substantive Motion and the Amended Motion proposed by Councillor Herbert were lost.</p>
	Part 5- Date of next meeting	
5.1	10.30am Wednesday 27 March 2019, Kreis Viersen, Shire Hall, Cambridge, CB3 0AP	



Appendix F

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY - Decision Summary		
Meeting: 27 March 2019		
Agenda/Minutes: Combined Authority Board		

Item	Topic	Decision
	Part 1 – Governance Items	
1.1	Announcements, Apologies and Declarations of Interest	Apologies were received from Aamir Khalid (substituted by Professor Andy Neely)
1.2	Minutes – 27 th February 2019	It was resolved to: Approve the minutes of the meeting of 27 th February 2019 as a correct record.
1.3	Petitions	None received.
1.4	Public Questions	Four questions were received. A summary of the questions and responses is published at the following link - Combined Authority: Public Questions
1.5	Forward Plan	It was resolved to note the Forward Plan.

1.6	Designation of Statutory Officer	<p>The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees Order 2017 states that, a Combined Authority must designate one of its officers as the scrutiny officer of the Overview and Scrutiny Committee.</p> <p>It was resolved to:</p> <p>Designate Emma Powley as Scrutiny Officer for the duration of the maternity leave of the current officer.</p>
	Part 2- Employment Committee Recommendations to the Combined Authority	
2.1	Appointment of Chief Executive and Monitoring Officer	<p>The Board considered a report recommending the authority approves the recommendations of the Employment Committee for the appointment of the Chief Executive of the authority and the appointment of the Monitoring officer.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> a) Extend the existing appointment of the interim joint Chief Executives, John Hill and Kim Sawyer, until the annual meeting in May 2019; b) Appoint Mr Howard Norris as the Monitoring Officer until the annual meeting in May 2019.
	Part 3- Finance	
3.1	Budget Monitor Update	<p>The Board considered a report providing an update of income and expenditure of the Combined Authority for the period up until the end of January 2019.</p> <p>It was resolved to:</p> <p>Note the financial position of the Combined Authority for the year to date.</p>

	Part 4- Combined Authority Matters	
4.1	Housing Development Company	<p>The Board considered a report outlining the key objectives and principles of the Housing Strategy approved on 26 September 2018. The Housing Strategy recommended that the Combined Authority accelerate housing delivery by establishing a wholly owned company to enable direct intervention in the housing market, which would enable the development of new homes and affordable homes in the region.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> a) Approve the Business Case for establishing a Combined Authority Trading Company (CATC) as detailed in Appendix 1; b) Approve the Combined Authority Trading Company Business Plan and as detailed in Appendix 2; c) Approve the Housing Development Company (DevCo) business plan as detailed in Appendix 3 d) Approve the funding strategy for the Housing Development Company (paragraph 6); e) Approve the composition of the CATC Board as set out in Appendix 2 (ref: P8 para 4.1.1 and P9 para 4.1.2); <p>Furthermore, in order to implement a)-c), authorise and approve:</p> <ul style="list-style-type: none"> f) The Chief Executive to enter into a loan agreement with CATC as detailed in paragraph 6;

		g) The Chief Executive and the Corporate Services Director to complete the necessary legal documentation to implement the above.
4.2	CAM Metro - Strategic Outline Business Case	<p>The Board considered a report presenting the findings from the Strategic Outline Business Case (SOBC) and recommending that the Board give its approval to move into the next stage of the Cambridgeshire Autonomous Metro (CAM) program.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> a) Note that the CAM SOBC has been founded upon CPIER growth scenarios as set out in section 2.6 to 2.9. b) Note the strong strategic and economic case made in the SOBC for the CAM and that this case has been made drawing upon only 50% of the total potential economic growth in the CPIER report. c) Note the links between the timeline of the CAM outline business case and the Non-Statutory Spatial Plan. d) Agree that the funding solution for the CAM will be drawn from blend of sources as set out in section 3.9. e) Agree to release £1m of funding from the 2019/20 budget for the procurement and development of the Outline Business Case, the accompanying technical packages (including funding) and programme of stakeholder engagement. f) Agree to delegate authority to the Chief Executive, in consultation with the Chair of the Transport and Infrastructure Committee, to enter into the contractual relationships following the procurement of the external

		consultants required to undertake the Outline Business Case and accompanying technical packages
4.3	A10 Corridor- Strategic Outline Case and Next Steps	<p>The Board considered a report providing an update on the progress to date of the A10 Corridor project and the proposed next steps for this work.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> a) Note the results of the A10 Corridor Strategic Outline Case and associated reports. b) Agree to release £500k of funding from the 2019/20 budget for the procurement and development of the Strategic Outline Business Case (SOBC) for: <ul style="list-style-type: none"> i. the A10 Dualling Project; ii. A10 junction improvement projects. c) Note the additional projects related to the A10 Corridor (Modal-shift interventions and junction improvements), and that if necessary business cases for these projects will be brought forward separately. d) Approve the approach towards engaging with the Department for Transport on funding streams for the A10; e) Approve the commencement of procurement of a professional services consultancy to undertake the work required to progress to SOBC for: <ul style="list-style-type: none"> i. A10 Dualling; ii. A10 junction upgrades. f) Delegate Authority to the Chief Executive, in consultation with the Chair of the Transport and Infrastructure Committee, to agree and proceed with the

		appointment of a professional services consultancy following the completion of an appropriate procurement procedure.
4.4	Bus Reform Task Force - Governance and Subsidies	<p>The Board considered a report requesting approval of the governance arrangements of the Bus Reform Group/Task Force and the work required to design and implement a system for the evaluation and award bus subsidies.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> a) Approve the governance arrangements for the Bus Reform Task Force including proposals for member engagement; b) Approve the work required to design and implement a system for the evaluation and award of bus subsidies c) Approval to draw-down up to £400k, of the £1m allocated within the 2019/20 budget, to commence the work of the Bus Reform task force including preparing the brief, bus subsidy assessment framework and procuring external consultancy support for the business case. d) Delegate authority to the Transport Committee to spend funding within the allocated £1M budget upon recommendation from the Bus Reform Task Group.
4.5	Cambridge South Station (Interim Solution)	<p>The Board considered a report requesting the release of funds that had been identified for the use of the Cambridge South Station (Interim) project in the 2019/20 budget, in order to appoint consultants to provide the Combined Authority a report with details the feasibility of implementing an interim station on an accelerated timescales, and the likely capital and revenue costs of doing so.</p> <p>It was resolved to:</p>

		<ul style="list-style-type: none"> a) Release the £100k allocated in the 2019/20 budget under the <i>Cambridge South Station – Interim Concept</i>; b) Delegate authority to the Chief Executive to appoint an external consultant to deliver a Cambridge South Station – Interim Station Study following the conclusion of the procurement process.
4.6	Huntingdon Third River Crossing	<p>The Board considered a report requesting the release of funding for the Huntingdon Third River Crossing and to delegate authority to the Chief Executive enter into arrangements to procure and make the study.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> a) Agree to release £200k of funding from the 2019/20 and carry forward £198k from 2018/19 for the procurement and development of the Huntingdon Third River Crossing feasibility study; b) Delegate authority to the Chief Executive, in consultation with the Chair of the Transport and Infrastructure Committee, to enter into the contractual relationships following the procurement of the external consultants required to undertake the study.
4.7	A505: Strategic Study	<p>The Board considered a report evaluating the current transportation challenges and opportunities between Royston and Granta Park including the A505 and side road challenges, including the interaction with the M11, A11, A1301 and A1307 and how these interact with the proposed CAM route serving this area.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> a) Endorse the commissioning of a multi-modal strategic transport study for the A505 corridor;

		<ul style="list-style-type: none"> b) Release to CCC the £1m allocation within 2018/19 capital budget; c) Agree the project inception and instruct officers to commence the procurement by competitive tender of this work; d) Following the completion of the procurement, delegate authority for contract award to the Chief Executive Officer, in consultation with the Chair of the Transport and Infrastructure Committee.
4.8	Adult Education Budget: Delegation of Grant Provision for 2019/20 Academic Year	<p>The Board considered a report requesting delegated authority for the Skills Committee Chair and Director of Business & Skills to award the Adult Education Budget (AEB) Grant allocation to the 12 local college and Local Authority Providers in April 2019.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> a) Provide delegated authority to the Director of Business and Skills, in consultation with the Chair of the Skills Committee, to award Grants to the 12 Grant Funded Providers of AEB upon successful completion of Delivery Plans including a variance of up to a 25% on the condition that a new learning aim or approach is demonstrated in line with the Cambridgeshire and Peterborough Combined Authority (CPCA) Strategic Priorities.
4.9	Monitoring and Evaluation Framework	<p>The Board considered a report outlining and seeking approval of the 2019 Monitoring & Evaluation Framework for the Combined Authority.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> a) Agree the 2019 Monitoring & Evaluation Framework for the Combined Authority.

		b) Note the resource implications for effective Monitoring & Evaluation to be delivered alongside the Combined Authority's major projects.
	Part 5 – Business Board/Committee Recommendations to the Combined Authority	
5.1	Growth Deal Project Proposals March 2019	<p>The Board considered a report requesting that they consider and make recommendations against new applications that have been submitted for the Growth Deal.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> a) Approve Applicants 2 and 3; b) Note that Applicants 1 and 4 had been asked to bring forward further detail to enable a final approval decision.
5.2	Local Industrial Strategy	<p>The Board considered a report outlining the inaugural Cambridgeshire and Peterborough Industrial Strategy to the Board for comments and approval.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> a) Approve the Cambridgeshire and Peterborough Industrial Strategy to the Combined Authority Board for approval b) Delegate authority to the Business Board and the Director of Business and Skills, in consultation with the Chair of the Housing and Communities Committee, to take the Industrial Strategy through the remaining stages of national sign-off, and refine.

5.3	Growth Programme Update	<p>The Board considered a report providing and update on the Growth Deal programme's performance since April 2015, a summary of the programme monitoring report to Government to end December 2018 and the current in-year position to end February 2019 for the Growth Deal and Growing Place Funds combined.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> a) Note the accumulative and in-year programme position to 28 February 2019 for Growth Deal and Growing Places Fund. b) Agree the submission of the Growth Deal monitoring report to Government to end Q3 2018/19.
5.4	Local Assurance Framework	<p>The Board considered a report requesting that the Business Board approves a revised single Assurance Framework following the Ministry of Housing, Community & Local Government's revised National Local Growth Assurance Framework for Mayoral Authorities with a Single Pot and Local Enterprise Partnerships.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> a) Agree the revised single Assurance Framework which is in line with the Ministry of Housing, Communities & Local Government's revised National Local Growth Assurance Framework for Mayoral Combined Authorities with a Single Pot and Local Enterprise Partnerships.
	Part 6- Motion Submitted under Proceedings of Meetings Rule 14	

6.1	Motion from Councillor Bridget Smith	On being put to the vote, the Motion was lost.
	Part 7 – Date of Next Meeting	
7.1	Wednesday 29 May 2019, Council Chamber, The Grange, Nutholt Lane, Ely, CB7 4EE	



THE BUSINESS BOARD

BUSINESS BOARD	AGENDA ITEM No: 1.6
28TH MAY 2019	PUBLIC REPORT

BUSINESS AND SKILLS ANNUAL DELIVERY PLAN FOR 2019-20

1.0 PURPOSE

- 1.1. Achieving our collective ambition of ***Cambridgeshire and Peterborough being the leading place in the world to live, learn and work*** depends upon a thriving local economy.
- 1.2. The Business Board and Combined Authority have aligned to create one integrated programme that is more powerful in growing our economy and spreading prosperity further.
- 1.3. The Business and Skills team within the Combined Authority is responsible for delivering this integrated programme on behalf of both Boards, and this report brings forward the final version of the Business and Skills Annual Delivery Plan for Business Board consideration and comment.
- 1.4. The first draft, which was approved by the Business Board back in January 2019, covers the period from April 2019 to March 2020. This final Plan meets the recommended format and appropriate reporting requirements as issued by Government via the LEP Network.

<u>DECISION REQUIRED</u>	
Lead Member:	Aamir Khalid, Business Board Chair
Lead Officer:	John T Hill, Director of Business and Skills
Forward Plan Ref: N/A	Key Decision: No
<p>The Business Board is recommended to:</p> <ol style="list-style-type: none"> a) Approve the final Annual Delivery Plan for 2019-20 and for submission to Government; and b) Recommend that the Combined Authority Board note the final Annual Delivery Plan for 2019-20 	<p>Voting arrangements</p> <p>Simple majority</p>

2.0 BACKGROUND

- 2.1. To plan the focus of Business and Skills and use of resource over 2019/20 the Annual Delivery Plan has been finalised for approval by the Boards.
- 2.2. This meets the requirement emerging from Government's recent review of LEP's to publish an Annual Delivery Plan from 2019 onwards.
- 2.3. The final Annual Delivery Plan reflects the finalisation of both the Local Industrial Strategy and the Skills Strategy and includes key success measures against which LEP performance will be reported.
- 2.4. The Business Board are asked to approve the final Annual Delivery Plan for 2019-20, included as **Appendix 1** of this report.

3.0 FINANCIAL IMPLICATIONS

- 3.1. The Annual Delivery Plan outlines funding commitments which have already been approved by the relevant bodies or are in the process of being approved. There are no new financial implications brought forward in this Plan.

4.0 LEGAL IMPLICATIONS

- 4.1. There are no legal implications arising from this report


5.0 SIGNIFICANT IMPLICATIONS

- 5.1. There are no significant implications

6.0 APPENDICES

- 6.1. **Appendix 1** – Business and Skills Annual Delivery Plan for 2019-20

<u>Source Documents</u>	<u>Location</u>
Strengthened Local Enterprise Relationships (Government review)	https://www.gov.uk/government/publications/strengthened-local-enterprise-partnerships

<div style="display: flex; align-items: center;">  <div style="margin-left: 20px;"> <p>Cambridgeshire and Peterborough Delivery Plan</p> <p>April 2019 - March 2020</p> </div> </div> <p><small>CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY</small></p>		
	Heading	Information
1.	Summary and Strategic Objectives	<p>SUMMARY</p> <p>Achieving our collective ambition of <i>Cambridgeshire and Peterborough being the leading place in the world to live, learn and work</i> depends upon a thriving local economy.</p> <p>The Business Board and Combined Authority have aligned to create one integrated programme that is more powerful in growing our economy and spreading prosperity further. The Business and Skills team within the Combined Authority is responsible for delivering this integrated programme on behalf of both Boards. This remit includes:</p> <ul style="list-style-type: none"> • Development of key strategies – including the Local Industrial Strategy, the Skills Strategy, and Market Town Masterplans for Growth • Management and delivery of strategic funds – including Local Growth Funds, European Funds, and Combined Authority capital investments into Business and Skills • Direct support to businesses – to help them grow, become more productive, and more international – through the Growth Hub, Trade and Investment • Business space provision and management – including the existing Enterprise Zones • Commissioning and management of skills programmes – including the devolved management of the Adult Education Budget, and other investments to increase attainment and boost apprenticeships <p>Delivering this within the Combined Authority structure means that not only can these services be more effective by being delivered collectively, but they can also be more efficiently deployed alongside other functions. For example, infrastructure and housing are major constraints to economic growth – and the work above can be planned hand-in-hand with the Local Transport Plan and the Housing Strategy at the CPCA.</p> <p>The Business and Skills remit includes providing executive support to the function of the Business Board as the Local Enterprise Partnership for the area – and this draft Delivery Plan represents the first iteration of the Business Board Delivery Plan as set out in the <i>Strengthened Local Enterprise Partnerships</i> Government Review.</p>

This document sets out the activity which will be undertaken over the course of 2019/20 to deliver against the objectives of the Business Board and Combined Authority.

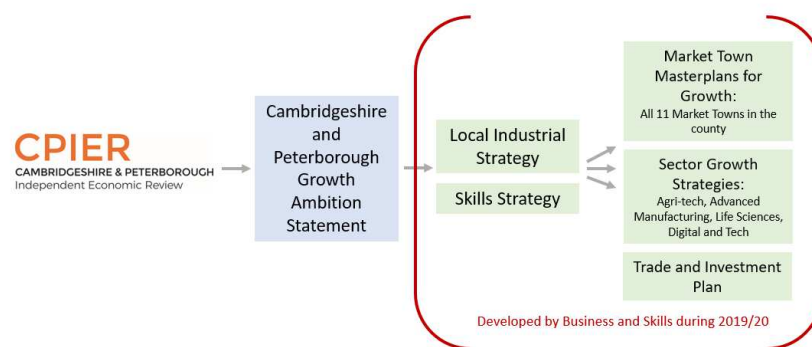
This year marks a period of transition, where delivery of existing programmes will continue alongside major development of new strategies that will inform future direction.

STRATEGIC OBJECTIVES

2019/20 will see the development of the new strategies commissioned by the Business Board, Combined Authority, and Government to set our priorities and guide our future activity.

Following the publication of the Cambridgeshire and Peterborough Independent Review (CPIER) last year and the subsequent adoption of the Growth Ambition Statement by the Combined Authority Board, Business and Skills will be leading on the following strategy development:

The leading place in the world to live, learn and work







This involves a wide range of engagement activity across stakeholders from industry, Government, local authorities and public services, and our communities.

For skills, during 2019/20 this will include the creating of a new Skills Advisory Panel, as new mechanism from the Department for Education to align nationally and locally managed skills provision with the specific needs of local areas.

The Market Town Masterplan programme is well underway, with the Combined Authority partnering with District Councils to commission the production of plans for their towns. This has brought in a range of specialist provides across the county, and at a local level has brought together new groupings within towns to inform and deliver Masterplans.

Sector Growth Strategies for our priority sectors are being co-produced with the sectors themselves. Strategies for Advanced Manufacturing and Digital and Tech are underway and will be reporting to the Business Board in early 2019. The Life Sciences Strategy will be commissioned in 2019

		<p>(following an unsuccessful first round of procurement), and the Agri-tech Strategy will be developed by the Eastern Agri-Tech Programme Board, Chaired by a Business Board representative of the sector.</p> <p>OPERATIONAL DELIVERY</p> <p>The Business and Skills directorate within the Combined Authority will be responsible for delivering the following direct functions and services over the course of 2019/20:</p> <ul style="list-style-type: none"> Delivery of the Growth Hub / Signpost2Grow function – supporting c. 500 businesses per year. During 2019/20 this service will continue to provide support, whilst also exploring potential expansion to make the ambitions of the Local Industrial Strategy  Adult Education Budget – 2019/20 is the transition period towards devolution of this c. £12m budget to the Combined Authority. Over the year capacity to manage AEB will be built within the organisation, and procurement undertaken to deliver adult education from 2020/21 onwards Enterprise Zones – the Business Board is responsible for the Alconbury and Cambridge Compass Enterprise Zones, covering 6 sites across the region. These EZs are at various stages of development and capacity, so the focus of this activity is to ensure the right investment and focus to realise new jobs on these sites  Opportunity Area – the team contributes staff resource to the Fenland and East Cambridgeshire Opportunity Area, supporting this Department for Education initiative to raise aspiration and educational attainment in one of our most challenged areas  Apprenticeship Ambassador Network – a voluntary network of business champions, encouraging businesses to overcome reticence to create apprenticeships, and encouraging uptake <p>The team also manages partners delivering the following programmes that have been commissioned by the Combined Authority:</p> <ul style="list-style-type: none"> Skills Brokerage – delivered by Opportunity Peterborough, specialist advice building relationships between businesses, providers, and learners – focussed on increasing apprenticeships. This is linked towards similar activity commissioned by the Greater Cambridge
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		<p>Partnership (GCP) and there is an ambition during the development of the Skills Strategy to align commissioning going forward</p> <ul style="list-style-type: none">• Health and Social Care Progression Academy – a £5m DWP pilot programme delivered by City College Peterborough to support progression within and across the priority sector• Work Readiness and Aspiration Pilot – delivered by the Hamptons School in Peterborough, intensive interaction to reduce NEETs in a priority area. This project is planned to be expanded during 2019/20.																																												
2.	Local Growth Fund	<div><div><p>STRATEGIC FUNDS</p><p>Last year saw the delivery of some major projects from our strategic funds, including the new iMET advanced training facility (pictured right) and the Ely Southern Bypass.</p><p>Over the course of 2019/20 we will continue to deliver a range of significant investments made through our strategic funds.</p><p><u>LOCAL GROWTH FUNDS</u></p><p>To date, over 20 projects have been completed through Local Growth Funds, unlocking 1,200 new jobs, 200 new homes, and 601 new learning outcomes.</p><p>From the remaining pipeline, the following is expected in 2019/20:</p><table><thead><tr><th>Projects in delivery</th><th>Total Growth Fund allocation</th><th>Forecast spend 19/20</th><th>Completion date</th></tr></thead><tbody><tr><td colspan="4">Growth Deal</td></tr><tr><td>Kings Dyke Whittlesey</td><td>£8,000,000</td><td>£5m</td><td>Dec 2020</td></tr><tr><td>Eastern Agri-tech Growth Initiative</td><td>£8,096,000</td><td>£1.5m</td><td>Mar 2021</td></tr><tr><td>Lancaster Way Phase 2</td><td>£1,445,000</td><td>£863,484</td><td>Mar 2021</td></tr><tr><td>Programme Management</td><td>£1,345,315</td><td>N/A</td><td>N/A</td></tr><tr><td colspan="4">New projects expected to go live in 19/20 depending on Board approval</td></tr><tr><td colspan="4">Growing Places Fund</td></tr><tr><td>Ely Area Capacity Enhancements</td><td>£3,500,000</td><td>£500k</td><td>Dec 2019</td></tr><tr><td>In Collusion</td><td>£535,000</td><td>£15k</td><td>May 2019</td></tr><tr><td>University of Peterborough TDAP</td><td>£600,000</td><td>£142,830</td><td>Mar 2020</td></tr></tbody></table></div><div></div></div>	Projects in delivery	Total Growth Fund allocation	Forecast spend 19/20	Completion date	Growth Deal				Kings Dyke Whittlesey	£8,000,000	£5m	Dec 2020	Eastern Agri-tech Growth Initiative	£8,096,000	£1.5m	Mar 2021	Lancaster Way Phase 2	£1,445,000	£863,484	Mar 2021	Programme Management	£1,345,315	N/A	N/A	New projects expected to go live in 19/20 depending on Board approval				Growing Places Fund				Ely Area Capacity Enhancements	£3,500,000	£500k	Dec 2019	In Collusion	£535,000	£15k	May 2019	University of Peterborough TDAP	£600,000	£142,830	Mar 2020
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		<div> <i>New projects expected to go live in 19/20 depending on Board approval</i> </div> <p>Regular updates on the progress and position of these funds are provided to Business Board Meetings during the year.</p>
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3.	Other Funding or Growth Programmes	<p><u>ENTERPRISE ZONES</u></p> <p>Cambridge Compass Enterprise Zone</p> <ul style="list-style-type: none"> • Cambridge Research Park. The construction of 9 industrial units now completed, providing additional 6,500 sqm of commercial space. 2 new businesses (Applied Medical Technologies and Oval Medical Technologies) on site this year with a further 1 (TeraView) under offer, creating 52 new jobs. Total of 76,400 sqm of new commercial space delivered and 206 new jobs created to date. XLB Property (developer) are progressing plans for further development on EZ for 2019/20. • Lancaster Way Business Park. Off-site road infrastructure works have been delayed with Highways due to protracted feasibility work, as a result the existing funding period for Growth Deal has been extended to March 2021 to enable the project to move from to delivery and allow further expansion of the EZ beyond the current planning development thresholds. 3 new jobs on site this year. Total of 10,968 sqm of new commercial space delivered and 80 new jobs created to date. Grovemere (developer) have committed to bring forward new development plots creating an additional 18,000 sqm of new commercial space to accommodate 4 new businesses and create up to 500 new jobs. • Haverhill Research Park. Jaynic (developer) have submitted a funding application for Growth Funds to bring forward development of the EpiCentre Innovation Centre to accelerate delivery of the EZ. West Suffolk Council have been actively engaged with developer discussions. The EpiCentre will provide 4,500 sqm of new commercial space and create up to 631 new jobs. • Cambourne Business Park. U+I (developer) are working to bring forward development of new start-up/accelerator space on Building plot 4010. This will include a potential JV with SCDC. The development will deliver 3,000 sqm of new commercial space and create up to 300 new jobs. • Northstowe. CPCA/SCDC officers exploring the potential for modular-based and flexible commercial space to accelerate delivery of the EZ. <p>Alconbury Weald Enterprise Zone</p> <ul style="list-style-type: none"> • Over 100,000 sqm of new commercial space fully occupied and operational. Incubator 2 building completed in May 2018. 4 new businesses (iMET, Roythornes, Food Marketing Expert, CPCA) now on site, creating additional 140 new jobs this year. • 484 net new jobs created to date (585 gross, difference due to movement on site and within Incubator 1 building). • Ongoing discussions with CEO at Huntingdon District Council to further advance MOU agreement for Alconbury EZ. It is anticipated an agreement can be reached by the end of the year which will allow CPCA Officers to progress appropriate EZ governance.
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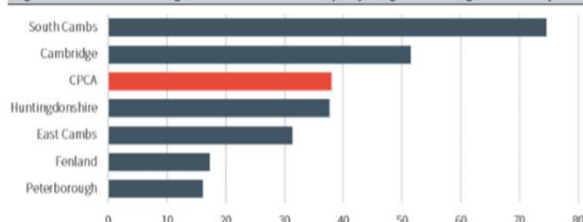
UNIVERSITY OF PETERBOROUGH

There is a long-standing ambition between public sector partners, employers and the residents of Peterborough and surrounding areas to have an independent

university. The

University is part of the Devolution Deal to address Peterborough as a cold spot for Education and Skills.

Figure 5.13 Number of higher education entrants per young resident aged 10 – 14 years



The Combined

Authority has made a commitment of up to £13.5m capital funding in principle to advance the University of Peterborough project (alongside the Growing Places funding referenced above). The outcomes for this project will include:

- Developing a higher local skill set
- Raising aspirations and participation in HE
- Providing a high-quality curriculum and qualifications fit for the modern workforce
- Attracting talent to a technical/vocational offer leading to better paid jobs

It is envisaged that this year will see the project moving forward to address the priority workstreams to deliver the project including Buildings and Infrastructure, Business-led technical course provision, delivery model exploration and student offer & experience. The project Steering Group which reports progress to the Skills Committee of the Combined Authority.

EASTERN AGRI-TECH GROWTH INITIATIVE

This flagship programme has been supporting businesses within the Agri-tech sector to innovate and grow for the past five years, at has been granted in November 2018 a further £4m investment to continue its activity. It is a cross-LEP initiative with the involvement of New Anglia LEP, governed by a Programme Board that reports to the Business Board.



To date over 90 SMEs have been supported through this fund, creating 700 new or upskilled jobs, and launching the Innovation Hub with NIAB (the National Institute for Botany) in the Fens.

Over 2019/20 this programme will be responsible for developing an Agri-tech Sector Strategy underpinning the Local Industrial Strategy and will

		focus on investing into the pipeline of firms ready to access R&D support they need to trial new innovations.
4.	Strategic Activity	<p>LOCAL INDUSTRIAL STRATEGY AND SKILLS STRATEGY</p> <p>As referenced at the outset of this Plan, a major focus of activity for 2019/20 is the development and publication of the strategies that will inform the future direction of the Business Board and Combined Authority.</p> <p>We expect this to greatly increase the level of activity and investment going forward, matching the Growth Ambition Statement agreed by all local Leaders.</p> <p>The Strategic Delivery Plan (see Appendix 1) provides an outline of the activity within this Annual Delivery Plan and have resulted from the finalisation of both the Local Industrial Strategy and Skills Strategy. The associated Budget provides a financial statement covering the period April 2019 – March 2020 (see Appendix 2).</p> <p>The associated Success Measures will be agreed will be agreed by the Boards, and baseline for reporting against the Delivery Plan. Government is also due to publish guidance on economic indicators which LEPs will be measured against going forward.</p>

APPENDIX 1: BUSINESS AND SKILLS STRATEGIC DELIVERY PLAN AND SUCCESS MEASURES

Foundation of Productivity	Headline Intervention	Cost	Operational Timetable	Delivery Metrics		LEP Geography
				Outputs	Outcomes	
People	Adult Education Budget	£11.5m	From September 2019	<ul style="list-style-type: none"> 75% of courses have a business or economy focus by 2025 Increased % of AEB investment going into geographic areas of need by 20% in 2023 2,000 people a year who progress into further training or employment by 2022 5,000 leavers satisfied with their course by 2025 	<ul style="list-style-type: none"> Increase number of residents over 16 with a level 3 qualification from 30% in 2011 to 40% by 2031 Increase the number of Peterborough residents with a Level 2 qualification from 82% in 2016 to the national average of 85% by 2024 Increase the number of learning aims in Science, Maths, Engineering, Manufacturing, Construction, Health & Social Care from 4,328 in 2016 to 5,000 by 2024 Increase the number of learners gaining employment outcomes from 29 in 2016 to over 200 by 2024 	All
	Peterborough University	£13.5m (Phase 1) TBC (Phase 2)	In Delivery	<ul style="list-style-type: none"> Increase of higher education provision in Greater Peterborough and the Fens 	<ul style="list-style-type: none"> 2,000 students by 2022 6,000 students by 2025 12,500 students by 2030 	GP Fens

Foundation of Productivity	Headline Intervention	Cost	Operational Timetable	Delivery Metrics		LEP Geography
				Outputs	Outcomes	
	Skills Talent and Apprenticeship Hub	C. £3.2m CPCA £1.6m ESF Match £1.6m	October 2019	<ul style="list-style-type: none"> • 5,000 Employers engaged through the Skills Talent & Apprenticeship Hub by 2020 & 7,000 Employers engaged by 2024 • All 61 Schools and Colleges engaged and fully supported through Brokerage & STA Hub • Sector Pilots in all Priority Sectors to support skills demand • 100% Schools/Colleges offering IAG to ALL students • Increased number of SMEs recruiting Apprentices • Number of individuals how have successful outcome as a result of using the Hub – 10,000 by 2024 	<ul style="list-style-type: none"> • Increased overall number of Apprentices from 3,940 in 2017/18 to 5,000+ by 2021 • Increased number of 16-18 & 19-24 year olds starting on an Apprenticeship (target TBC) • Increased number starting on Higher/ Degree Apprenticeships L 4 – L 7 (target TBC) • Jobs filled (non-Apprenticeship) through STA Hub/ Partners: <ul style="list-style-type: none"> ○ 50 Employers by 2020 ○ 100 Employers by 2021 ○ 150 Employers by 2022 ○ 200 Employers by 2024 	All – tailored within areas

Foundation of Productivity	Headline Intervention	Cost	Operational Timetable	Delivery Metrics		LEP Geography
				Outputs	Outcomes	
Business Environment	Mayoral Endowment for Global Growth	£18m LGF <i>£3m Op Fund £5m Loan Fund £10m Investment Fund</i>	1 April 2020	<ul style="list-style-type: none"> • 3,000 businesses engaged by 2024 • 1,000 businesses supported with growth coaching becoming global growth champions • 1,500 businesses supported with growth mentoring through global growth champion alumni 	<ul style="list-style-type: none"> • 2,600 jobs • £50,000 GVA/Head • £1.3bn GVA growth 	All
	Inward Investment Programme	£1.3m £600k EZ £600k ERDF match £100k core	1 April 2020	<ul style="list-style-type: none"> • 10-15 businesses locating in the CPCA area per annum 	<ul style="list-style-type: none"> • Average 50 new jobs created by businesses, at c. £45,000 GVA/Head • 1500 – 2250 new jobs by 2024 • £22.5m - £34m GVA • £100m external capital investment 	GP GC
	Enterprise Zone and Peterborough University	TBC	1 April 2020	<ul style="list-style-type: none"> • Increased business space related to growth sectors • Increased research space related to growth sectors 	<ul style="list-style-type: none"> • New jobs in high-value growth sectors (target TBC) • New products brought to market (target TBC) • GVA increase (target TBC) 	GP

Foundation of Productivity	Headline Intervention	Cost	Operational Timetable	Delivery Metrics		LEP Geography
				Outputs	Outcomes	
Ideas	Innovation Launchpads (at least 4 new centres)	£2-3m LGF investment per launchpad	Bids invited from May 2019	<ul style="list-style-type: none"> 70,000 – 100,000 sqm of new commercial business space 15,000 sqm of new commercial research space 	<ul style="list-style-type: none"> 300-450 new jobs in high-value growth sectors (£45,000 GVA/Head) £13.5m - £20.25m GVA growth 	Fens GP
	Greater Cambridge Life Sciences Accelerator	£3m	First cohort applications Oct 2019	<ul style="list-style-type: none"> 30 start-ups taken through accelerator 	<ul style="list-style-type: none"> 2,550 direct and indirect jobs within 5 years 73,750 direct and indirect jobs within 10 years Galvanise Greater Cambridge as world-leading Genomics hub 	GC
	Eastern Agri-tech Growth Initiative	£5m (£4m Business Board, £1m NALEP)	In delivery	<ul style="list-style-type: none"> Increased numbers of enquiries and successful applications Jobs created and protected: types of jobs & how they equate to NVQ scale and what are salary levels For R& D activity; how many patents have been filed/granted For R&D businesses; how many projects have resulted in products/ideas etc brought to market/implemented by the sector or acquired by 	<ul style="list-style-type: none"> 100 jobs created and upskilled Increased productivity & efficiency (GVA/Hour Worked) Private sector financial leverage of £8m Intervention led to increased UK sales/market share/profitability, and if so what is the value of the increased sales Increased export (target TBC) 	All

Foundation of Productivity	Headline Intervention	Cost	Operational Timetable	Delivery Metrics		LEP Geography
				Outputs	Outcomes	
				<p>other organisations; can we put a value to this</p> <ul style="list-style-type: none"> • Support led to collaboration opportunities 	<ul style="list-style-type: none"> • Increased FDI (target TBC) • Intervention led to import substitution opportunities 	

APPENDIX 2: BUSINESS AND SKILLS BUDGET 2019 – 2022

Detailed Revenue Budget and Medium-Term Financial Plan for Cambridgeshire and Peterborough Combined Authority

Forecast Outturn £000's		2019/20 £000's	2020/21 £000's	2021/22 £000's
Revenue Funding Sources				
(8,000.0)	Revenue Gainshare	(8,000.0)	(8,000.0)	(8,000.0)
(1,000.0)	Mayoral Capacity Building Fund	(1,000.0)		
(246.0)	Growth Hub BEIS	(246.0)	(246.0)	(246.0)
(500.0)	LEP Core Funding from BEIS	(500.0)	(500.0)	(500.0)
(291.7)	Energy Hub Contribution (Staff Costs)	(463.6)	(470.6)	(477.6)
(250.0)	EZ contribution to LEP activity	(250.0)	(250.0)	(250.0)
(162.8)	AEB Funding	(12,139.6)	(12,099.0)	(12,099.0)
(300.0)	CEC Skills Funding (quarterly claims)			
(500.0)	Growth Fund Contribution	(500.0)	(500.0)	(500.0)
(11,250.5)	Total Revenue Funding	(23,099.2)	(22,065.6)	(22,072.6)
Mayor's Office				
85.0	Mayor's Allowance	85.0	85.0	85.0
33.5	Mayor's Office Expenses	25.0	25.0	25.0
43.9	Mayor's Office Accommodation	52.4	52.4	52.4
187.0	Mayor's Office Staff	191.3	195.4	199.6
349.4	Total Mayor Costs	353.7	357.8	362.0
Combined Authority Staffing Costs (inc NI 'er and Pen 'er)				
429.7	Chief Executive	246.2	249.8	253.6
258.8	Housing	393.5	399.4	405.4
189.6	Energy	463.6	470.6	477.6
768.6	Transport	574.2	582.8	591.5
Business and Skills Directorate:				
816.7	Business and Skills	767.8	779.3	791.0
204.6	Growth Hub	164.8	167.3	169.8
223.2	AEB	350.1	355.3	360.7
Strategy, Planning & Performance:				
421.7	Strategy, Planning & Performance	453.7	460.5	467.4
146.6	Business Support	76.6	77.8	79.0
182.4	Communications	149.9	152.1	154.4
Corporate Services				
818.3	Legal and Governance	565.6	574.1	582.7
711.7	Finance	567.1	575.6	584.2
123.6	HR	72.1	73.1	74.2
136.7	LEP Transition Costs			
5,432.1	Total Combined Authority Staffing Costs	4,845.1	4,917.8	4,991.6

<u>Other Employee Costs</u>				
40.0	Travel	100.0	100.0	100.0
30.0	Conferences, Seminars & Training	100.0	100.0	100.0
70.0	Total Other Employee Costs	200.0	200.0	200.0
<u>Externally Commissioned Support Services</u>				
250.0	External Legal Counsel (via PCC)	100.0	100.0	100.0
65.0	Finance Service (PCC)	75.0	75.0	75.0
137.0	Payments to OLA's for services			
0.0	Democratic Services	90.0	90.0	90.0
0.0	Payroll	10.0	10.0	10.0
0.0	HR	25.0	25.0	25.0
15.0	Procurement	25.0	25.0	25.0
30.0	Finance System (PCC/Serco)	0.0	0.0	0.0
50.0	ICT external support (3C)	50.0	50.0	50.0
547.0	Total Externally Commissioned Support Services	375.0	375.0	375.0
<u>Corporate Overheads</u>				
258.8	Accommodation Costs	339.2	340.0	340.0
20.0	Software Licences, Mobile Phones cost etc.	20.0	20.0	20.0
200.0	Recruitment Costs	0.0	0.0	0.0
25.0	Insurance	25.0	25.0	25.0
70.0	Audit Costs	70.0	70.0	70.0
20.0	Office running costs	20.0	20.0	20.0
593.8	Total Corporate Overheads	474.2	475.0	475.0
<u>Governance Costs</u>				
47.0	Committee/Business Board Allowances	47.0	47.0	47.0
10.0	Meeting Costs	10.0	10.0	10.0
10.0	Miscellaneous	10.0	10.0	10.0
67.0	Total Governance Costs	67.0	67.0	67.0
<u>Election Costs</u>				
260.0	Total Election Costs	260.0	260.0	260.0
<u>Capacity Funding</u>				
	Total Capacity Funding	125.0	125.0	125.0
<u>Financing Costs</u>				
(700.0)	Interest Receivable on Investments	(800.0)	(510.0)	(381.2)
	Interest on Borrowing		2,125.0	2,125.0
(700.0)	Total Corporate Income	(800.0)	1,615.0	1,743.8
6,269.8	Total Operational Budget	5,546.3	8,034.8	8,237.4
<u>Non-Transport Feasibility Funding</u>				
	Feasibility (unallocated)	1,000.0	1,000.0	1,000.0
	Total Feasibility Budget	1,000.0	1,000.0	1,000.0

<u>Transport</u>				
1,350.0	Feasibility Studies non-capital	500.0	5,000.0	2,000.0
	CAM	1,000.0	0.0	0.0
	A10 SOBC	500.0	0.0	0.0
	Huntingdon 3rd River Crossing	200.0	0.0	0.0
	Bus Review Implementation	1,000.0	0.0	0.0
	Cambridge South - Interim Concept	100.0	0.0	0.0
	Garden Villages	700.0	0.0	0.0
400.0	Local Transport Plan	100.0	0.0	0.0
148.6	Strategic Bus Review			
100.0	Smart Cities Network			
150.0	Sustainable Travel	150.0	150.0	0.0
100.0	Schemes, Studies and Monitoring	100.0	100.0	0.0
28.0	Bus Subsidy	0.0	0.0	0.0
2,276.6	Total Transport and Infrastructure	4,350.0	5,250.0	2,000.0
<u>Business & Skills</u>				
54.5	Work Readiness Programme	110.0	0.0	0.0
231.0	Skills Brokerage	250.0	0.0	0.0
0.0	Reclaimed Skills Funding	(250.0)	0.0	0.0
400.0	University of Peterborough			
75.0	Skills Strategy Programme Delivery	150.0	150.0	150.0
254.8	AEB Devolution Programme	11,506.1	11,506.1	11,506.1
1,015.3	Total Business, Employment & Skills	11,766.1	11,656.1	11,656.1
<u>Economic Strategy</u>				
75.4	Growth Hub	69.9	68.8	67.8
250.0	Development of a Market Towns Strategy	200.0	200.0	200.0
50.0	Trade and Investment Programme	50.0	50.0	50.0
100.0	Industrial Strategy Programme Delivery	200.0	200.0	200.0
392.7	Independent Economic Commission	20.0		
868.1	Total Economic Strategy	539.9	518.8	517.8
<u>Strategy, Planning & Performance</u>				
83.7	Monitoring and Evaluation Framework	170.9	161.8	183.6
416.0	Public Service Reform	100.0	0.0	0.0
55.0	Communications	50.0	40.0	40.0
39.0	Website Development	10.0	10.0	10.0
135.0	NSSF2	150.0	115.0	0.0
80.0	Land Commission	25.0		
107.0	Other 2018-19 workstreams			
915.7	Total Strategy, Planning & Performance	505.9	326.8	233.6
11,694.8	Total Revenue Expenditure	24,061.9	27,144.4	24,006.9
444.3	Net Revenue Position for the year	962.7	5,078.8	1,934.3



THE BUSINESS BOARD

BUSINESS BOARD	AGENDA ITEM No: 2.1
28TH MAY 2019	PUBLIC REPORT <i>This report has confidential appendices at item 2.1 of the Agenda</i>

GROWTH DEAL PROJECT PROPOSALS MAY 2019

1.0 PURPOSE

- 1.1. The Business Board is responsible for allocating the Growth Fund (Schedule 5 Para 3.3) subject to ratification by the CA Board with the objective of creating new jobs and boosting productivity.
- 1.2. The Board are asked in this report to consider and make recommendations against deferred applications that have been submitted for these funds, based upon the assessment undertaken.

Please note that the supporting papers for these applications contain exempt information under paragraph 3, Schedule 12a Local Government Act 1972

<u>DECISION REQUIRED</u>	
Lead Member:	Chair of Business Board
Lead Officer:	John T Hill, Director, Business and Skills
Forward Plan Ref: 14	Key Decision: Yes
The Business Board is recommended to: (a) Consider the additional information in relation to projects resubmitted for Growth Deal Funds. (b) To recommend those schemes which are suitable to the Combined Authority Board for approval	Voting arrangements Simple majority of all Members

2.0 BACKGROUND

- 2.1. Growth Deal and Growing Places funding is provided by Government to local areas to invest in projects that will create new jobs, increase productivity, and stimulate economic growth. A total of £158m has been provided to this area, with around £57m remaining to allocate.
- 2.2. The Business Board approved the Growth Prospectus in September 2018 as a call for new project proposals against this remaining funding; <http://www.cambridgeshirepeterborough->

ca.gov.uk/assets/Uploads/Business-Board-Growth-Prospectus-201819-F.pdf. Expressions of interest were submitted to the Combined Authority in October and feedback provided to inform full applications. This prospectus made clear that the new opportunity for this round of bids to the Business Board aligned with the Combined Authority behind a single growth strategy for the area.

- 2.3. At the last Business Board meeting four project proposals were discussed by the Board based on the internal Officer and the independent external assessments. The decision recommended to the Combined Authority Board was for two approvals and the deferral of two projects pending more information on commercial and reputational concerns.
- 2.4. An internal Officer summary of the two projects and the further information that has been provided/assembled and assessed, this is attached as a confidential exempt summary **Appendix A** of this report.
- 2.5. a) Applicant 1; **Grant** to build a new Incubator centre on a CPCA Enterprise Zone = **£2.7m**
b) Applicant 2; **Loan** to fit out Manufacturing suites for Cell therapies = **£1.35m**
- 2.6. Additional information to support these two bids are attached as confidential exempt **Appendices B to F** of this report.

3.0 FINANCIAL IMPLICATIONS

- 3.1. The funding is available within budget and the applicants will be notified of their success. However, the funds will only be paid on submission of a properly documented claim and paid from Growth Fund monies.

4.0 LEGAL IMPLICATIONS

- 4.1 Loans or grants awarded are likely to fall under the General Block Exemption Regulations so are de-minimis Regulation compliant. As such, there are unlikely to be any State Aid implications, but this is constantly reviewed with each project application.

5.0 SIGNIFICANT IMPLICATIONS

- 5.1. None

6.0 APPENDICES – Exempt under paragraph 3 of Schedule 12a Local Government Act 1972

- 6.1. Appendix A – Summary and recommendations of two previously deferred applications to be considered by Board
Appendix B – Business Plan report in relation to Applicant 1
Appendix C – Demand study report in relation to Applicant 1
Appendix D – Letter from CEO on Financial position Applicant 2
Appendix E – Letter from CEO on Reputational position Applicant 2
Appendix F – CV's Management team Applicant 2

<u>Source Documents</u>	<u>Location</u>
Background papers: None	Not applicable



BUSINESS BOARD	AGENDA ITEM No: 2.2
28 May 2019	PUBLIC REPORT

LOCAL GROWTH FUND PROGRAMME UPDATE

1. PURPOSE

1.1. The Greater Cambridge and Greater Peterborough Local Enterprise Partnership (GCGP LEP) negotiated three successive Growth Deals with Government between 2014 and 2017, securing £146.7m to deliver new homes, jobs and skills across the LEP area. This paper provides an update on the programme's performance since April 2015, a summary of the programme monitoring report to Government to end March 2019 for both the Growth Deal and Growing Places Funds combined.

1.2. Progress to 31 March 2019 shows;

- £79.1 million in Growth Deal payments made to date.
- An additional three projects approved by the Business Board in January and March 2019 totalling £3.8 million.
- forecast total contracted spend of £99.3 million.

1.3. Operational update on the following:

- 1.3.1. Pipeline assessment of current and expected projects
- 1.3.2. Launch Project call for Investment projects based on LIS
- 1.3.3. Eastern Agri-Tech Growth Initiative update
- 1.3.4. Small Grant Scheme Update

<u>DECISION REQUIRED</u>	
Lead Member:	Chair of Business Board
Lead Officer:	John T Hill, Director, Business and Skills
Forward Plan Ref: N/A	Key Decision: No
<p>The Business Board is recommended to:</p> <p>(a) Note and recommend the Combined Authority Board agree the submission of the Growth Deal monitoring report to Government to end Q4 2018/19.</p>	<p>Voting arrangements</p> <p>Simple majority of all Members</p>

<p>(b) Note the current and expected projects pipeline profile for the LGF programme as at May 2019.</p> <p>(c) Agree the launch of Investment Prospectus in June to call for investment projects and to note the text for the call for next round with delegation to Officers to refine the text as required</p> <p>(d) Note the Eastern Agri-Tech Growth Initiative update</p> <p>(e) Note the Progress of the Small Grant Scheme</p>	
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2. BACKGROUND

- 2.1. The Growth Deal funds must be spent by 31 March 2021 but programme outcomes can be delivered beyond 2021.
- 2.2. In addition to Growth Deal, the Growing Places Fund is to establish a recyclable pot of grants and loans for projects delivering economic benefit across the region.

3. GROWTH DEAL PROGRAMME POSITION

- 3.1. At 31 March 2019, CPCA's Growth Deal programme has eight projects in delivery in 2018/19 their contracted forecast spend total is £99.3m.
- 3.2. The accumulative programme expenditure to the 31st March 2019 including completed projects is £79.1 million.

4. GROWTH DEAL MONITORING RETURN Q4 2018/19

- 4.1. The Business Board is required to submit formal monitoring returns to Government regarding Growth Deal performance and forecasts on a quarterly basis. The return for Q4 2018/19 will be submitted by the 31st May 2019.
- 4.2. The Table 1 below shows the Financial Progress extracted from the programme dashboard which shows an accumulative total spend of £79.1 million at the end of March 2019.
- 4.3. Projects shown in Amber are delayed in delivery but are planned to complete by the scheme end date.
- 4.4. Table 1) Growth Deal and Growing Places Fund Programme Position to 31 March 2019
- 4.5. A summary of the Q4 2018/19 return is attached as Appendix A to this paper. The full return will be approved by the S151 Officer and the Board is asked to

agree that it can be submitted to the Local Growth Fund monitoring team within the Ministry of Housing, Communities and Local Government.

5. GROWTH DEAL PIPELINE UPDATE

5.1 The Business Board is asked to note at Appendix B the current Officer assessment of the potential LGF pipeline based on known applicants (most anonymised) and some entries in respect of LIS commitments which we are seeking to bring forward as part of the call for projects in the investment prospectus.

5.2 The pipeline has been rated upon the likeliness of application/delivery in the LGF timeframe. Only a percentage of the known LGF cost is noted in right hand column based on the application likeliness assessment to give a truer projection of what may succeed, and pipeline spend.

6. LOCAL GROWTH FUND INVESTMENT PROSPECTUS PROJECT CALL

6.1 The proposal is to launch the next Investment Prospectus call for projects in June 2019 and this call will be promoted as an open ended call until the end of programme in 2021 or until the funding is all allocated.

6.2 The Business Board is asked to consider the draft text of the Investment Prospectus project call at **Appendix C** and comment if required, The Business Board is also asked to delegate authority to Officers to develop further as required.

7. EASTERN AGRI-TECH GROWTH INITIATIVE UPDATE

7.1 This on-going programme supporting SME businesses in the Agri-Tech sector. Since the Agri-Tech programme began in late 2013 to April 2019, a total of 99 SMEs supported plus Innovation Hub created. Total of 18 live projects across BB/New Anglia ALEP (NALEP) geography, which are on track to complete to their planned schedules.

7.2 Following approval at November's Combined Authority Board meeting, an additional £4million funding was awarded to this scheme over two years by Government, (total allocation since scheme began is now £8,096,000).

7.3 NALEP has now agreed to contribute another £1m to the programme.

7.4 Details of the projects approved by the Eastern Agri-Tech Programme Board since 1 January 2019 are contained in Appendix D to this report.

8. SMALL GRANT SCHEME UPDATE

8.1 Following approval at the November Combined Authority Board meeting, a sum of £300,000 was awarded to this Scheme to run until 31st March 2021.

8.2 Since then 13 applications to this scheme have been received, 6 have been approved under delegated authority totalling £48,212, generating match funding of £292,850 and creating 10 new jobs.

9. Financial Implications

BEIS have released the 2018-19 Local Growth Fund allocation to CPCA and have recognised the Business Board as the region's LEP as such the future funding allocation are expected to be received. This funding is ringfenced for the projects approved by the LEP historically and the Business Board going forward thus there is no call on wider CPCA resources.

10. Legal Implications

10.1. The Combined Authority has authority under section 1 Localism Act 2011 to exercise a general power of competence. The Combined Authority can exercise this power by virtue of the Cambridgeshire and Peterborough Combined Authority Order 2017. This power permits the Combined Authority to make grants to providers in order to deliver the terms of the devolution deal signed with Government

10.2. The Business Board is responsible for programme direction of the Growth Funds. The Combined Authority, as the Accountable Body, maintains the legal agreements with project delivery bodies.

10.3. The Legal Team shall be responsible for placing any required contractual arrangements, usually through its current partnering arrangements with the Local Authorities.

11. Significant Implications

11.1. The Growth Deal is a substantial funding agreement between the local area and Government, with scope for significant impacts on the growth of the local economy. Successful delivery has positive benefits to residents, businesses and workers within the Business Board area.

12. Appendices

12.1. **Appendix A** - Summary of GD Return Q4 2018/19

12.2. **Appendix B** – Summary of current LGF pipeline May 2019

12.3. **Appendix C** – Specification of the Investment project call June 2019

12.4. **Appendix D** - Successful Agri-Tech Applicants 1 January 2019 to 30 April 2019

<u>Source Documents</u>	<u>Location</u>
None	

Business Board Local Assurance Framework	http://cambridgeshirepeterborough-ca.gov.uk/business-board/governance/
Business Board Growth Prospectus 2018/19	http://cambridgeshirepeterborough-ca.gov.uk/business-board/growth-funds/

LEP Name Greater Cambridge and Peterborough LEP

This Quarter: Q4_1819 DRAFT

Deliverables Progress

	This Quarter	15-17	17-18	18-19	19-20	20-21	21-22	Total
Housing	0	200	0	0	0	0	-	200
Houses Completed	628	200	0	628	2,948	5,560	7,309	16,645
Forecast for year	0%		-	0%	0%	0%	-	1%
Progress towards forecast								

Jobs								
Jobs Created	1	61	720	43	0	0	-	824
Apprenticeships Created*	0	0	0	0	0	0	-	0
Jobs including Apprenticeships	1	61	720	43	0	0		824
Forecast for year	623	51	23	623	25	325	9,261	10,308
Progress towards forecast	0%		3130%	7%	0%	0%	0%	8%

* Apprenticeships included within jobs totals prior to 2017

Skills								
Area of new or improved floorspace (m2)	0	440	2,337	432	0	0	-	3,209
Forecast for year	0	440	2,142	0	0	0	0	2,582
Progress towards forecast	-		109%	-	-	-	-	124%

Number of New Learners Assisted	0	0	599	0	0	0	-	599
Forecast for year	56	0	674	56	104	192	613	1,639
Progress towards forecast	0%		89%	0%	0%	0%	-	37%

Transport								
Length of Road Resurfaced	0.0	0.0	6.0	0.0	0.0	0.0	-	6.0
Length of Newly Built Road	0.0	0.0	1.0	0.0	0.0	0.0	-	1.0
Length New Cycle Ways	0.0	0.0	2.5	0.0	0.0	0.0	-	2.5

Project RAG Ratings					
Project Name	Previous Quarter		Project Name	This Quarter	
	Q3_1819	Q4_1819		Q3_1819	Q4_1819
Whittlesey Access Phase 1 King's Dyke Crossing	G	G	-	-	-
Ely Southern Bypass	A	A	-	-	-
Bourges Boulevard Phase 1	G	G	-	-	-
Bourges Boulevard Phase 2	G	G	-	-	-
A47/A15 Junction 20	G	G	-	-	-
Wisbech Access Strategy	A	A	-	-	-
TWI (The Welding Institute) Expansion	G	G	-	-	-
Technical and Vocational Centre, Alconbury Weald	G	G	-	-	-
Agri-Tech Growth Initiative	G	G	-	-	-
Cambridge Biomedical Innovation Centre	G	G	-	-	-
Haverhill Innovation Centre	N/A	N/A	-	-	-
Peterborough Regional College Food Mfg Centre	G	G	-	-	-
	N/A	N/A	-	-	-
Highways Academy	G	G	-	-	-
CITB Construction Academy	G	G	-	-	-
EZ Plant Centre Alconbury	G	G	-	-	-
Signpost 2 Grant	G	G	-	-	-
Medtech Accelerator	G	G	-	-	-
Lancaster Way Phase 1 Loan	G	G	-	-	-
Lancaster Way Phase 2 Loan	G	G	-	-	-
Lancaster Way Phase 2 Grant	G	G	-	-	-
Manea and Whittlesea Stations	G	G	-	-	-
M11 J8	G	G	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

Growth Deal Performance	Area lead comments
G	

LGF Award	2015-16	2016-17	17-18	18-19	19-20	20-21	Total
	£21,100,000	£33,625,463	£23,664,705	£16,705,458	£15,875,346	£35,737,637	£146,708,609

LGF Outturn	This Quarter	15-17	17-18	18-19	19-20	20-21	Total
Actual	£ 6,238,711	£ 27,983,285	£ 37,765,397	£ 13,323,677	£ -	£ -	£ 79,072,359
Forecast for year	£ 15,458,426	£ 27,983,285	£ 37,144,873	£ 15,458,426	£ 9,941,827	£ 8,753,469	£ 99,281,880
Progress towards forecast	40%		102%	86%	0%	0%	80%

LGF Expenditure							
Actual	£ 329,490	£ 38,355,545	£ 33,196,155	£ 7,634,855	£ -	£ -	£ 79,186,555
Forecast for year	£ 10,251,130	£ 35,239,639	£ 3,606,890	£ 10,251,130	£ 7,613,484	£ 5,850,000	£ 62,561,143
Progress towards forecast	3%		920%	74%	0%	0%	127%

Non-LGF Expenditure							
Actual	£ 200,878	£ 10,359,819	£ 12,584,247	£ 4,613,785	£ -	£ -	£ 27,557,851
Forecast for year	£ 19,731,417	£ 10,359,819	£ 496,000	£ 19,731,417	£ 8,042,000	£ -	£ 38,629,236
Progress towards forecast	1%		2537%	23%	0%	-	71%

Total LGF + non-LGF Expenditure							
Actual	£ 530,368	£ 48,715,364	£ 45,780,402	£ 12,248,640	£ -	£ -	£ 106,744,406
Forecast for year	£ 29,982,547	£ 45,599,458	£ 4,102,890	£ 29,982,547	£ 15,655,484	£ 5,850,000	£ 101,190,379
Progress towards forecast	2%		+1116%	+41%	+0%	+0%	105%

Contractual Commitments (manual entry)							
	15-17	17-18	18-19	19-20	20-21	Total	
Forecast	£ 24,283,295	£ 35,192,590	£ 15,905,430	£ 9,941,827	£ 8,753,469	£ 94,076,611	
Actual	£ 24,283,295	£ 35,192,590	£ 13,323,677	£ -	£ -	£ 72,799,562	
Variance	+0%	+0%	-86%	-	-	-18%	

Commentary

Q4 18/19 ReturnQ3 18/19 (Draft) New projects approved by the Business Board during the quarter have yet to have agreements in place, hence they are not shown individually on this return, these total £3,817,000. Both Ely Southern Bypass and Wisbech Access Strategy are Amber due to delays however both should complete by the end of this funding period. Four small business grants were approved under delegated authority. The Business Board met in November 2018 and commenced approving growth deal applications following the October launch of the Growth Deal calls for Expressions of Interest. 23 EOIs were considered and 6 were requested to submit full business cases for the next January BB meeting. Two small grants, the Junction 8 of the M11 funding and an extension granted for Lancaster Way Phase 2 were approved at the November BB meeting.

A new CPCA wide monthly project monitoring system was adopted in October enabling project managers to report monthly progress on projects. Progress was made on all projects including the Haverhill Innovation Centre where negotiations with West Suffolk Council enabled the contractor to submit a full business case for appraisal by CPCA .

Wisbech, preliminary design is continuing to maintain programme timescales. Bourges Boulevard is virtually completed and in phased close down. Kings Dyke has progressed to Green following the purchase of the land and contract works commenced according to plan. Ely Southern Bypass was opened and in operation. Agreement

Section 151 Officer Approved

Name	
Signature	
Date	

Accountable Body Head of Paid Services Approval

Name	Kim Sawyer (Interim CEO, Cambridgeshire and Peterborough Combined Authority)
Signature	
Date	

CPCA Local Growth Fund projected pipeline

Project	LGF request (estimate)	New Jobs	New Businesses	Status	RAG (likelihood of applying)	Applied RAG % to evaluate pipeline
CPCA LIS Growth Company (GPF ring-fenced for LIS delivery)	£5,300,000			In development		£5,300,000
Manufacturers network (GPF ring-fenced for AMM strategy & LIS delivery)	£400,000			Not yet applied		£400,000
Innovation support network & grant scheme (GPF ring-fenced for LIS delivery)	£400,000			Not yet applied		£400,000
3D printing machine company - Business expansion new site Peterborough	£600,000	120		Not yet applied		£420,000.0
Confidential -Optics business expansion existing site Linton	£100,000	20		Not yet applied		£70,000.0
Wisbech campus development - college facilities MMU/Construction	£1,000,000			Not yet applied		£700,000.0
Peterborough Station Quarter - Property development Devco	£1,000,000			Not yet applied		£700,000.0
Cambridge Digital Academy - college facilities fit out	£150,000			Not yet applied		£105,000.0
STA Hub - Digital portal - Skills	£400,000			In development		£400,000
University of Peterborough - facilities/commercial development	£10,000,000			Not yet applied		£7,000,000.0
Advanced Engineering/Manufacturing Launchpad - site development	£5,000,000			In development		£5,000,000
Agri-Tech Launchpad - site development	£5,000,000			In development		£5,000,000
Transport Launchpad - site development	£5,000,000			Not yet applied		£3,500,000.0
Life Sciences Launchpad - site development	£1,000,000			Not yet applied		£700,000.0
St Georges Business Park - site development	£500,000	2,300	371	In development		£500,000
Confidential - Lab space property development Hauxton	£500,000			In development		£350,000.0
Kings Lynn Innovation Centre (KLIC) - property development	£500,000			Not yet applied		£350,000.0
New Transport technologies accelerator - programme investment	£1,000,000	432	9	In development		£700,000.0
West Cambridge Innovation District - site development	£3,000,000			Not yet applied		£2,100,000.0
Project Living Cell revised application - Lab space fit out	£1,350,000	450		Further Business case dev		£945,000.0
Epicentre - Incubator building	£2,700,000	300	50	Further Business case dev		£2,700,000
Innovation Park - site development	£1,570,000	126	25	Declined first Eol application		£471,000.0
Phoenix Incubator - property conversion	£2,800,000	81	40	Declined first Eol application		£840,000.0
Business Park - site expansion development	£3,850,000	65	15	Declined first Eol application		£1,155,000.0
Innovation District- site development	£3,800,000	1,600		Declined first Eol application		£1,140,000.0
Sharing in Growth - Loan for Growth coaching MSB / Large co programme	£5,000,000			Not yet applied		£1,500,000.0
Totals	£55,220,000	5,374	510			£42,446,000

	100% into pipeline
	70% into pipeline
	30% into pipeline

CAMBRIDGESHIRE AND PETERBOROUGH GROWTH PROSPECTUS

2019

INTRODUCTION – GROWING THE CAMBRIDGESHIRE AND PETERBOROUGH ECONOMY

The Business Board exists to support the local economy to grow, creating more jobs and supporting industry to become more productive. It has worked alongside the Combined Authority and the Department for Business, Energy & Industrial Strategy, to produce and launch the Local Industrial Strategy for Cambridgeshire and Peterborough. Businesses and partner organisations are now invited to bring forward investment proposals that will support the delivery of this Local Industrial Strategy.

This is an open call – that will last until all available resources have been invested, or the Board decides to issue further instruction. However, it should be clear to potential applicants that timing is imperative – projects funded through this route must be able to expend the monies applied for by March 2021, although the jobs, growth and skills outcomes that result will be collected for several years after that point.

LOCAL INDUSTRIAL STRATEGY PRIORITIES

The Local Industrial Strategy (LIS) has been agreed locally following from the publication of the Cambridgeshire and Peterborough Independent Economic Review (CPIER) and a subsequent period of stakeholder engagement to define the LIS. Currently in its local-draft form, the LIS is currently going through a process for final agreement with Government, and national adoption as part of the OxCam Arc set of four LIS. The locally agreed draft LIS is available here; [\(insert link once approved\)](#)

The objective within the strategy is to focus resources onto **the generation of global, productive, and inclusive growth**. With the key priorities to;

- Improve the long-term capacity for growth in Greater Cambridge
- Increase the sustainability and broaden the base of our economic growth
- Expand and build on the clusters and networks that have enabled Cambridge to become a global leader

The LIS further details the specific areas of focus identified within the **“foundations of productivity”**:

- **Infrastructure** – the planned transport, digital and energy interventions across the Combined Authority partnership
- **Business Environment** – delivering an integrated approach to business support, ensuring our highest potential businesses have the access to the right kind of space at every part of their evolution and access to growth coaching and support networks to help them
- **Ideas** – harnessing innovation as a tool for business growth, enabling more of the ideas generated by world class research in our patch to get to market more effectively and at scale
- **People** – improving levels of education and training to ensure that business has the supply of skills it needs, and our people are provided with more and better opportunities to reach their potential
- **Place** – implementing all of the above with close regard to the distinct needs of Greater Peterborough, Greater Cambridge and the Fens

The key metrics for the achieving the above objectives are:

- New jobs created
- Productivity increase (measured by GVA per hour worked)
- Trade and Export increase (measured by percentage of turnover)
- New business space matched to the needs of key sectors
- New apprenticeships
- Skills progressions in line with local employer need
- Provision of new skills facilities in line with the needs of key sectors

The pioneering local alignment of the Business Board with the Mayoral Combined Authority, and the associated devolution of funding and powers to Cambridgeshire and Peterborough, means that this prospectus is far more focused on supporting productivity and direct economic growth than previously possible. The provision of major transport infrastructure and housing is now largely within the remit of the Combined Authority, which will be delivered to support business growth as it naturally occurs. In parallel and partnership, the Combined Authority's Business Board will actively stimulate and support future business growth to be:

- More inclusive across our cities and towns to spread prosperity and opportunity more evenly;
- More productive to increase competitiveness and ease pressures on public services, housing and transport;
- More global in nature to increase exports and inward investment into our economy

The evaluation of investment proposals for funding, will be closely aligned to the objectives and prospective interventions described in the LIS.

LOCAL GROWTH FUND

Growth Deals provide capital funding from the Government's Local Growth Fund via Local Enterprise Partnerships (LEPs). LEPs then invest in local projects which help overcome strategic barriers to growth. Between 2014 and 2016, the area successfully bid for three tranches of Local Growth Funding, via 'Growth Deals' with Government.

The value of this programme is £146.7 million which must be spent between 2015 and 2021. Of this, around £98 million is committed to projects, leaving **£X million** left to allocate and spend.

Growth Deal is capital funding only, to be invested as loan or grant in projects or programmes which will have significant impact on growth in the LEP area. All funding set out in the prospectus is available across the Greater Cambridge Greater Peterborough area - Cambridgeshire, Peterborough, Rutland, Kings Lynn West Norfolk, St Edmundsbury and Forest Heath (West Suffolk), North Hertfordshire, South Kesteven, South Holland and Uttlesford, Essex. Funding originally allocated across this geography will continue to be available to this geography, until which point it is fully invested. Further funding provided to the local area will be allocated subject to Government's confirmation of LEP geographies nationally.

Also available for investment into the provision of direct business support and growth activity matched closely to the Local Industrial Strategy is the remaining **£X million** of Growing Places Funding, which can be considered by the Business Board as either revenue or capital. However, the Business Board has prioritised this funding towards the implementation of the new business support services described in the LIS for a Growth Service, an Inward Investment Service and a Skills, Talent and Apprenticeship Brokerage.

The Business Board will receive and consider new applications for funding which will be recommended to the Combined Authority for approval, contracting and monitoring.

DRAFT

FUNDING CALLS AVAILABLE THROUGH THIS PROSPECTUS

• OPEN CALL FOR PROPOSALS TO IMPLEMENT THE LOCAL INDUSTRIAL STRATEGY

An open invitation for proposals that can demonstrate delivery against the LIS, which represents value for money. The Business Board expect:

- A benchmark of £5,000 per job created – which takes into consideration both direct and indirect jobs, given that these can be robustly demonstrated
- to provide loans as a preference, so that local funding can continue to be reinvested in local growth but will also provide grants.
- The provision of grants will be allocated based on proposals that demonstrate multiple beneficiaries, and within priority locations and sectors highly effective delivery of specific objectives of the LIS.

• DIRECT BUSINESS GROWTH GRANTS SCHEME

An evolution of the Small Grants Scheme from the previous prospectus and learning from evaluation of impact.

Grants are available between £15k - £25k, where businesses can demonstrate that the grant will support the provision of new jobs, productivity improvements, and are within the strategic growth sectors identified within the LIS.

A total fund of £300,000 has been allocated for this scheme.

The Business Board expect:

- a benchmark of £10,000 per job created – which takes into consideration direct jobs, given that these can be robustly demonstrated
- to provide grants for capital purchases that improve productivity and create capacity to grow.

• EASTERN AGRI-TECH GROWTH INITIATIVE (CONTINUED)

The Eastern Agri-Tech Growth Initiative is designed to support the development of new and innovative ideas within the Agri-Tech sector. Run by the Cambridgeshire & Peterborough Combined Authority, the Initiative has two main funds that can help support local businesses:

Agri-Tech Growth Fund - offers grant funding of between £10,000 and £150,000 to support product development and improve agricultural productivity.

Research, Development and Prototyping Fund - helps to support the research and development of new products or processes with grants of between £10,000 and £60,000.

These grants are open to businesses located within Cambridgeshire, Peterborough, Norfolk, Suffolk, Rutland, North Hertfordshire, South Holland, South Kesteven and Uttlesford.

To date, the initiative has supported a wide range of businesses, including food and drink producers and growers, bespoke equipment and chemical manufacturers and innovative IT companies who supply to the agricultural sector.

How to apply

You can find out more about the funding available by downloading the latest [guidance notes here](#), and our [pre-qualification questionnaire here](#).

If you would like to know more about the Agri-Tech grants programme you can contact Programme Manager, Martin Lutman, via info@agritechgrants.co.uk or by calling 01480 277180.

- **SKILLS CAPITAL FUND**

To support the delivery of the People section of the Local Industrial Strategy, and the more detailed CPCA Skills Strategy, **at least** £3m of capital funding has been allocated to invest in improved skills, increased numbers of learners, infrastructure or skills equipment – particularly where this is in line with the key growth sectors set out in the respective strategies.

FURTHER INFORMATION - ANNEXES

To include:

- Guide for applicants – how to apply, details of the external evaluation process, contact details etc
- Case studies – to demonstrate projects in line with our expectations?

Annex D: Successful Agri-Tech Applicants 1 January 2019 to 30 April 2019

Name of Applicant	Amount of Grant Awarded to Applicant	Financial Year	Date Application Approved	Description of Project	Local Authority Area
Crop Vax Ltd	£47,250.00	18/19	10/01/2019	The proposed project involves demonstrating that the company's technology platform can be used to deliver pioneering crop protection products that protect crop plants (such as wheat) against fungal pathogens and protect them against septoria infection, one of the most destructive diseases associated with wheat in the UK.	Cambridge City
BG Research Ltd (Project 2)	£60,000.00	18/19	10/01/2019	The aim of this project is to design assays / tests for UK notifiable diseases including classical swine fever, avian flu, Newcastle disease, Foot and mouth, Blue tongue and PRRSV. This covers a range of vet tests covering poultry, pigs, cows, sheep and goats and so will provide a wide commercial base but also test the technology.	Huntingdonshire
Xampla Ltd	£60,000.00	18/19	28/02/2019	The project concerns the development of an entirely new class of biomaterial made from protein from pea plants which is organic, clean label, natural, food grade, with no synthetic crosslinking, is biocompatible and biodegradable. The aim is to design and manufacture the pea plant protein for supplying to the food and drink industry.	Cambridge City
Keith Mount Liming Ltd (Project 2)	£12,500.00	18/19	28/02/2019	The aim of this project is to create a 'precision agriculture' based app for use in the field and office, in connection with the company's existing soil sampling services. The app would be best described as a soil nutrient data logging app with the ability to upload real time data, in the field, with the data linked to GPS coordinates. Primarily, the company will be using the app to upload multiple soil pH data points. In addition to pH, other data can be added including all soil nutrient information, soil type, soil moisture, soil temperature and soil compactions. An algorithm within the app will calculate different recommended application rates of lime to be applied within specified areas of the field determined by the severity of the deficiency in the soil. Once soil pH data has been uploaded, the readings will appear on a Google Earth background field map and the readings will be located on their specific GPS coordinates. (At this point data can be immediately exported to 3rd parties for inclusion in farm software record keeping programmes such as Gatekeeper). This will considerably broaden the appeal of this app for resale purposes.	St Edmundsbury
Fielding Cottage Ltd	£62,950.00	18/19	28/03/2019	To increase production capacity to meet the growing customer demand for goat's cheese. The grant will contribute to the construction of a steel framed building, which will be used to house refrigerated bulk milk storage and to the purchase of a 5000 litre cheese vat.	Broadland
Sly Agri Ltd	£51,552.00	18/19	28/03/2019	To support the development of an entirely new rubber track system to fit on to a wide range of farm equipment. Rubber tracks are becoming more commonplace in agriculture. The main reason for the switch from tyre to track is all to do with ground pressure, soil disturbance and the ability to travel when weather otherwise prohibits the operation.	South Holland
Tuliand Potatoes Ltd (Project 2)	£37,191.00	19/20	30/04/2019	The first grant will enable the business to replace an existing potato wash line (the company has 3) which is old and less productive and energy efficient. Because of its age, the machine is limited in the type and number of products it is able to produce such as the growing market for frozen jacket potatoes for the food service market. This has resulted in a drop in sales due to the inability of the machine to produce all of the products required by the company's customers. The new investment would create new full time jobs.	South Holland
Technet Engineering Ltd (Project 3)	£101,000.00	19/20	30/04/2019	The project involves the purchase of a rotational moulding machine to primarily mould plastic 'Dry Sow Huts' (using recycled plastic) for use in the outdoor pig industry. Three years ago, moulded pig arcs were successfully introduced to the industry, and now a larger moulded 'hut' has been requested by several producers. The moulded arcs have resulted in both animal husbandry and business production benefits. Producers have seen the advantage of a better living environment. To the sow and her piglets, the moulded, insulated arcs give a better living space and experience when compared to the standard metal arcs used until now. Temperature extremes are reduced, the sow spends more time in the arc, resulting in improved growth rates of the piglets. This has led to significant production rate increases for the producers. Eventually, the plastic huts would be recycled and used in other products. The new investment would create new jobs.	East Cambridgeshire

BUSINESS BOARD	AGENDA ITEM No: 2.3
28TH MAY 2019	PUBLIC REPORT <i>This report has a confidential appendix at item 2.3 of the Agenda</i>

GREATER PETERBOROUGH INWARD INVESTMENT PILOT

1.0 PURPOSE

- 1.1. The Business Board is asked to consider and approve the arrangements for a one-year contract on Inward Investment support activity subject to ratification by the CA Board with the objective of creating new jobs and boosting productivity.
- 1.2. The Business Board is asked to note the mechanism through which this contract will be funded.

<u>DECISION REQUIRED</u>	
Lead Member:	Chair of Business Board
Lead Officer:	John T Hill, Director, Business and Skills
Forward Plan Ref: 13	Key Decision: No
<p>The Business Board is recommended to:</p> <ol style="list-style-type: none"> a) Consider the proposal for a pilot one-year inward investment service for Greater Peterborough area; and b) Approve the one-year contract funds to Peterborough City Council and recommend to the Combined Authority Board for approval. 	<p>Voting arrangements</p> <p>Simple majority of all Members</p>

2.0 BACKGROUND

- 2.1. The Current Inward Investment provision at the CPCA has been reduced and across the partners in the CPCA area it is at variable and uncoordinated levels with Individual Districts and Cities providing some elements of service or support.
- 2.2. Future provision is being considered at present with developing proposals around the CPCA Growth Company and Cambridge & Partners project for Greater Cambridge area.
- 2.3. This Interim provision is proposed to support Peterborough City Council and its delivery partner Opportunity Peterborough deliver Inward Investment support and in doing so test/ pilot some of the ideas that the Growth company service is seeking to deliver.

2.4. Funding mechanism will be through direct award to Peterborough City Council.

3.0 PROPOSED INWARD INVESTMENT PROGRAMME

3.1 Key objectives for the pilot are to:

- a) Increase the number of inward investment enquiries being handled and therefore the number of project successes
- b) Increase the number of projects identified and supported with existing investors
- c) Increase the number of jobs created as a result of inward investment

3.2 Overall outputs to be delivered by the end of the pilot year 2019/20 include:

- a) A 30% increase in DIT enquiries across identified sectors resulting in an additional 2 projects confirmed.
- b) 40 additional account management visits across the geography resulting in the identification of 10 additional projects.
- c) Working on the historical average of 20 jobs per project this would equate to a pipeline of c.240 additional jobs to be created via these 12 additional projects.

3.3 The programme will be delivered by Opportunity Peterborough on behalf of Peterborough City Council and the activity, outputs and outcomes are all listed in the proposal at **Appendix 1**.

4.0 FINANCIAL IMPLICATIONS

4.1. The funding of £99,850 is allocated within CPCA budget and will be paid to Peterborough City Council under the Combined Authority Section 12 of the CPCA Order. Section 12 of the CPCA Order which allows the Mayor to award directly to constituent LA's in CPCA.

4.2. As PCC is the only shareholder in Opportunity Peterborough, then PCC can directly engage OP to provide the services under Teckal exemption and would not have to put the work out to competitive tender. Under this arrangement, the CPCA would pay PCC who in turn would pay OP.

5.0 LEGAL IMPLICATIONS

5.1 The arrangement for the operation of the pilot scheme will be evidenced in a formal agreement between the parties. Subject to this being in place there are no other significant legal implications

6.0 SIGNIFICANT IMPLICATIONS

6.1. None

7.0 APPENDICES

7.1. **Appendix 1** - (CONFIDENTIAL) Proposal

<u>Source Documents</u>	<u>Location</u>
None	Not applicable



BUSINESS BOARD	AGENDA ITEM No: 2.4
29TH MAY 2019	PUBLIC REPORT <i>This report has confidential appendices at item 2.4 of the Agenda</i>

GROWTH COMPANY: STRATEGIC OUTLINE BUSINESS CASE

<u>DECISION REQUIRED</u>	
Lead Member/s:	Chair of the Business Board
Lead Officer:	John T Hill, Director of Business and Skills
Forward Plan Ref: 2019/039	Key Decision: Yes
<p>The Business Board is recommended to:</p> <ul style="list-style-type: none"> (a) Comment on the Growth Company SOBC (b) Approve the development of an Outline Business Case for September 2019 (c) Comment and approve the principle of using a Company Limited by Guarantee as the delivery vehicle for the three services, with details for its operation and governance to developed for an OBC (d) Make recommendation to the Combined Authority Board to authorise Officers to form a Company Limited by Guarantee in June 2019 <p style="text-align: right;">Continued...</p>	<p>Voting arrangements</p> <p>Simple majority of all Members</p>

<p>(e) Agree the funding strategy for the services and make recommendation to CA Board to authorise Officers to:</p> <ul style="list-style-type: none"> i. Submit proposals for external funding to Local Growth Fund, Growing Places Fund, European social Fund and European Regional Development Fund ii. Submit, through the subsequent Outline Business Case proposals for internal funding from within the already agreed Medium Term Financial Plan of the Business Board and its Enterprise Zone receipts <p>(f) Give feedback on how officers might strengthen the case for the OBC in July and FBC in October.</p>	
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1.0 BACKGROUND

1.1. The Business Board and Combined Authority Board approved the Local Industrial Strategy at its last meeting in March 2019. This contained the creation of a new Growth Company for Cambridgeshire and Peterborough as a major new intervention.

1.2. The report to the Business Board on 28 May 2019 will present the Strategic Outline Business Case for the Growth Company to the Board, seeking comment and a steer to develop next stage Business Case and working towards a mobilisation of the Growth Company at the beginning of 2020.

1.3. The Growth Company will consist of three major services:

- The Business Growth Service – targeted at the places and firms that will have the most impact on our goal to shift to a more inclusive growth dynamic across our three sub-economies.
- The Inward Investment Service – for a new all-economy Foreign Direct Investment (FDI) and capital investment promotion service for the promotion of employment space and employment property development opportunities to investors and companies from the UK and overseas
- The Skills Service – a digital and physical service connecting business with skills providers and talent, with targeted support to double the number of apprenticeships over five years.

- 1.4. The Growth Company sits within a range of interventions which were agreed as part of the Delivery Plan for the Local Industrial Strategy. These fall into four categories;
- CPCA activities already committed and underway
 - New activities that are being led directly by the CPCA
 - Partner activities that support the delivery of the LOCAL Industrial Strategy (LIS),
 - Bids that are invited to the next round of Local Growth Funding to support the delivery of the LIS
- 1.5. The above will be collated into an overall delivery plan that is coordinated by the CPCA (with the support of a partnership delivery group) and reported to the Board.
- 1.6. For Board members information the Executive Summary and Policy Context is inserted below:

EXECUTIVE SUMMARY

Business Case Headlines

It is proposed to establish **three new business support services**, approved recently as part of the Local Industrial Strategy. These include:

1. **An Inclusive Growth Service**, to engage our highest potential growth firms to better support them to accelerate their growth, increase their capacity and capability for growth, sustain their period within growth, or all three. The service will be delivered in each of our three sub-economies in a tailored manner to better spread growth more evenly across our total economy.
2. **An Inward Investment Service**, to extend our reach into key global markets, to engage and persuade overseas firms to locate into our economy or invest in our strategic projects to increase our employment space, develop our transport infrastructure or establish a new university.
3. **A Skills Service**, to provide an effective brokerage between young talent and those retraining or progressing in a career, our employers and our skills providers, to improve the supply of skills to enable growth.

To finance the services, we have constructed a broad funding strategy that combines funding already allocated for use by the Business Board with external funding from BEIS and MHCLG. No additional CPCA funding is requested above and beyond the MTFP 2019-23.

To mobilise the services, it is proposed that a company is established to provide the appropriate managerial environment, commercial direction and business governance. To enable this, it is proposed that:

1. The legal entity takes the form of a TECKAL Company, established as a Company Limited by Guarantee (CLG), along similar lines to commercial businesses established by other Combined Authorities nationally and councils locally. It is proposed that the CLG has only one Member – The Combined Authority.

2. The Services provided, are carried out under three outcome-based contracts with the CA, and that the Company's performance against the agreed outcome metrics, is monitored and managed as a contractual relationship, through a Programme Delivery Board consisting of representatives of the CA and the three sub-economies; Greater Cambridge, Peterborough and the Fens; for which delivery will be targeted and tailored.
3. The business itself is managed by an appropriately skilled board of experienced business leaders and professional services experts, with the broader, non-contractual, interests of the Combined Authority being represented on the Board through the Chair and Chief Officer of the Combined Authority's Business Board.

Policy Context

The proposed portfolio of growth support could better enable our academic ideas and inventions to be more rapidly commercialised and spun-out, whilst ensuring our most exciting entrepreneurs are supported to scale-up new services, products and markets. Our economy is already home to a high concentration of high-growth firms, a highly skilled and entrepreneurial workforce and a dynamic business base. Crucially, there is potential to scale-up the operations of such firms given the right support and investment.

We propose working across the specificities of our three sub-economies as an integrated one-stop-shop service for businesses, to provide the key coaching and advice for firms to overcome their barriers to growth and maximise their opportunities for capability and capacity development, with the objective of becoming a world-leading economy for high-growth start-ups, spin-outs and scale-ups.

Central to the idea is building a network of growth companies that, when connected through innovation, skills, growth and inward investment support, become more than the sum of their parts. Together, this network of scale-ups will foster a breakthrough area for growth through innovation that will become a driver for inclusive growth across our economy. Cambridgeshire & Peterborough will become a network of well-connected businesses and clusters centred on key industries, connecting across boundaries and accessing a world-class portfolio of integrated growth support, through a single-front-door; The Growth Company.

When connected and enabled through a marketplace of support, coaching, mentoring and finance, economic hubs have the potential to interact within and between sectors in ways that enhance their productivity, creativity and competitiveness. To achieve the envisioned network of scale-ups and the marketplace for support that will drive their growth, there is a clear role to be played by other organisations beyond the traditional players in the advisory marketplace, notably academic bodies and business schools.

By joining business growth, global market access, productivity, skills and inward investment support we can create the opportunity to better connect our places and business clusters and provide across them, the same quality of growth support that has made growing businesses inside Cambridge, so much faster and more sustainable than has been the case elsewhere in our economy. This means we must help to replicate some of the business support conditions that have made Cambridge globally successful. These include; dense business networks, the right balance of competition and collaboration, access to finance, and the provision of high-quality business growth, productivity, innovation and global market access support.

We will do this by ensuring that we expand and build on the growth support networks that have enabled Cambridge to become a global leader in innovative growth. New and innovative forms of growth support will encourage individual business leaders, sectors, and places to join to build an economy-wide business support eco-system to enable one another.

To be sustainable and scalable, it is important that the delivery mechanism includes the development of a commercial marketplace for growth, global market access, productivity, leadership and strategy coaching, harnessing the expertise, typically residing in Cambridge and other fast-growing cities. This should lead-on to a mentoring culture amongst supported entrepreneurs and small business leaders, willing to offer technical or subject matter mentoring and secondments between and from one business to another.

We have the opportunity of better connecting and networking firms and growth support expertise with the most exciting firms across the wider economy. We must, going forward, ensure all firms with growth potential have networked access, through clusters, sectors and place, to a growth support eco-system to help them maximize their opportunities and overcome leadership, organisation, or market access challenges to faster, greater and more sustainable growth.

However, it is crucial to ensure growth is inclusive, and important for us to set out clearly **what inclusive growth means to us**. This means delivering the benefits of economic growth to everyone across our economy. Currently, areas have high levels of disparity, with pockets of both urban and rural deprivation. The Local Industrial Strategy and its delivery is an opportunity to address the inequalities that are undermining economic growth. We will ensure that new growth in the future promotes an inclusive and diverse economy, with good jobs and greater earning power for all. We will ensure that all communities are able to benefit from the opportunities of economic growth and greater collaboration.

An inclusive growth strategy which improves absolute standards of living is vital for the long-term economic sustainability of our economy; as such it represents a risk mitigation strategy as well as an opportunity.

2.0 APPENDICES - Exempt under paragraph 3 of Schedule 12a Local Government Act 1972

2.1. Appendix 1 – Strategic Outline Business Case for C&P Growth Company

<u>Source Documents</u>	<u>Location</u>
Local Industrial Strategy:	http://cambridgeshirepeterborough-ca.gov.uk/assets/Business-Board/Meetings/Business-Board-190325.pdf page 18-64



THE BUSINESS BOARD

BUSINESS BOARD	AGENDA ITEM No: 3.1
28TH MAY 2019	PUBLIC REPORT

OXCAM ARC UPDATE

1.0 PURPOSE

1.1. To provide the Business Board with an update on the OxCam Arc.

<u>DECISION REQUIRED</u>	
Lead Member:	Chairman of the Business Board
Lead Officer:	John T Hill, Director of Business & Skills
Forward Plan Ref: N/A	Key Decision: No
<p>The Business Board is asked to:</p> <p>(a) Note the update provided in this report;</p> <p>(b) Comment and provide a steer for officers in the ongoing development of the OxCam Arc;</p> <p>(c) Recommend this update to the Combined Authority Board</p>	<p>Voting arrangements</p> <p>Simple majority of all Members</p>

2.0 BACKGROUND

2.1. The three Local Enterprise Partnerships (LEP) and the Combined Authority covering the geographic and economic area known as the OxCam Arc were asked by government, alongside the Greater Manchester and West Midlands Combined Authorities, to be “trailblazers” for the production of the first set of Local Industrial Strategies (LIS).

- 2.2. These are now being negotiated with various Her Majesty's Government (HMG) Departments for formal HMG sign-off. However, as part of this process, there exists the opportunity for this collaborative group of LEPs and Combined Authority to make joint asks of government for funding to boost economic growth and productivity in the OxCam Arc, as part of the current Comprehensive Spending Review (CSR).
- 2.3. To progress this opportunity, the three LEPs and Combined Authority have joined a broader OxCam governance framework that involves:
- (a) The Chairs of the LEPs & Business Board in a high-level decision-making group with the leaders of all 38 local authorities in the OxCam economy;
 - (b) The CEOs of the LEPs and Business Board in an executive decision-making group alongside the CEOs of the 38 Local Authorities;
 - (c) The CEOs of the LEPs and Business Board involvement in three working groups on:
 - i. Productivity; upon which the three LEP and Business Board CEOs sit, and lead with the support of a small number of LA representatives.
 - ii. Place: upon which we are represented but consists mainly of LA representatives and is preoccupied mainly with housing
 - iii. Connectivity; upon which we are represented but consists mainly of LA representatives and is preoccupied mainly with transport; and
 - (d) The CEOs of the LEPs and Business Board meeting with HMG officials, mainly from BEIS and MHCLG, to progress the HMG sign-off of our LIS's and develop specific funding asks from the CSR.
- 2.4. Currently there is only one concept for cooperation around the OxCam economy that is developed sufficiently to potentially go forward into the CSR process. This is the idea for an OxCam Growth Network and Support Ecosystem, which would act as a national Testbed for Inclusive Growth Support.

3.0 APPENDICES

3.1. Appendix 1 – Economic Vision: The Oxford-Cambridge Arc

<u>Source Documents</u>	<u>Location</u>
Business Board Meeting Agenda and Reports from 28th May 2019	http://cambridgeshirepeterborough-ca.gov.uk/meetings/business-board-meeting-28th-may-2019/?date=2019-05-28



Economic Vision: The Oxford – Cambridge Arc

Home of the New Innovation Economy

April 2019

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1 Introduction

1.1 This vision's purpose

The purpose of the Economic Vision is to explain the Oxford - Cambridge Arc's unified proposition as a globally leading innovation and growth catalyst. The Arc offers access to each of the critical ingredients for business and innovation-led growth. This collective offer represents a powerful and coherent expression of the region's current assets and future potential.

This Economic Vision for the Arc sets out an ambition and series of proposals designed to unlock the economic potential of the region and deliver transformative growth for the UK between now and 2050. It provides a vision for how the Arc can better connect its unique and world-leading assets to become truly globally competitive in frontier markets, both for business investment and for top talent. With a bolder brand and stronger international presence the Arc can continue to lead the whole of the UK to the forefront of global innovation excellence in the coming years and decades.

The Opportunity

Global leaders



The Arc is already home to world-leading production clusters in high-skilled sectors, such as Life Sciences, Aerospace, Advanced Manufacturing, Transport, Energy, Creative and Digital.

Cross-fertilisation potential



It is essential that these existing clusters are linked in a way that can greatly improve collaboration and boost economic productivity. To do this the Arc needs new infrastructure and strong economic networks to support a coherent brand.

Knowledge economy



These new networks will draw upon the region's internationally renowned knowledge economy to embed innovation at their core. By supporting production through research & development partnerships, economic cross-fertilisation throughout the Arc will increase.

Innovation test bed



Improved networks and infrastructure will unlock the economic potential of settlements across the wider Arc, especially as a test bed for innovative new industries and emerging technology being developed in more space-constrained Arc locations. This will mark the Arc out as the UK's primary R&D centre.

Commercial critical mass



Innovative sectors are present at a greater scale and density in the Arc than elsewhere in the UK. Many local businesses are at a critical point where they could crystallise into major commercial entities if given a boost to infrastructure and support at this juncture.

Wider UK growth



Aside from considerable and inclusive growth across the Arc, the success of this region would have major spillover benefits for the rest of the UK. Above all, by becoming the UK's R&D centre the Arc will be able to design productivity improvements that can then be implemented across the UK.

This Economic Vision is built upon the foundation of the four local industrial strategies which currently demarcate the Arc's geographic area. These have been prepared by the Oxfordshire (OxLEP), South East Midlands (SEMLEP) and Buckinghamshire Thames Valley (BTVLEP) Local Enterprise Partnerships, as well as the Cambridgeshire & Peterborough Mayoral Combined Authority (CPCA). However, it goes beyond the sum of their individual ambitions; better collaboration between industry clusters across the Arc has the potential to drive innovation and higher productivity, boosting inclusive, sustainable economic growth across the whole region and beyond. The National Infrastructure Commission (NIC) has stated that this growth will occur alongside the creation of up to one million new homes and jobs and improved infrastructure, an ambition this Vision document supports.¹

The stakeholders associated with the vision are determined that this growth be sustainable, enhancing environmental and cultural assets and ensuring that existing and new communities are healthy, inclusive and all benefit from new economic opportunities. Alongside the benefit of added GVA, this focus on clean growth productivity opportunities will help to drive down the carbon intensity and unwanted environmental side-effects of industries operating within the Arc.

This Vision comes at critical time for the UK. The world is changing rapidly and in ways we cannot predict. Our futures are being shaped by new disruptive technologies and trends that are transforming the twenty-first century and the ways we live and work. Global markets are shifting, and in an uncertain world the UK needs to innovate to address the productivity puzzle it is facing, and respond to new challenges and opportunities to remain globally competitive.

This Vision is also crucially timed for the Arc. The region already has some highly successful technology businesses that have been successfully spun out from commercial-academic partnerships, and some of the fastest growing manufacturing and service sector scale-ups in the country. In order to push these success stories over the threshold into larger, higher margin and internationally competitive offerings, improvements to business network infrastructure and business support networks will be necessary. This will move the Arc into competition beyond the high new business attrition rate and relatively low-GVA start-ups that have typified its economic growth in recent decades, benefitting from a multiplier effect.

This Economic Vision has been developed in partnership with the three LEPs and the Combined Authority, who have been given a mandate by Central Government to drive forwards the Economic Vision for the Arc:

“Our vision is for the Arc to be the world leading place for high-value growth, innovation and productivity. A global hub where ideas and companies are generated and thrive, home to exemplary models of 21st century development, with a high-quality environment and outstanding quality of life, and with a strong economic focus that drives inclusive clean growth.”

It is designed to set out our vision of the Arc clearly for HM Government, who can then work in collaboration with Arc leadership to deliver it. It is also designed to help partners and other stakeholders understand and respond to this Economic Vision for the future, in particular Local Authorities, investors, businesses and communities. It will also align to emerging proposals for housing and economic growth, including for both expanded and new settlements.

This document should be read in conjunction with a number of associated documents. These include the local industrial strategies for the three LEP areas and Combined Authority area within the Arc, as these set out the local priorities and opportunities for economic development in greater detail. They also contain the wider economic evidence base for the opportunities proposed in this joint vision.

This document sets out:

- Our vision and ambition for the Arc;
- Sectors which can help to form the basis for the Arc's New Innovation Economy;
- The importance of an innovation network being developed across the Arc;
- Some key strategies to consider in delivering this vision; and
- Next steps to take towards implementation and realisation of economic opportunities identified here.

¹ Cambridge Econometrics and SQW (2016) Cambridge, Milton Keynes, Northampton, Oxford Growth Corridor: Final report for the NIC'.

1.2 The Arc today



The Arc is the uppermost part of the geographical area also known as the 'Golden Triangle', which connects Oxford, Cambridge and London. The Arc brings together three Local Enterprise Partnerships, for Oxfordshire, Buckinghamshire Thames Valley and South East Midlands, and the Cambridgeshire and Peterborough Mayoral Combined Authority. Within the boundaries of these areas are further partner organisations, such as Local Authorities, universities and businesses.

The Arc is home to 3.3 million people, and in 2016 contributed £107 billion Gross Value Added (GVA) to the UK economy.² It has the highest concentration of world-class research and innovation assets in the world. These include the two highest ranking universities in the world in Oxford and Cambridge,³ which have been at the heart of the growth of the Arc's knowledge-intensive economy, along with eight further universities and a network of science parks, research institutions, businesses and incubators. Together, these innovation assets form a wider innovation economy that drives growth across the region and generates additional growth for the UK.

Although other areas of the UK are home to pockets of innovation, research and development, such activities are widespread across the Arc, making its density of R&D institutions far higher than other UK regions. The Arc is home to world-leading R&D and is already renowned as a place of global firsts – pioneering cures for disease, forging breakthroughs in engine technology, innovating in future energy and transport systems, and developing world-leading strengths in technologies that are shaping the twenty-first century. Our knowledge and innovation assets enable us to be world-leading in industries that have global and rapidly growing markets.

Areas across the Arc are also home to the most highly skilled workforces in the UK, and some of the most productive and fast-growing cities. In particular, it has high levels of entrepreneurship, where firms are created and scaled to take advantage of new business models, new forms of business and customer value and some of the fastest growing global markets. Our cities and towns are some of the most desirable places to live in the UK; we are home to two of the top four ranking cities in PwC's 2018 Good Growth for Cities report, namely Oxford and Milton Keynes, based on

² ONS Statistics, 2016.

³ Times Higher Education World University Rankings 2019.

economic and wellbeing indicators, such as employment, health, income and skills.⁴

1.3 Policy context

The National Industrial Strategy

The Government published the UK Industrial Strategy in November 2017. The National Industrial Strategy seeks to boost the productivity and earning power of people across the UK and to create a Britain that is fit for the future. It seeks to do this by strengthening the foundations of productivity, agreeing sector deals between industry and government, and inviting business, academia and civil society to tackle the Grand Challenges: ageing society, data & artificial intelligence, clean growth and future of mobility.

It initiates a regional-led approach to growth focussing on ‘place’, asking each area across the UK to develop a Local Industrial Strategy to take forward the UK’s ambitions. The three LEPs and the Combined Authority have been developing individual local industrial strategies in response to this.

The National Infrastructure Commission and Government’s response

HM Government has specifically been looking to the Arc to deliver economic growth, commissioning the NIC to review the growth potential of the region. In 2017, the NIC concluded that the Arc has the potential to become the UK’s Silicon Valley, provided the right planning for homes, jobs and infrastructure.

To secure the area’s success, the NIC recommended delivering up to one million new homes and jobs in the area by 2050 in new and expanded settlements. This should be supported by investments in transport infrastructure including an Expressway between Oxford and Cambridge and an East West Rail line, and as part of a 50-year vision for the Arc as a whole.

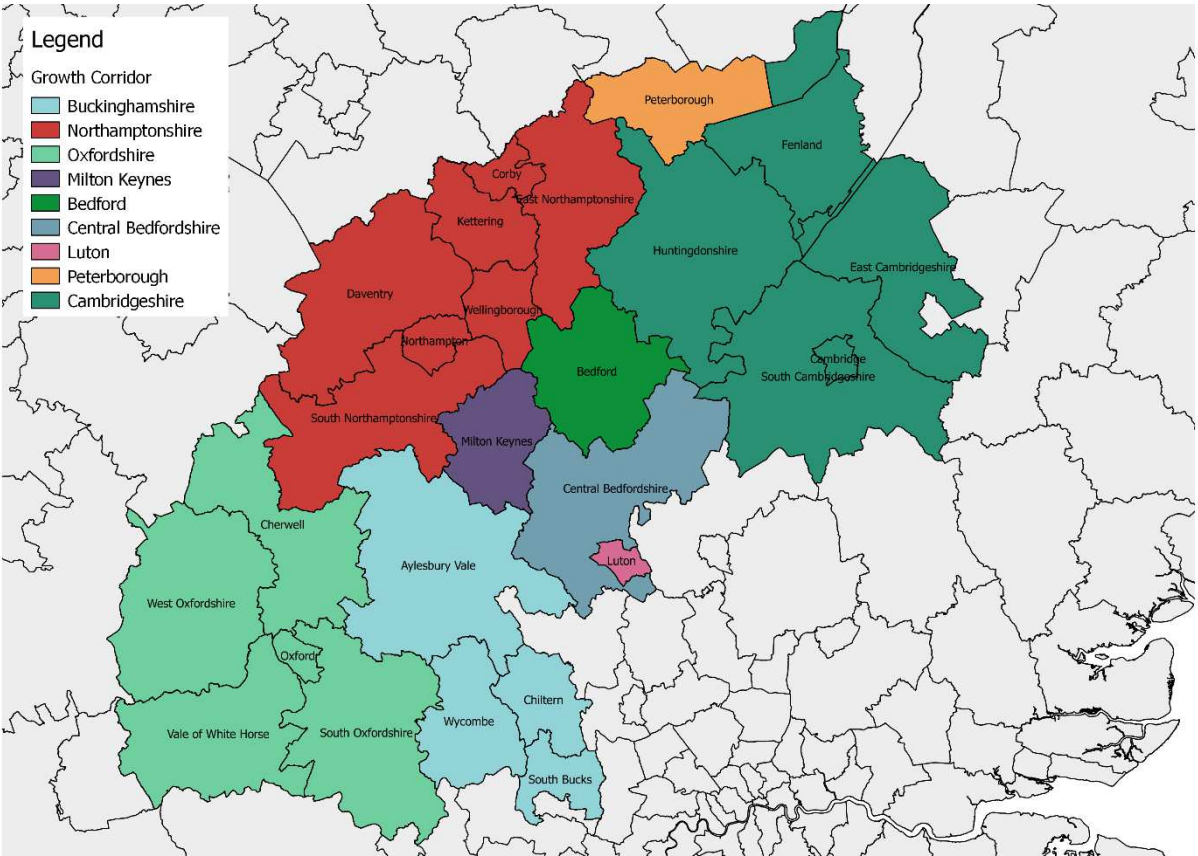
Government’s response in October 2018 designated that Arc as a key economic priority and a significant opportunity for transformational growth, supporting the ambition to deliver up to one million homes by 2050 to maximise the Arc’s economic potential.

With the right interventions and investment, the Arc can be positioned as a world-leading place and can support the National Industrial Strategy aim to boost productivity and prosperity across the country.

Government has already taken action to deliver the Arc, committing funding for transport infrastructure including the Expressway and East-West Rail, and agreeing an ambitious Housing & Growth Deal for Oxfordshire to support the delivery of 100,000 homes by 2031.

However, Government has not made specific provisions around supporting medium-term growth and the associated risk mitigation mechanisms should productivity begin to fall behind targets. Risk provisioning should be addressed as a specific measure to support productivity.

Figure 1 – Location of the Arc, as per county boundaries



⁴ PwC and Demos, ‘Good Growth for Cities 2018’, 2018.

1.4 Limitation of scope

This document represents an Economic Vision for the Arc as a coherent whole, and demonstrates its immediate potential to become a major international brand. It is based on practical opportunities within the local industrial strategies of the three LEPs and the Cambridgeshire and Peterborough Mayoral Combined Authority, and on additional cross-fertilisation opportunities that emerge as a result of their collaboration. This document has not attempted to quantify the scale of economic effects arising from economic interventions, such as through economic modelling.

This document does not represent a comprehensive list of economic opportunities across the Arc, aiming instead to provide a representative cross-section of approaches for each sector based on its unique strengths. More detail on sector and opportunity specifics will be available within the local industrial strategies of the four partner LEPs and Combined Authority.

This document does not represent a delivery plan for specific projects or policy interventions, nor does it lay out the specifics of funding mechanisms needed to deliver the vision.

It is intended that this document will be followed by a separate investment and delivery programme, building on the Key Priorities of Chapter 6. It will tackle the practicalities of realising the joint ambition of partners, namely to achieve collaborative economic transformation that is greater than the sum of its parts.

2 The Economic Vision

2.1 Introduction

This section sets out our combined Economic Vision and ambitions for the Arc. As many infrastructure projects across the next ten years are already being planned for, this vision primarily focusses on the next phase of development from 2030 to 2050.

Planning for and designing such development projects will, however, occur over the next ten years. This Vision considers how plans made during the next decade can be focussed around inclusive growth in areas of the Arc that have the potential to develop rapidly. This will help to ensure that proposals for the long term are not focussed around urban areas that are already severely restricted through environmental geography, regulation or other constraints such as inadequate infrastructure capacity.

Although the economy touches all aspects of our lives, our Vision detailed here is not a geographic or societal one but an economic one, exploring how the Arc's economic and business clusters can be connected in new ways and under an ambitious vision that generates growth for the region and for the UK.

2.2 Our Vision: Home of the new innovation economy

The Arc will be a breakthrough region for the new innovation economy. It will build on the distinctive assets and strengths from across the Arc to create a cohesive innovation ecosystem that is more than the sum of its parts. Through its unique manufacturing specialisms and knowledge-intensive economy, the Arc will drive growth across the UK by harnessing technological change. This will drive improvements in productivity in our businesses and prosperity in our communities, doing so in an inclusive way that leaves no group behind. It will provide the critical mass necessary to transform the Arc into the innovation powerhouse that will push the UK to the forefront of global competition in key markets and industries of the future.

The Arc will be:

1) A place where specialist commercial knowledge and skills collide with world-leading research and development assets to shape existing and new industries.

The Arc is home to a wealth of unique assets, from world-class universities to globally-renowned industry clusters operating in knowledge-intensive sectors at the cutting edge of global research. When combined, our innovation assets are second to none and will push the UK to the forefront of global innovation in industries of the future.

2) A testbed for innovation that will shape the twenty-first century.

The Arc houses some of the most innovative places in the UK, and will become globally-renowned as a living laboratory for testing innovation and shaping places that harness and embrace new technologies. Together, we will build sustainable, technology-enabled communities based on an Arc with improved infrastructure connectivity. This will allow for greater cohesion and consistency in testbed access across the region, and will deliver breakthroughs in new and emerging industries that are shaping our futures.

3) A business growth-enabled environment where our ideas and inventions are rapidly commercialised and spun-out, whilst our most exciting entrepreneurs are supported to scale-up new services, products and markets.

The Arc is already home to a high concentration of high-growth firms, a highly skilled and entrepreneurial workforce and a dynamic business base. Crucially, there is potential to scale up the operations of such firms given the right investment. Working across the Arc, we will become a world-leading ecosystem for high-growth start-ups, but also a business environment that enables businesses to commercialise technologies and business ideas, draw on academic research, grow to scale, and export internationally.

2.3 Our ambition: Sustainable and Balanced Growth

The Arc has the potential to generate transformative growth for the region, and additional growth for the UK. It is important that it does so in a way that is environmentally sustainable. As part of our vision, we have set out the following ambitions:

Significantly increasing the GVA of the Arc economy by 2050 to build on the Local Industrial Strategy targets of the member authorities.

The Arc's current £107 billion annual GVA figure could be bolstered significantly through a coherent and collaborative economic strategy.⁵ This could include capital investment in improved commercial buildings, generating additional employment in areas with labour market surpluses; improved commercialisation of intellectual property and patents; or knowledge networks and support for industry clusters, helping local business scale up and compete internationally.

For instance, between 2016 and 2050 we estimate that if GVA was doubled this would require a growth rate of around 2% per annum, a similar figure to the 1.9% previously estimated by the National Infrastructure Commission.⁶

From 2030 onwards longer-term transport and housing infrastructure projects could also reach completion and begin to contribute GVA. Details of sector-level opportunities for GVA growth are set out below in *Section 3*.

Deliver green growth across the Arc that is sustainable and enhances environmental and cultural assets, including a carbon neutral footprint by 2050.

Boosting the GVA of the region must not be at the expense of environmental sustainability. Our ambition is to ensure growth embraces, protects and enhances the environmental, cultural and heritage assets of the Arc, and builds on its natural capital assets to achieve these results. To reduce our environmental impact and ensure the success of the Arc for future generations, we plan for the Arc to lead the UK in progress towards carbon neutrality by 2050.

To do this, growth will be innovation-led, creating and embracing new technologies that support the creation of sustainable communities and that harness advances in industries such as transport and energy, such as carbon neutral technologies.

Solutions invented, tested and commercialised here will also be implemented here, with greater investment made possible by the expected rise in average household incomes. This will put the Arc at the forefront of environmentally-conscious global generations, economic opportunity and twenty-first century development.

Ensure growth is inclusive, delivering the benefits of economic growth to everyone across the Arc.

Areas of the Arc currently have high levels of disparity, with pockets of both urban and rural deprivation. The Economic Vision and its delivery is an opportunity to address the inequalities that are undermining economic growth. We will ensure that growth in the Arc promotes an inclusive and diverse economy, with good jobs and greater earning power for all. We will ensure that all communities are able to benefit from the opportunities of economic growth and greater collaboration across the Arc. All communities will be able to raise their aspirations and see improved prosperity following on from their increasing opportunities and engagement.

Therefore, we need to change the growth dynamic. At the moment, the innovation growth hotspots that are Cambridge & Oxford, are global in their intellectual and market reach but extremely localised in their economic and societal impact. Businesses elsewhere in the Arc lead the world in bringing cutting edge research and business ideas to market but tend to do so in relative isolation. Outside these hotspots, we have some of the fastest growing cities in the UK but have not fully translated their industrial heritage and recent growth into universal prosperity. Hence, it is important that we increase the sustainability and broaden the base of our economic growth, by identifying opportunities for high-growth companies to accelerate business growth where there is greater capacity in suitable locations across the region. This will go beyond the current hotspots, where there are increasing bottlenecks to growth.

In addition, we recognise the potential risks that automation and future ways of working pose to the goals of high employment and economic equality. Hence, we will ensure a key element of our inclusive approach will be a commitment to life-long learning, skills development and retraining. An inclusive growth strategy which improves absolute standards of living is also vital for the long-term economic sustainability of the Arc; as such it represents a risk mitigation strategy as well as an opportunity.

⁵ ONS Statistics, 2016.

⁶ Cambridge Econometrics and SQW (2016) Cambridge, Milton Keynes, Northampton, Oxford Growth Corridor: Final report for the NIC'.

2.4 In practice: A network of economic clusters

Central to our vision is building a network of sector-focused clusters across the Arc which, when connected through innovation and growth support, become more than the sum of their parts. Together, this network of clusters will foster a breakthrough region for growth through innovation that will become a driver for the UK economy.

The Arc will become a network of well-connected economic and business clusters centred on key industries, connecting across boundaries and accessing world-class growth support. Clustering businesses in the same geographical area, or increasing connectivity between them, can lead to direct increases in productivity through economies of agglomeration.

This is the case both between businesses within the same industry, and between businesses across different industries. In the midst of an era of unprecedented disruption, characterised by the blurring of boundaries between traditional industries as new technologies underpin innovations across sectors, agglomeration can have a dynamic effect on growth and productivity by stimulating innovation.

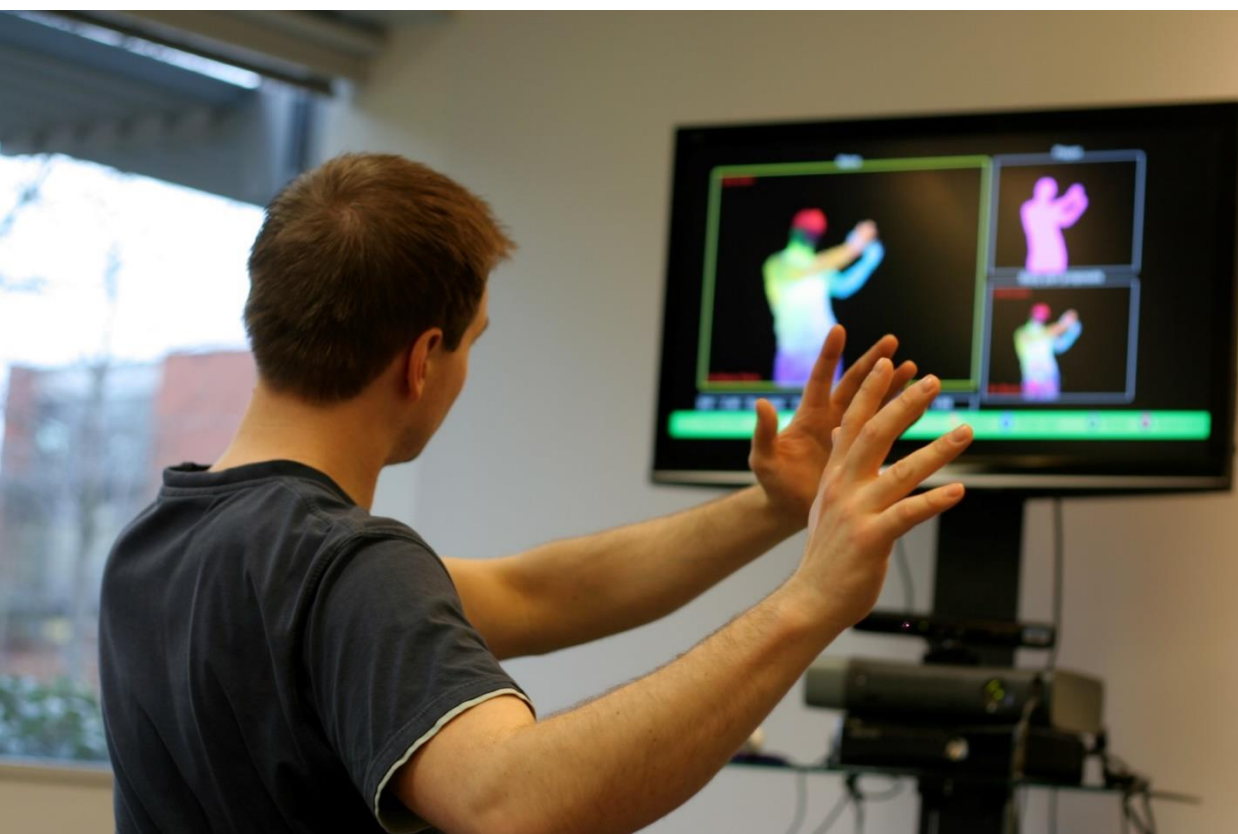
The benefits of agglomeration for the economy include productivity growth, higher net business start-ups, faster growing and more sustainable scale-ups as well as increased overseas trade, high quality jobs, and positive spillovers to the rest of the UK. Agglomeration

also has the potential to support inclusive growth in the region, such as through enabling businesses in disadvantaged areas to access new supply chains, skilled labour and business support more easily.

These networks will require the Arc to make better collective use of its growing pool of skilled workers, ensuring that business requirements are shared between networks and with sources of future employees, such as the secondary and tertiary education sectors. This will help to ensure that businesses have access to the appropriate skilled labour force necessary for them to scale up, a transition which has been challenging historically for some businesses across the Arc.

These networks will also have to adapt to competitive clusters nearby, such as the large scale aerospace cluster in the Midlands. However, proximity to competitive clusters presents opportunities too, both through collaboration (such as Northamptonshire members of the Midlands Aerospace Alliance) and through opportunities to differentiate. In the case of aerospace, the Arc can use its focus on innovation to differentiate its industry as highly technical and specialist rather than aiming to compete on scale with the rest of the Midlands.

We provide more detail on this concept and how it will work in practice across the Arc in Chapter 4. The next chapter sets out the Arc's key industries, on which the network of clusters will be based.



3 The New Innovation Economy: Sectors

3.1 The foundations of growth

The Arc already has strong foundations for growth on which we can build:

- Its existing £107 billion annual GVA contribution to the UK economy.⁷
- Top two ranked universities in the world in Oxford and Cambridge.⁸
- Over 60% of residents in Oxford and Cambridge hold a NVQ4 (degree-level) qualification compared with 38% nationally.⁹
- The most patent applications per 100,000 residents in the UK.¹⁰
- Nine times more patents in Cambridge than the national average.¹¹
- Milton Keynes has almost 25% higher productivity per worker than the UK average.¹²
- Two of the top twenty European cities for innovation (Oxford and Cambridge).¹³
- Two of the top five UK cities for business start-ups per capita (Milton Keynes and Northampton).¹⁴

This section sets out a high-level view of why the Arc has such strong foundations for growth. It then considers where there are opportunities for networks of clusters to emerge, networks which will help to realise the Economic Vision.

These sectors are those identified within the four local industrial strategies of the Arc area as most crucial to the future development of the region. They are sectors that are receptive to technological improvements and therefore have high potential for growth when looking forwards to 2050. They rely on similar technologies, skills and strengths, and have a high level of overlap and convergence that will encourage cross-fertilisation and productivity growth between now and 2050.

These sectors do however represent broad varieties of businesses; sufficiently diverse that they may have strikingly different approaches to problem solving. Evidence already exists within each industry of inter-regional Arc collaboration, as well as collaboration across different industry clusters to spark innovation and productivity growth. Through collaboration they may learn to share the best of these practices.

3.2 Life Sciences

The Arc is home to two globally renowned life sciences clusters in Oxford and Cambridge. They are the most productive life sciences clusters in Europe and already compete internationally with the global leaders in San Francisco and Boston, Massachusetts. Together, the Arc's concentration of assets could rival these clusters and become known as a place where pioneering discoveries and inventions are transformed into treatments and cures for disease.

The diverse expertise across the Arc is second to none, and is pushing the boundaries of innovation by applying new technologies such as machine learning and artificial intelligence to deliver world firsts and life-changing innovations.

The Cambridge life sciences cluster alone is home to over 400 companies, with 15,500 people and contributing around £2.9bn annually to the UK economy.¹⁵ The Cambridge cluster is underpinned by the presence of world-leading R&D at the University of Cambridge and the specialist research institutes, hospitals and businesses in the city, clustered in a number of science parks and with particular strengths in bioscience and pharmaceuticals.

⁷ ONS Statistics, 2016.

⁸ Times Higher Education World University Rankings 2019.

⁹ Centre for Cities (2018), Cities Outlook 2018.

¹⁰ Centre for Cities (2018), Cities Outlook 2018.

¹¹ Centre for Cities (2016), Cities Outlook 2016.

¹² Cambridge Econometrics and SQW (2016) Cambridge, Milton Keynes, Northampton, Oxford Growth Corridor: Final report for the NIC'.

¹³ Centre for Cities (2016), Competing with the Continent.

¹⁴ Centre for Cities (2018), Cities Outlook 2018.

¹⁵ AstraZeneca and MedImmune (2018), Cambridge: driving growth in life sciences: Exploring the value of knowledge-clusters on the UK economy and life sciences sector.

The **Cambridge Biomedical Campus** combines world-class biomedical research, patient care and education on a single site with the University of Cambridge teaching hospitals. It is home to national research assets including the Wellcome Trust Stem Cell Institute, the MRC Laboratory of Molecular Biology, and Cancer Research UK, along with global companies such as AstraZeneca. The **Babraham Research Campus** in Cambridge is another leading campus with over 60 organisations on site including the Babraham Institute, and a number of leading bioscience facilities. **Cambridge Science Park** is home to over 100 businesses working on life-enhancing technologies, with planned further developments including the Bio Innovation Centre.

Discovery, the Big Data Institute and three NHS Foundation Trusts. Harwell Science and Innovation Campus in Didcot has a rapidly growing HealthTec cluster, with research assets such as the Diamond Light Source and the UK's most powerful supercomputer, Emerald, both of which have life sciences applications.

Buckinghamshire is also home to a growing medtech sector, with the **Buckinghamshire Life Science Partnership** leading the development of the Buckinghamshire Life Sciences Innovation Centre. The county is also home to number of global industry leaders in healthcare such as GE Healthcare, as well as national facilities such as the spinal centre in Stoke Mandeville.



Figure 2 – Oxford BioMedica manufacturing suite

Oxfordshire is also home to a leading bioscience cluster, with an estimated 180 companies in R&D and over 150 companies in associated industries. Across the Thames Valley there are an estimated 500 biotech, medtech and diagnostic companies.¹⁶ Oxfordshire is home to several global players in the industry as well as a wealth of innovative companies that have been spun out of the universities and have received valuations of over US\$1bn, including **Oxford Nanopore and Adaptimmune**.

Oxfordshire's life sciences clusters include leading R&D facilities, with four new innovation centres including the Oxford BioEscalator and the Begbroke Accelerator, and one each at Harwell and Culham. Oxford Science Park is home to the life sciences facilities of the University of Oxford, and the Biomedical Research Campus in Headington is home to a number of national research assets including the Li Ka Shing Centre for Health Information and

Opportunities

Together, the Arc's life sciences cluster have the critical mass of assets necessary to rival the world's biggest life sciences ecosystems. Looking forward to 2050, its life science industry has high potential for development.

- Expanded clusters in the middle of the Arc: New east-west links provide an opportunity to extend the benefits of clustering across the Arc. This includes opening up a new wave of science parks and incubation centres in other parts of the Arc between the two existing clusters in Oxford and Cambridge, and connecting south into London. In particular, this will enable growth of the emerging cluster in Buckinghamshire, where comparatively affordable business and residential space will be attractive to businesses and talent.

- Arc Life Sciences Network: We will seek to establish a cross-Arc life sciences industry network,

¹⁶ OxLEP, Oxfordshire Sector Profile: Life Sciences.

working together to innovate in ways that secure new funding (replacing funding expected from EU programmes). This will ensure continued access to venture capital and early stage growth funding.

- Cross-sector collaboration: Cross-sector knowledge spillovers and collaboration will also provide opportunities for growth going forwards – for example in the growing digital health sectors. This could include linking the Oxford, Cambridge and Buckinghamshire clusters with the high performance technologies cluster in Silverstone, and the space cluster in Harwell, where there are clear possibilities for applying digital health technology.

Case Study:

The HealthTec cluster in Harwell is able draw on the expertise and strengths over 200 organisations based at the site, such as the space and computing clusters. The cross-fertilisation of ideas across different fields is typified by Diamond Light Source, the synchrotron facility at Harwell. The intense beams of light that it can produce have been found to have uses for aerospace and engineering component design as well as investigating protein structure for new drugs. Cross fertilisation has helped to grow several areas of production simultaneously, with the site due to expand by over 1,000,000 sq ft in the coming years.

- Testbed for new healthcare technologies and services: Planned housing growth across the Arc will provide opportunities to pioneer new approaches to healthcare locally, testing and evaluating the application of new technologies and services. By creating testbeds for innovation we will enable businesses to better commercialise new technologies and services, and also improve quality of life and build healthy sustainable communities. The new and existing garden towns in Oxfordshire and Buckinghamshire, as well as new developments in the South East Midlands, provide unparalleled opportunities for siting these living laboratories.

3.3 Aerospace

The Arc is home to key economic assets across the field of aerospace, from nationally significant aviation development to its cutting-edge space sector. It is home to the largest space cluster in Europe, competing against global aerospace players such as Silicon Valley in the USA and other emerging clusters in Europe and Asia.

The space cluster at **Harwell Science and Innovation Campus** in Oxfordshire is the gateway to the UK space sector, with 89 space organisations employing nearly 1000 people. It is home to leading public space organisations, including the European Space Agency, RAL Space, Satellite Applications Catapult and UK Space Agency. It is also home to the Science and Technology Facilities Council, with over £2 billion of infrastructure for research and development. Oxfordshire's capabilities stretch across the industry,



Figure 3 – Diamond Light Source at Harwell Science and Innovation Campus

from 'upstream' manufacturing of spacecraft to 'downstream' application where companies offer services and products reliant on space-based data or services.

Global space companies such as **Airbus Defence & Space** have established presence at Harwell, which is also home to innovative companies pushing the boundaries of space such as Reaction Engines Limited, who are pioneering the next generation of hypersonic and space access propulsion. There are also a range of SMEs from start-ups in the European Space Agency Business Incubation Centre to rapidly growing companies such as Oxford Space Systems.

Westcott Venture Park in Aylesbury Vale, Buckinghamshire, is also home to an important space cluster, with particular strengths in upstream space – the manufacture of spacecraft and sending objects into space. Westcott is home to the National Propulsion Test Facility where the UK Space Agency are investing over £4 million to develop space propulsion engines, along with a 5G Catapult Centre and a new innovation and incubation centre.

Figure 4 – Westcott Venture Park



The space clusters across the Arc have already formed a number of connections – both within sectors and across them. In particular, the unprecedented amounts of data generated from satellite applications is used for an array of 'big data' services that brings benefits to many other sectors.

Case Study:

Reaction Engines, an Oxfordshire based company, has now chosen Westcott in Buckinghamshire as the site for developing its new, innovative SABRE engine technology. This fast-growing, innovative company represents the type of organisation that could crystallise into a major international competitor in the space sector given greater infrastructure investment and talent retention across the Arc.

In aviation, Bedfordshire's **Cranfield University**, has distinction in aerospace engineering and is home to the Aerospace Integration Research Centre and Aerospace Technology Institute. Together with the new Digital Aviation Research and Technology Centre (DARTeC), Cranfield is the nation's flagship research institution in the Future Flight aerospace sector deal. To complement this, **Central Bedfordshire** is the home to the Aircraft Research Association (ARA) which has a global client base, and aerospace manufacturers Lockheed Martin, Rockwell Collins, MBDA Missile Systems and Brinkley Propellers.

The East Midlands also benefit from their proximity to the Midlands aerospace cluster, especially around Northampton, where several members of the Midlands Aerospace Alliance are based. Aerospace manufacturing by Alliance members covers propulsion systems, moving parts of aircraft and engines, composite material production and engineering design.

Beyond Harwell's space research, **Stevenage** is the primary base for the Airbus Defence and Space team. **Luton** houses a cluster that specialises in aircraft manufacturing and maintenance, one of the top three hubs for business aviation services. Furthermore, **London Luton Airport** has been the fastest growing major airport in the UK for the last 4 years and provides connectivity between the Arc and the rest of the world, and has an ambition to grow to 32 million passengers per annum by 2050.

Opportunities

The UK space sector is rapidly growing, and has unique potential to generate growth for the UK. Space sector productivity is nearly three times the national average, and the industry is expected to grow rapidly over the coming decades. The UK Government's ambition is to capture 10% of the global space market by 2030; investing to better connect the Arc's unique and world-leading space cluster is critical to achieving this. Specific opportunities for the space industry include:

- **Arc Space Network:** We will establish an Arc-wide network of companies and universities in the space industry to enhance collaboration between key players across the Arc.

- **Extend the Westcott cluster:** We will extend the Westcott cluster as a key link in the UK space supply

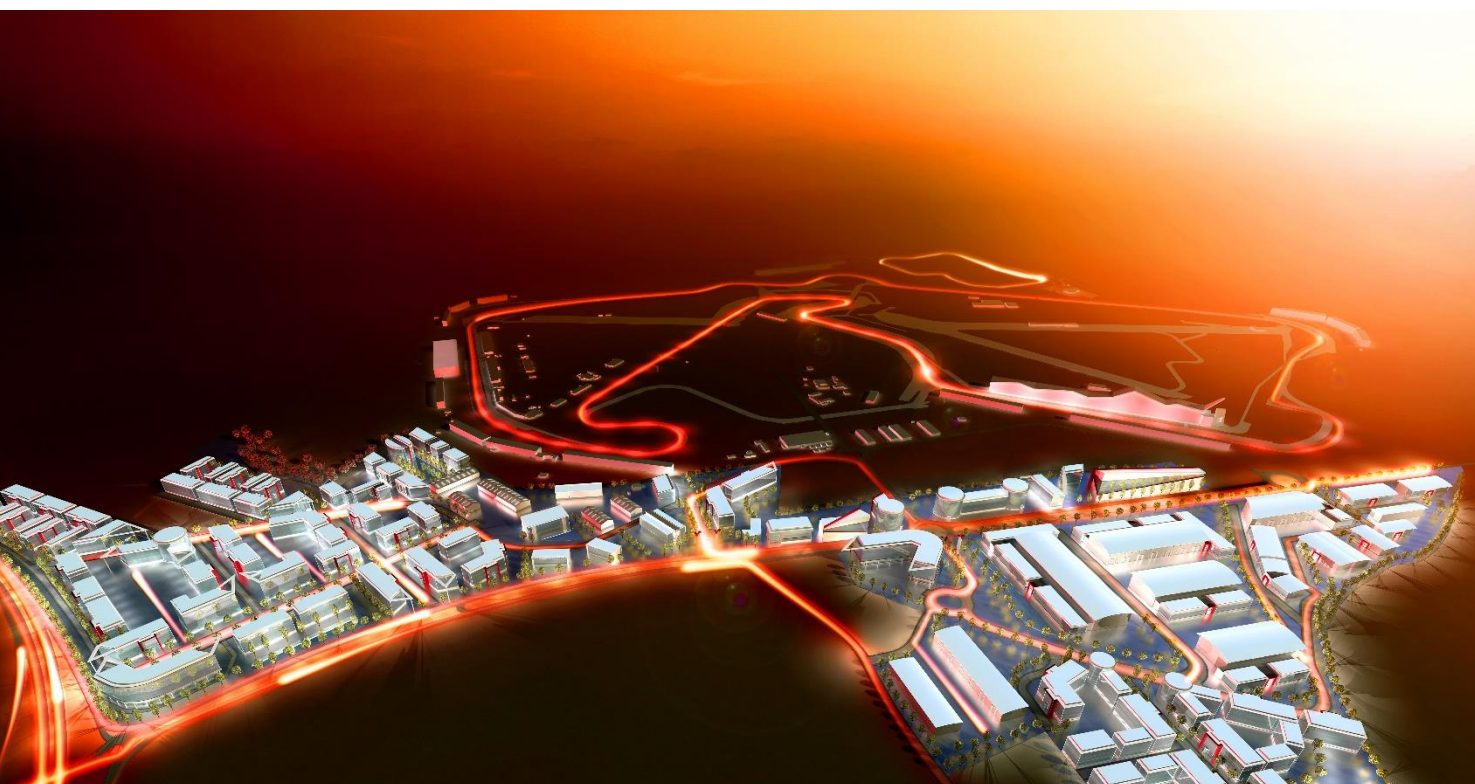
chain, building on its capabilities in early-stage propulsion testing and drone applications, and establishing the UK's first in-orbit service demonstration centre.

- **Collaborate to increase skills provision:** We will establish the Space Academy, bringing together partners across the Arc to create new STEM and degree apprenticeships and specialist PhD programmes.

- **Aviation Network:** Benefitting from existing network precedent set by the Midlands Aerospace Alliance, the Arc could benefit from linking its own aviation development sector into a wider forum for collaboration, bringing together companies from the Luton, Bedfordshire and Northampton clusters. This could allow changes in market demand (such as for business aviation) to be brought to aerospace manufacturing directly, helping to influence the direction of new designs and wider projects.

- **Cross-industry production collaboration:** We will encourage partnerships between aviation and space businesses where there is capacity to share production insights. These may include areas of common interest such as propulsion systems, or composite material development and production.

Figure 5 – Silverstone technology cluster



3.4 Advanced manufacturing

The Arc is a world leader in advanced manufacturing, with particular specialisms in sub-sectors including high-performance technology and motorsport engineering. The Arc's world-leading high-performance technology & motorsport cluster centred in Northamptonshire is a particularly unique concentration of industries that specialise in the design and manufacture of innovative technologies, engines and products, incorporating low carbon engineering and the application of lightweight materials and composites.

Silverstone is the heart of the advanced tech sector in the Arc. It is home to 40 advanced manufacturing companies, testing facilities for materials and vehicles, the Silverstone circuits including the iconic F1 Circuit, a rapidly growing Enterprise Zone, and the workforce training capabilities of the National College of Motorsport and a University Technical College.

There are over 4,000 companies, employing 36,000 people, operating in this sector and based within a one-hour radius of Silverstone in 'Motorsport Valley', crossing over the three LEP boundaries.¹⁷ This brings significant benefits of co-location, networking and a specialist skills pool with strong local roots. This broader region is also home to 8 of the 11 Formula One teams, with every F1 winner since 2010 based in the Arc, as well as iconic businesses like Aston Martin, Nissan, Cosworth, Prodrive, Mahle Powertrain and Mercedes AMG Petronas. Cosworth and Mahle Powertrain are located in the Northampton Waterside Enterprise Zone which is one of the largest in the UK, with scope to accommodate further business growth opportunities for high value manufacturing.

Case Study:

A consortium led by Milton Keynes College, including partners such as Microsoft and City & Guilds, is planning to develop an £18m Institute of Technology at the historic Bletchley Park site used by codebreakers in the Second World War. This Institute would instruct up to 1,000 students per annum in fields such as intelligent systems, network engineering, games development and cybersecurity. This represents a well-timed move into commercially lucrative markets and demonstrates the extent of commitment within the Arc to digital up-skilling.

This 'Motorsport Valley' extends from Northamptonshire via Silverstone into Oxfordshire, a £6bn global cluster of automotive, motorsport and advanced manufacturing companies. **Milton Park** in Oxfordshire is home to a specific cluster of technology and manufacturing firms such as Cobalt Light Systems, General Electric, BMW and Jaguar.

The Arc's strengths in advanced manufacturing expand beyond motorsports to include a range of other sectors, including defence, electronic sensors and medical devices. The Arc also has unique and globally distinctive strengths in underpinning technologies such as cryogenics, the production and behaviour of materials at very low temperatures.

Case Study:

Cranfield University, well known for its established MBA and Finance and Management MSc programmes, also has research specialisms in automation, manufacturing, energy and aerospace, as well as key infrastructure such as a digital air traffic control remote tower. On this basis Cranfield is developing a new aviation and drone technology hub alongside Barclays.

Oxfordshire is the global leader in cryogenics, with the most powerful concentration of cryogenic expertise in the world. This is a critical enabling technology that underpins high value manufacturing and engineering across a broad range of sectors. The **Oxfordshire cryogenics cluster** includes the RAL at Harwell Innovation Campus, which pioneered the development of a multifilament superconducting cable known as the 'Rutherford Cable', and a number of manufacturing and supply chain companies.

The Arc is home to several globally-leading education institutes that are critical to developing the workforce the region needs to succeed, such as **Cranfield University** with its specialisms in engineering. The Arc is also home to a number of University Technical Colleges (UTC), for example the UTC in Didcot which is the world's first school to install a cryogenics lab, and the Silverstone UTC which specialises in high performance engineering, business and technical events.

¹⁷ Silverstone Park (2017), <https://silverstone-park.com/media/latest-news/silverstone-park-commercial-director-roz-bird-confirmed-as-one-of-grant-thorntons-100-faces-of-a-vibrant-economy/>



Figure 6 – Cranfield University

Further high-performance manufacturing clusters exist in:

- Peterborough, where this industry contributes 20% of the area's GVA;
- Cambridge, which is home to a number of manufacturing companies based in Granta Park and in and around Huntingdon, alongside Amazon's drone development laboratory where their first drone delivery took place; and
- Milton Keynes, home to Aston Martin, Red Bull Racing and Honda F1 research & development facilities.
- Brackley and Brixworth, which are home to Mercedes AMG Petronas and the F1 team.

Opportunities

- Arc Advanced Manufacturing Network: We will establish a network to better connect the advanced manufacturing and automotive clusters across the globe. For example, the Northamptonshire to Oxfordshire motorsport cluster could benefit from greater collaboration and knowledge sharing. Will also support further access to, testing facilities and R&D across the area, including non-destructive testing (NDT), materials, aerodynamic other testing.

- Institutes of Technology: We will look to build upon the Bletchley Park precedent and examine options for new institutes within the Arc, increasing the supply of skilled workers in fields of strength, such as advanced manufacturing and aerospace. £170m of Central Government funding allocated to new Institutes could be relevant for achieving this.

- University Technical Colleges: We will explore ways to support the role of UTCs, learning from

experiences to date, working with the Arc Universities Group to increase the role that they can play providing young people with the practical skills they need to help deliver the Vision for the Arc.

Cross-sector collaboration: We will enhance cross-sector collaboration and horizontal innovation by developing a global supercluster, driving growth of the Advanced Manufacturing sector and collaboration across other sectors in which the Arc has strength, including healthcare, clean-tech, space, materials and electronic sensors. Recent examples of successful collaboration in this area include origami technology, which has been developed through partnerships between materials scientists, engineers and artists. Uses have included collapsible forceps used in keyhole surgery and fairings for trains, which have the potential to greatly improve fuel efficiency through reducing aerodynamic drag.¹⁸ The opportunities to develop similar technologies based on the Arc's industry mix are clear.

3.5 Future transport

The Arc is at the forefront of innovation in the future of transport - specifically in the research, development and commercialisation of Connected and Autonomous vehicles (CAV), a sector identified by Government as having the potential to be worth £28bn to the UK economy. Under future of transport we are specifically looking at connected and autonomous vehicles, electric vehicles, and the impact of future transport technologies on traditional industries such as logistics, which is a significant industry in the Arc.

Oxfordshire is at the forefront of CAV development; this is a vanguard use of Robotics and Autonomous Systems (RAS), in which RACE at **Culham Science Centre** is a key UK centre of excellence. RAS shows us how robots can move people and goods more

¹⁸ The Economist (2018), Origami Spreads its Wings.

efficiently with far-reaching implications across many sectors. Oxford Robotics Institute kick-started the UK's CAV programme in 2010; their spin-out Oxbotica is leading a UK consortium to launch a fleet of driverless vehicles to drive from Oxford to London. Furthermore, RACE at Culham is one of the four national CAV testbeds. Oxfordshire is also home to a number of other companies including StreetDrone, Zeta, Latent Logic and Arrival.

The wider Arc is becoming globally renowned as a testbed region for CAV, with a number of areas across the Arc investing in test sites to commercialise CAV technologies. **Millbrook Proving Ground** in Bedfordshire is now employing 5G technology to its CAV testbed, allowing innovative real-time connectivity and location trials. As such it is proving to be a key site for development of autonomous electric vehicles (EVs). Its viability as a site is being demonstrated by firms such as Five AI, who are now using the site to compete with global corporations such as Google and Uber on CAV research.

Case Study:

A Northampton is a rapidly growing urban centre, but with a largely historic road pattern. This means that there is limited scope to create additional road space to meet growing demand. The Smart Move concept looks to optimise the use of the existing network. It does this by deploying sensors and capturing 'floating data' to gather intelligence on how the network is operating and different modes of travel. This is then used to provide live information to the public enabling smart decisions to be made on travel, reducing congestion. The project has already seen the installation of a comprehensive network of journey time sensors, the latest digital totems, variable message signs, digital real time public information displays on key routes, and the introduction of 'smart junctions' which enable buses to operate more effectively particularly during peak times. A smart dashboard has been created showing how the network is operating in real-time. The project aims to introduce an electric bike scheme and a network of Charging Points across the urban area. In the short-term, the project will help to accommodate plans for 2,700 new homes within the urban centre of Northampton by March 2022.

At Silverstone Park the Swedish car manufacturer Uniti are developing a pilot production facility for the UK's first domestically produced EVs, with an expected opening date in 2020. The facility will be used to produce the Uniti One EV, while serving as a blueprint for globally licensed "digital" assembly plants throughout the world. The initiative aligns with the UK's industrial strategy to lead the world in zero emission and autonomous vehicle technologies.

Milton Keynes is another key cluster for future transport systems in the Arc, with Smart Cities innovation stimulated by the **Transport Systems Catapult**. It is home to advanced EV charging infrastructure – with around 150 charging points - and an EV experience centre – the first in the UK. The **UK Autodrive** project in Milton Keynes is a world first in demonstrating a new form of public transport within a shared urban space. Northamptonshire is also home to a strong logistics sector, including DIRFT, the largest rail freight centre in the UK. The logistic sector has significant potential to benefit from the innovation and new technologies developed across the Arc, boosting productivity for the region.

Other testing sites stretching across the Arc include the **Multi User Environment Autonomous Vehicle Innovation** project at Cranfield; the 70 mile radius testing area around Oxfordshire linking both London and Birmingham; and Northampton's 1.5 mile route for fully autonomous vehicles between its town centre, Enterprise Zone, University Campus and Brackmills Business Park.

Autonomous vehicle advances extend to public transport, such as the **Luton Direct Air-Rail Transit (DART)**, a driverless people mover due to improve airport-rail connectivity and reduce transfer times from its opening in 2021. In Cambridge a 12 seat autonomous shuttle is being developed, which will operate on the public guided busway.

Opportunities

- Arc Future Transport Network: We will establish a network that brings together the future transport clusters from across the Arc, increasing collaboration between the clusters. In particular this could include further developing the cluster at the Milton Keynes Transport Catapult as a central node along the Arc for future of transport innovation, coordination and collaboration. This network will also look at ways to create a fully integrated cross-Arc transport system, incorporating new technologies in transport such as CAVs, live journey mapping and ticketless systems. It will also explore future infrastructure schemes to 2050 that can harness new technologies for freight and commuter use.



Figure 7 – Milton Keynes UK Autodrive project

- Testbeds for future mobility solutions: We will build up living laboratories to test new solutions to mobility and future transport technologies across the Arc. These will build on existing testbeds such as Millbrook Proving Ground, and will also be incorporated into developments in new settlements such as new Garden Communities. As new homes and infrastructure are designed and built, we will ensure that they are future-proofed and ambitious, incorporating the newest technologies for mobility and clean growth. They will innovate with entire transport and mobility systems developed to include sensors that enable smart infrastructure, communications systems such as 5G, MaaS (mobility as a service), and use of data to evaluate technologies for further development.

- Carbon Emissions: CAV technology is well suited to exploiting recent advances in electric vehicle (EV) and battery technology, both of which can help in driving low-carbon industry growth (or decarbonising existing car manufacturing) across the Arc. Uniti's presence at Silverstone may help to develop an EV cluster at this location as a basis within the Arc. CAV testing will also aim to encourage a modal shift away from private car usage, critical to reducing congestion, emissions and achieving our vision of a carbon neutral Arc by

2050. Through developing cleaner, low carbon and energy-efficient products and solutions, the Arc has the capacity to contribute powerfully to meeting the UK's Clean Growth Grand Challenge.

- Logistics: We will invest in our logistics sector based in the South East Midlands, encouraging integration of new technologies and innovations from across the Arc into logistics business models. This includes the logistics hub of excellence being developed in the centre of the Arc, benefitting from this area's strong geographic location between many of the UK's key economic centres. We will encourage collaboration in planning freight infrastructure and cross-Arc supply chains. As part of this we will also look at new modes of transport for first/last mile delivery, such as drone technology.

- Vehicle Production: The Arc already has manufacturing facilities in place for conventional vehicle production, such as the BMW central assembly facility in Cowley, Oxfordshire, and the Vauxhall plant in Luton. Such facilities can be adapted to allow future CAV and EV transport options to be produced within the Arc once design and development is complete.



Figure 8 – Culham Science Centre's nuclear fusion tokamak

3.6 Future energy & resource efficiency

The Arc is home to a number of cluster that are innovating in future energy technologies and services. These clusters are important in tackling the UK's Clean Growth Grand Challenge, and achieving our vision of clean growth and carbon neutrality by 2050. Similar to future transport, this industry will be critical to the development of the Arc. As new infrastructure and settlements are built between now and 2050, we must harness innovations and new technologies in these sectors to future-proof our communities.

Oxfordshire is home to a nationally leading energy cluster. It is unique in the UK for its specialism in developing future energy systems that can work at scale; these have significant overlaps with other sectors, such as transport and electricity. This includes strengths in areas such as high-capacity batteries, battery management systems, and data analytics.

Oxfordshire's cluster includes nuclear fusion research, centred on the Culham Centre for Fusion Energy and the Faraday Institution. **The UK Atomic Energy Authority (UKAEA)** at Culham Science Centre is a lead participant in the coordinated EU fusion programme managed by EUROfusion, and operates JET, the largest fusion device in the world. By hosting JET, UKAEA is developing a globally unique fusion capability that has the potential to remodel renewable energy supply worldwide.

Westcott in Buckinghamshire is also home to a significant energy cluster, with specific capabilities around hydrogen fuel cell testing and development. These make it one of very few locations in the UK where the final stages of development and pre-market safety testing can be done for this technology. Buckinghamshire houses further innovation facilities focussed on lithium ion battery development.

Renewable energy generation is being pioneered in several mid-Arc locations, such as Electric Corby and the Kettering Energy Park, which uses a solar-wind hybrid site to improve the consistency of supply.

Opportunities

- Arc Future Energy Network: We will establish a formal cross-Arc network to bring together clusters working with future energy technologies, both within the energy industry and linking in with other industries such as transport. Existing renewable network organisations such as the Great South East Energy Hub (GSEEH), Cambridge Cleantech and Oxford Greentech could be used as a catalyst for this.



Figure 9 – Kettering Energy Park

- Pioneering energy infrastructure: We will pioneer innovative energy infrastructure as part of the development of new settlements and infrastructure across the Arc, to achieve the Government's target of building up to one million new homes. Arc collaboration on an innovative energy strategy, which ensures a viable and secure energy supply, will be critical to achieving this growth. This includes a focus on energy efficiency and usage reduction, working to help offset the environmental constraints around this growth.

- Clean Growth: We will seek to pioneer new solutions to the UK's Clean Growth Grand Challenge, harnessing the expanding market for 'clean' technologies & services and attracting new investment into the region. We will work across our future transport and energy networks to shift towards low carbon transport systems. We will seek to promote new technology which is energy efficient, improving the Arc's environmental credentials through supporting capital projects aligned with this value.

3.7 Creative and Digital

The Arc is home to a number of leading creative and digital clusters. The creative industries including advertising and marketing, arts and film, TV and radio, museums and galleries, as well as computer services and wider digital industries. The Arc's most significant creative and digital cluster is located at **Pinewood**, which is globally renowned for its state-of-the-art film and TV production. Milton Keynes, Peterborough, Cambridge, Luton, Northampton, Oxford, High Wycombe, South Bucks and Aylesbury all have highly concentrated creative and digital clusters with diverse specialisations. These are supported by existing collaboration structures that bring together businesses, such as **Milton Keynes Geek Night (MKGN)**, **Cambridge Wireless** and **Cambridge Network**.

Oxfordshire is home to a globally competitive creative and digital cluster, with more than 4,700 businesses. Oxfordshire's strengths include computer games, software development, cybersecurity, high performance computing as well as film and TV. It is home to major companies including **Sophos** (cybersecurity), **Rebellion** (gaming) and **Diffblue** (artificial intelligence) some of which developed as spin outs from the universities and have successfully grown to scale.

Case Study:

For over 80 years, Pinewood Studios' facilities, services and expertise have shaped its global reputation as a trusted partner to the creative community. That enduring spirit now supports a new generation of creative talent in the field of entertainment, from film and TV to games and audiobooks. Recent expansion of the site has doubled the capacity of the Studio, home to some of the most important franchises in film history, including Star Wars and James Bond.

Pinewood is home to over 150 independent businesses in the UK. Companies in film, television, games, design and photographic industries form a unique cluster and centre of excellence for the creative industries. They support production on and off-the-lot, including international brands which are driving the UK's fast-growing creative exports market.

These sectors are also particularly strong in Cambridge, which is home to a number of award-winning games companies such as **Jagex**, with over 400 staff in its two studios. Cambridge is also home to the **Microsoft Research Lab**, the company's first lab outside of the UK, and is joined there by Google, Amazon and Apple. In the city of Cambridge, the IT and digital technologies cluster is highly concentrated, and has a track record of creating companies such as Arm, which was bought for £24bn in 2016. Cambridge, Oxford and Peterborough are also home strong publishing sectors, with Oxfordshire being the largest centre in the UK outside London.¹⁹

The Arc is also pioneering digital infrastructure development within the UK. Advanced 5G network testing and deployment has begun at **Millbrook Proving Ground**. This is part of the AutoAir project, led by Airspan Networks, and signals the future of testing and validation of Connected and Autonomous Vehicle (CAV) technologies. Representatives from DCMS, which is part-funding the ambitious project, were present during the first, crucial step of deployment in July 2018. A digital model of the proving ground is also being made available to vehicle manufacturers and CAV developers to take full advantage of its facilities.



Figure 10 – Pinewood Studios

¹⁹ Nesta (2016), The Geography of Creativity in the UK.

From the other creative and digital clusters across the Arc, Milton Keynes in particular has an emerging and growing creative and digital sector, with the second highest proportion of SMEs in high-tech and digital sectors in the UK.²⁰

Opportunities

Looking forward to 2050, we have an opportunity to better connect these existing clusters within the Arc to stimulate growth within these sectors.

- Connect new and existing clusters: We will establish stronger links between specific creative and digital clusters across the Arc. It has advantages that are unique versus larger existing clusters in the South-East, notably within London, due to its space to expand and relative affordability. Clusters which could be linked include the High Wycombe Station Quarter Hub, particularly for gaming, and the Luton Cultural Quarter.

- Sector and sub-sector networks: We will establish sector and sub-sector networks to encourage collaboration between clusters across the Arc. More developed levels of networking are critical to future growth of the creative clusters outside of the main cities, as networking is essential for enabling businesses to have rapid access to information required to detect and adapt to new disruptive trends.²¹

- Vocational skills at HE and FE levels. We will work across the Arc, with businesses, stakeholders and education providers, to pioneer new approaches to vocational skill development at HE and FE levels. This could include pioneering creative and digital T-Levels, and establishing a Centre for Immersive Technologies in Buckinghamshire for skills training at all levels.

Case Study:

In September 2018 Santander unveiled plans for a state-of-the-art new campus in Milton Keynes to support its long-term growth strategy, representing an investment in excess of £150m in the town. The new Milton Keynes campus will act as the bank's UK digital technology hub, delivering a boost for the Government's vision of Cambridge-Milton-Keynes "growth corridor" nurturing the UK's most innovative industries. The proposed new office, which is expected to be home to over 5,000 staff in a collaborative working environment, will be supported by innovative digital technology.

²⁰ Centre for Cities (2015), Small Business Outlook.

²¹ Nesta (2016), The Geography of Creativity in the UK.

4 The Innovation & Growth Network

4.1 Introduction

Central to our Vision is building a network of business clusters across the Arc ecosystem. When connected and enabled through a marketplace of support, coaching, mentoring and finance, economic hubs have the potential to interact within and between sectors in ways that enhance their productivity, creativity and competitiveness. Connection brings a multiplier effect of economic adjacencies, agglomeration and scale which will promote the region to the status of a **globally leading innovation and growth network**.

Our vision is to build on our distinctive assets and strengths from across the Arc to create an innovation economy that is greater than its component parts. Together, the Arc can provide the critical mass necessary to create an innovation and growth leader that is capable of pushing the UK to the forefront of global competition.

To achieve the envisioned network, there is a clear role to be played by other organisations beyond traditional businesses, notably academic and research bodies. Their involvement in clusters, such as through provision of research facilities and expert partnerships, should play an important part in joining up clusters across the Arc.

By joining business growth, market access, productivity advice and coaching with academic partners, we can create the opportunity to better connect our clusters and provide across them, the same quality of growth support that has made growing businesses inside Cambridge and Oxford, so much faster and more sustainable than outside those hotspots. This means we must help to replicate some of the business support conditions that have made Cambridge and Oxford globally successful. These include; dense business networks, the right balance of competition and collaboration, access to finance, and the provision of high-quality business growth, productivity, innovation and global market access support.

We will do this by ensuring that we expand and build on the clusters and networks that have enabled these two cities to become global leaders in innovative growth, by better integrating industry across the Arc. New and innovative forms of growth support will encourage individual business leaders, sectors, and places to join together to build an economy-wide business support eco-system to enable one another.

Figure 11 – Microsoft Research Lab



We have the opportunity of better connecting and networking firms and growth support expertise, sitting mainly at the two ends of the Arc in Cambridge and Oxford, with the most exciting firms outside those two growth hotspots. We must, going forward, ensure all firms with potential have access to growth support networks to help them maximize their opportunities and overcome leadership, organisation, or market access challenges to faster and greater growth.

We recognise the challenges of establishing an innovation and growth network of this scale, especially with the Arc's diverse sectors of specialism and large geographic area. However, existing successful networks of growth advice within the Arc have indicated that networks are feasible, desirable and effective. To achieve success there is a need for dedicated management capacity, supported by expert and credible advisors, to scale up this network to a self-sufficient level within the commercial marketplace.

The previous chapter set out the main economic sectors that we will build on to achieve our Vision. In this chapter, we set out how we can create the route to market for this innovation and growth service, by creating a network of highly connected clusters.

Case Study:

At the heart of the Arc, Aylesbury has recently benefitted from Garden Town status, major planned road and rail connections (including easy access to East-West Rail), and the development of one of the largest Enterprise Zone locations in the south of England. Building upon Stoke Mandeville's global status as the Birthplace of the Paralympic Movement the town provides a compelling location to act as a living lab to test the development of digital health, mobility and social care solutions to provide a framework for healthy new towns and communities across the Arc. This growing hub has been identified as a promising opportunity for trialling of locally-developed advanced technologies, such as CAVs, 5G internet and digital home healthcare support. This will draw on local expertise such as the UK's national spinal centre, also at Stoke Mandeville.

4.2 Network design: A hierarchy of hubs

This network will be centred on a spine: the three principal economic hubs of Cambridge, Milton Keynes and Oxford, each of which connects out to a network of emerging centres and economic assets that cooperate across the whole Arc.

The areas around Oxford and Cambridge have already developed considerable knowledge-intensive economies, with strong industry clusters in science and technology-based industries. They are home to world-class universities and specialists, as well as numerous research and development assets and globally competitive businesses. Beyond their own distinctive strengths and specialisms, these locations will both continue to be the principal hubs for stimulating research and innovation across the region, attracting global top talent and businesses to the Arc.

We will also centre the network around a rapidly growing third hub: Milton Keynes. It has seen impressive growth over the last few decades, in sectors such as consulting and digital marketing, but there is much more latent potential. Milton Keynes will become the key connectivity point and commercial linchpin at the heart of the Arc. Its central location, tied to its specialisms as a leading business and professional services cluster, will enable it to become the pivotal node in the Arc that facilitates collaboration between clusters in all sectors across the region.

Emerging hubs are essential to spreading success, providing room for growth and receiving the benefits of this in return. High Wycombe, Northampton, Luton, Aylesbury, Bedford, Peterborough, Banbury and Bicester all represent specialised locations for business growth with much higher levels of economic growth potential and underutilised skilled labour supply than in the current innovation-growth hotspots of Cambridge and Oxford. They also offer an array of land and business accommodation at a range of price points. They also contribute substantial economic input, markets for products and housing and services for residents.

Investment in infrastructure and business networks is needed to connect these hubs to other sites and clustering locations across the Arc, allowing the network to work as a single ecosystem.

Investment in business support infrastructure and business networks will also enable businesses and talent to have more flexibility in where they choose to locate, helping solve the critical challenges of affordability and availability of residential and business space that exist within the hotspots of Oxford and Cambridge.

It is vital to recognise that the connectivity of hubs is about more than linking markets and labour pools. Transport infrastructure investment is also key to improving places, ensuring that growing GVA will not be at the expense of increased congestion and poorly-connected urban sprawl. Modes of infrastructure must expand alongside economic growth because they can be crucial as quality place-makers.

4.3 The network effect

The network will be built on the industry clusters in each region that will drive forwards economic growth in the future. It will be a polycentric network that is focused on business clusters rather than geographical areas, and that highlights the unique contribution of each sector within the Arc.

Clusters will be highly interlinked, harnessing new technology that to enable greater physical and digital connectivity. Increasing the connectivity between businesses or clustering businesses together in the same geographical area can both lead to direct increases in productivity through economies of agglomeration.

Academic partnerships will play an important role in linking clusters and stimulating innovation based growth through their leading-edge facilities and research output. A group of ten university Vice Chancellors has agreed to support the Arc vision through collaboration with the LEPs. Their planned cross-Arc leadership and governance structures will help to bolster the network effect by providing a framework for academic-private sector collaboration.

Case Study:

Northampton area has recently seen growth, partly driven by the benefits of a comparative increase in the supply of affordable housing and commercial premises, as well as close links to industrial sectors in the West Midlands and service hubs to the south. Northampton has above average business birth rates, consistently above 1,500 per year since 2014. There is a large proportion of small and micro businesses, with business survival rates several percentage points higher than the national average in the first five years.²⁰

This will stimulate growth across the Arc through two types of linkages:

1) Links between businesses *within the same clusters and industries*

Clustering businesses that work in the same industries into the same geographical area, and ensuring that clusters within the same industries across the Arc are well connected and accessible, will stimulate growth. It can lead to direct increases in productivity through:

- Improved access to a pool of skilled labour and labour matching: businesses are attracted to an area because of the availability of skilled workers, and skilled workers are attracted because of the availability of high quality jobs. The Arc also provides attractions less accessible in large metropolitan areas, such as outdoor pursuits and major green spaces.
- Enhanced inter-firm collaboration: businesses are more likely to collaborate with other businesses they are most aware of and have easy access to. Enhanced collaboration can lead to new opportunities, research collaboration, and collaboration to access international markets and attract private investment.
- Knowledge spillovers between businesses in the same industry and clusters: Small and medium sized enterprises (SMEs) can be better supported to grow to scale through learning from the expertise and advisory support available across clusters, as well as from other businesses within their cluster and industry. This will require clear definition of property rights and incentives for partners to share knowledge, including commercial incentives where relevant to overcome the market failures exhibited in SME business advisory market.
- Shared supply chains and infrastructure: business operating in the same area and industry have the ability to share supply chains and infrastructure, including innovation infrastructure built specifically for the industry. This includes shared testing facilities, such as the Multi-User Environment for Autonomous Vehicle Innovation (MUEAVI) at Cranfield University, usable by ground and airborne autonomous vehicles, and the Catesby Aerodynamic Research Facility for vehicle testing.

2) Links between businesses across clusters and industries

We are the midst of an unprecedented era of disruption, characterised by the blurring of boundaries between traditional industries as new technologies underpin innovations across sectors. Connecting businesses and clusters across multiple different industries can have a dynamic effect on growth and productivity by stimulating innovation. This can happen through:

- Cross-sectoral knowledge spillovers: increased collaboration between businesses and movement of workers between different industries leads to wide dissemination of ideas that stimulate innovation. Many of the most powerful innovative ideas arise when firms or workers from two distinct but related sectors interact. Delivery mechanisms could include the development of a commercial marketplace for growth, global market access, productivity, leadership and strategy coaching. This could harness areas of expertise that have historically been based at either end of the Arc. This would help to ensure that firms across the Arc would benefit from this expertise. This can lead on to a mentoring culture amongst supported entrepreneurs and small business leaders, willing to offer technical or subject matter mentoring and secondments from one business to another.
- Convergence of technologies: traditional industries are increasingly being disrupted by technologies that are shaping the twenty first century. Enabling links between industries will support the convergence of technologies across sectors, stimulating innovation as new technologies unlock new opportunities through being used in new ways.

5 Achieving Ambitions

5.1 Key Challenges

In delivering this vision it should be noted that some key challenges to growth must be factored into any delivery model, with controls introduced to mitigate related risks where feasible. If no mitigation of specific risks is possible, Arc partners must be prepared either to accept the inherent risk or alter the implementation approach to avoid risks.

Within the Arc constraints to consider include:

- Current lack of coordination or a shared brand between key economic centres and clusters;
- Lack of support for scaling of small businesses;
- Mismatched resident skills sets to current employment opportunities & pockets of low productivity;
- Labour and affordable business space deficits, especially in Oxford & Cambridge, and a shortage of suitable commercial premises in the central area;
- Lack of strategic sites safeguarded for large scale investment and relocations;
- Water, energy, and infrastructure constraints on rapid population growth;
- Travel congestion;
- Gaps in full-fibre digital coverage;
- Uncertainty on 5G deployment and coverage across the Arc
- Supply and affordability of housing, e.g. for key workers.

It should be noted that risks around these constraints may be mitigated in many circumstances. In particular, making use of the latent potential of existing communities within the centre of the Arc (such as Bedford, Luton, Aylesbury and Northampton) may be highly effective given:

- New and funded planned infrastructure connections, such as Crossrail and the East-West rail and Expressway across the Arc;
- Their competitive advantages versus high-density areas of the Arc, notably a growing skilled workforce and access to more development sites with greater capacity for new economic growth; and
- Their proximity to major economic centres, in particular London and Birmingham.

5.2 Building the Innovation Ecosystem

These challenges stand before our vision of the Arc as the research & development powerhouse for the UK's new innovation economy. To overcome them we need to initiate a step change in the way we work together to support our businesses. It is essential that the workstreams of the four LEPs and authorities across the Arc are integrated to achieve these ambitions and geographically expansive goals. A cohesive Arc approach will allow authorities to realise this vision in partnership with HM Government.

We need businesses that are highly connected, able to collaborate across regions and industries, and have access to the business space, talent and investment they need to grow. Going forward, each industry must undertake detailed analysis of its specific needs for growth. Below, are the overarching themes around which we will structure growth across each sector and for the Arc as a whole. Based on LEP-commissioned research, these themes were identified as the most crucial building blocks of a successful innovation ecosystem. They will be critical to develop if the Arc is to redefine itself as the research & development powerhouse for the UK's new innovation economy.

These themes are:



i. Globally recognised proposition



ii. Future proofed places



iii. Commercialisation culture



iv. Innovation assets



v. Workforce of the future



vi. Investor ready region

i. A globally recognised proposition

The Arc will be globally renowned as a breakthrough region for the new innovation economy. It will have a strong, instantly recognisable brand that is centred on its unique innovation and commercialisation strengths in industries that are shaping our futures.

The Arc will have a globally-known brand around which communities, investors and national & international partners can unite. This will position the Arc as the breakthrough region for the new innovation economy, competing with locations across the globe, such as Silicon Valley in the USA and the Guangzhou-Hong Kong Corridor in China. We will work together as the Arc, along with Central Government, to develop and promote a strong brand for the region that represents our unique proposition. It will set out how our individual industry clusters work together to create a whole that is significantly greater than the sum of its parts. This brand will also promote the Arc's quality of life offer, the diversity of places along the Arc, and the opportunities for communities and businesses to locate here.

Developing an international brand will include:

- Brand promotion: We will work with the Department for International Trade to develop the Arc's brand – home to the world's highest concentration of research and innovation assets and a highly connected network of clusters in industries that are shaping the twenty-first century.

- Industry propositions: We will work with the Department for International Trade and our industry bodies to develop propositions for each of our key industry sectors per Chapter 3. These will set out the range of assets in each industry from across the entire Arc, demonstrating how together they provide the critical mass necessary to place them at the forefront of global competition.

- Increased international presence in global markets: We will work with the Department for International Trade to set out a strategy to increase our presence in global markets, opening new opportunities for trade with and investment in the Arc. Through this, the Arc will funnel investment both into the region and into the rest of the UK, accelerate export-led growth, and increase the UK's global market share in key sectors.

ii. Future proofed places

The places along the Arc will harness new technologies and innovation to be future-proofed, pioneering examples of twenty-first century development. We will work to ensure high connectivity for the network of clusters, enabling people and ideas to move easily across the Arc to stimulate innovation and productivity growth. The Arc will also be home to healthy and connected communities that use the technologies and innovations developed in the Arc to improve quality of life and enhance their natural, cultural and heritage assets.

Better connectivity and commuter journeys will widen labour markets and create new opportunities for employment across the Arc. This will increase the economic capacity of each employment hub, increase the levels of interaction and integration across the Arc, and increase affordability of business and residential space.

This streamlined movement of people and ideas across the Arc will enable it to attract and retain a highly skilled and globally agile workforce; it will enhance the Arc's quality of life offer if employees and business owners can move easily across the region, living and working in separate locations of their choice.



Figure 12 – Williams Formula 1



Figure 13 – Cambridge Science Park

We will develop new and expanded settlements in a way that harnesses the newest technologies and innovations developed in the Arc, future proofing these places. This will enable the Arc to become a living laboratory that tests and evaluates technologies in real life communities, and will also shape communities that are technology-enabled to have a higher quality of life. New infrastructure and settlements will be ambitious, looking forwards to 2050 and the new technologies and capabilities that will be reshaping the art of the possible.

This will include:

- Infrastructure. We will work with the private sector and Government to complete the East-West Rail link that will provide fast and extensive rail connectivity across the Arc, including to London Stansted. We will push for the full deployment of Smart Motorway technology across the Arc. This should include the introduction of similar technology on other parts of the strategic network such as the A34, A43 and A45 which provide links to the cities of Cambridge and Oxford from much of the Arc area to help reduce congestion and improve the efficiency of the wider network.

Complementing this, the proposed new East-West road represents a fully realised expressway to link Cambridge, Milton Keynes and Oxford, and upgrade the radial links that connect the Arc to London and upwards to the Midlands. We will provide full level transport integration between regional and local-level transport systems, ensuring seamless connectivity across the entirety of the Arc and reducing congestion within and around urban centres. We will investigate

possible partnerships with key infrastructure providers, such as an expanded Heathrow Airport. We will assess possible solutions for improving infrastructure capacity, such as regulations around CAV private use, peak-time road tolls or road ownership models.

- Future of mobility. We will model the Arc as the future of mobility for the UK, as a global innovator in multi-modal future transport and energy systems that enhance connectivity, the natural environment, and healthy and inclusive communities. This will include being the first region to roll out widespread use of autonomous, electric private and shared vehicles. We will use new technologies to deliver a fully integrated, technology-enabled, real-time multi-modal transport system to provide seamless connectivity for passengers. We will address congestion and air quality in the region by encouraging shared, clean mobility wherever possible and active transport as the priority mode for short journeys, building on successfully schemes such as Nextbike UK's bicycle sharing service in Milton Keynes.

- Living laboratories. To meet the Government's ambition to deliver up to one million new homes in the Arc by 2050, we will need to develop new and expanded communities. This provides an unparalleled opportunity to create communities that are living laboratories, developing innovation in place-making at scale. These communities will be globally recognised as sustainable, liveable places that utilise new technologies and services to tackle challenges, including the UK's Grand Challenges: mobility; ageing society; data and artificial intelligence; and clean

growth. They will incorporate new ways of building housing, designing communities, providing public services, and improving mobility. They will be healthy, inclusive and sustainable.

iii. Commercialisation culture

We will make the Arc and its network of clusters a testbed for commercialising innovation and technology, especially intellectual property. It will have a dynamic business culture that encourages entrepreneurship and commercialisation and enables businesses to grow to scale. The Arc will become a world leader in spinning out companies that grow to international market value milestone of USD 1bn.

A dynamic business culture is a culture in which entrepreneurship, investment and innovation thrives. It covers broad factors, such as regulation and competition, as well as cultures of collaboration and knowledge exchange that encourage innovation and commercialisation. The network of business and industry clusters across the Arc will be underpinned by a dynamic business culture that enhances collaboration between and across industries.

Alongside the linking of firms between clusters, the culture must also stimulate the flow of knowledge and capability building through these new connections, including commercial knowledge flows. This knowledge is vital for helping small businesses scale up in size and build capacity. The pilot for building these commercial knowledge flows in the north-east of the Arc (the Global Growth Champions Pilot) should help to demonstrate how to overcome current market failures in commercial knowledge flows to SMEs. It should help in testing alternative solutions, including a plan to build sufficient confidence in the market to remove these market-failure-solutions longer term.

The Arc has a particularly strong opportunity around the commercialisation and utilisation of intellectual property. Alongside training and support for encouraging academic spin-outs into commercial ventures, this also represents scale-up support for existing entrepreneurial firms, helping them to reach a global market.

- Industry working groups: The Arc's network of clusters will be underpinned by enhanced collaboration. We will instigate a ramping up of partnerships by establishing a working group for each sector that brings together the clusters and economic actors in that industry from across the Arc. Each industry working group will be supported to develop its own secretariat and a space in a central location to connect and collaborate.

Working groups will be responsible for a number of linked recommendations, such as liaising with DIT and DfE to develop sector propositions for international trade, as well as developing industry-specific skills and apprenticeship schemes for residents across the Arc.

Working groups will also support firms in commercialising intellectual property; they will collaborate to identify suitable products and services that could drive growth. They will also work to identify market-pull demands for new intellectual property and how firms can direct research & development to harness this demand. Boards could then assist in developing product growth programmes on this basis. They could fit into a new governance structure for the Arc, to be agreed with Central Government in early 2019 per Chapter 6.

- Cross-sector networks: We will establish cross-sector networks to enable businesses across different industries to collaborate and initiate knowledge transfer that will stimulate innovation, productivity growth and capacity building. In order to ensure that businesses receive the knowledge needed to scale-up. As described and potentially piloted, these knowledge flows will be commercial as well as altruistic. This will be responsive to changing technological trends, and the new industries and technologies that will emerge over the next thirty years, to ensure that the Arc is at the forefront of the industries of the future. Cambridge Ahead is an example of an organisation already supporting commercial growth in this way, and may act as a model for wider implementation.

- Testbeds and living laboratories: Linked to the above theme on liveable place, we will work together across the Arc to designate new and existing communities as living laboratories that act as test bed for innovations and technologies, encouraging smart economic growth of new developments.

As part of this, we will work with central Government to designate new regulation zones across the Arc that will enable businesses to more easily test and commercialise technologies. We will also create cross-Arc partnerships for specific living laboratories and testing zones that go across existing boundaries and borders.

New testbed zones and commercialisation centres will be particularly well placed across the central portions of the Arc, where they can benefit from comparatively affordable land values and their unique proximity to all three development centres of the Golden Triangle (Cambridge, Oxford and London). These new commercial premises should be part of a balanced pipeline of commercial and non-commercial premises.

iv. Innovation assets

Our vision is for the Arc to have the highest concentration of innovation assets in the world, which are highly integrated into the economy through the network of clusters.

A strong innovation economy must be anchored by national and international innovation assets, ranging from education institutions, national and international research facilities, and world-class industry clusters.

The Arc already has one of the highest concentrations of innovation assets in the world. Its world-class universities and research institutions attract global top talent & business, as well as stimulating innovation, spin outs and business growth across a range of sectors.

We will build on these, ensuring they are better connected as part of our network of clusters. We will also invest in new keystone assets that will enable us to become the research & development powerhouse of the new innovation economy.

One key aspect will be innovation infrastructure. We will invest in developing innovation infrastructure, linked to our network of clusters, which will push us to the forefront of global innovation in the new technologies and industries of the future. This will include, for example, being home to the UK's first twenty cubit quantum computer by 2020, or using Millbrook Proving Ground to test the application of 5G to autonomous vehicle development.

v. Workforce of the future

We will make the Arc both a source of world-class talent and a top UK career destination. This will be through attracting global top talent and nurturing the local labour market to develop the skills needed from the Arc workforce of the future. The Arc will be a place of opportunity and inclusivity, where people are enabled to succeed.

Talent is integral to the knowledge-intensive innovation economy. The ability to attract but also retain world-class talent, as well as nurture the talent and skills of

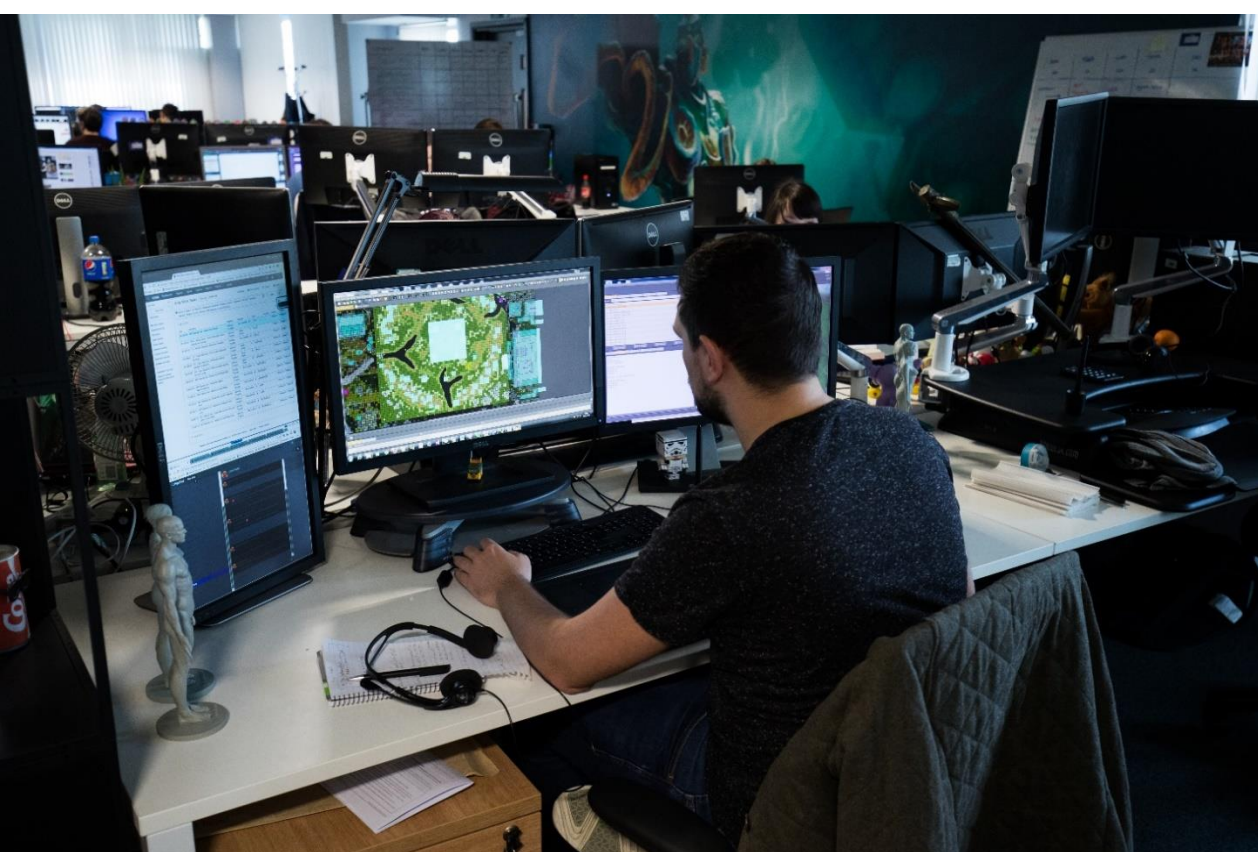
the existing local workforce through developing skills aligned to business and industry need, is critical for future growth.

We will build on the Arc's already highly skilled and qualified workforce to become a hub of world-class talent. This agile workforce will be mobile across different areas of the Arc as well as across industries, stimulating knowledge spillovers and enhanced collaboration. We will work closely with businesses as well as education providers to ensure that skills development is aligned with the changing needs of business. This will ensure that our workforce is fit for the future, and that people across the Arc can be reskilled and upskilled to engage in the twenty-first century economy.

Implementing this Economic Vision's connectivity strategy will also widen the labour markets, increasing the available pool of talent for businesses across the Arc to hire from, as well as expanding job opportunities for local, national and international talent. On top of this, we will also introduce:

- Industry-specific skills programmes: The industry working groups will bring together businesses, as well as education providers and professionals for secondary, further and higher education. They will be responsible for establishing programmes to upskill and reskill the workforce. Industry working groups will work both individually and collaboratively where skills

Figure 14 – Game development at Jagex



overlap, and will ensure that skills programmes work towards inclusive growth and towards aligning skills development with business need. This will help to ensure greater business leadership and engagement in local skills development.

- A renewal in education: We will set up a cross-Arc education panel to work with local authorities, education providers, professionals and businesses to initiate a step change in early years, primary and secondary education. This will support all children and young people from across the Arc to be coached and mentored about the opportunities of the innovation economy. They will be supported to develop the skills needed to succeed in the workforce of the future.

- Lifelong learning: We will offer workshops and training to help workers to upskill or retrain during the course of their career. With the extension of the retirement age, possibility of automation replacing jobs and the growing emphasis on flexibility in many modern careers, we will work to support workers who are transitioning from one role to another. This will help to improve workforce productivity and reduce instances of economic activity or restricted career opportunities in the Arc labour market.

- A university network. We will build on existing networks of collaboration between universities in the Arc to improve skills and educational advantage for existing and future communities. This will be centred on the direct involvement of university Vice Chancellors, who have already engaged with the Arc vision through establishing a formal Arc-wide partnership. This valuable network, working alongside the LEPs and local authorities, should also help to ensure that education and skills are being matched more effectively to the Arc's economic needs.

vi. Investor ready region

We will make the Arc an investor ready economic region, a central UK hub for attracting a diverse range of regional investment, alongside investment for the rest of the country more widely. Our vision is to maximise returns for investors and build an investor community that will enable transformative growth across the Arc between now and 2050.

Availability of finance is essential to creating and commercialising innovation, scaling spin outs and investing in the talent and infrastructure necessary for innovation to flourish. We will diversify our investment strategy to attract venture capital, business angels and sovereign wealth. We believe that the strong economic track record of startup and spin out success within the Arc will give investors confidence to make larger investments, both in scaling up existing businesses and in funding new ventures.

Figure 15 – Microsoft Research Lab



6 Conclusion: Critical Mass



This document has set out our Economic Vision for the Arc to 2050 – to become a breakthrough region for the new innovation economy. It is a **call to action for both public authorities and private investors**, as both will be needed to make this Vision a reality; through funding, through policy changes, and through coordinated action.

This is a **critical turning point for the Arc and the UK**. The national economic outlook is at its most uncertain for a decade, and it is essential that the UK uses its leading assets to improve productivity and build its competitive advantage in key sectors.

The Arc currently has a competitive advantage in several specialist fields but, as some of its growing businesses begin to reach their **potential for full-scale international competition**, it is essential that growth is coordinated and supported at this crucial juncture.

This crystallisation of the Arc's economic potential will be founded on a **distinctive network of clusters** that promote collaboration and integration across the Arc, which is uniquely well-positioned due to the existing concentration of research & development entities in the region. By better connecting our clusters and providing them with the infrastructure and support they need to locate investment, business space and talent, **the Arc will provide the critical mass necessary to become a global innovation leader**.

The UK needs the Arc to achieve this vision if it is to continue to compete at the forefront of global innovation in key markets and industries of the future. If the support is not there, the opportunities of this new innovation economy may pass us by, competitive advantage may be lost, and businesses may choose to base themselves at other international locations.

6.1 Key priorities

If this vision is to be realised before the present opportunity passes, the following implementation steps will need to be taken in the immediate future:

1) Governance Structure

The Economic Vision demands that region can be engaged as one entity, rather than as a collection of local authorities and Local Enterprise Partnerships. Establishing a visionary regional governance mechanism will be critical to delivering the Arc's partnership potential with HM Government. It will enable cross-Arc collaboration, connecting the network of clusters and unifying the new innovation economy.

The Government has set out its commitment to working with local authorities to implement Arc-wide governance mechanisms. Such a structure will support the joint delivery of local growth while retaining democratic accountability. It will:

- have a clear remit for proactive interventions;
- be streamlined and designed for effective engagement with HM Government, stakeholders and investors; and
- have sufficient influence and expertise to manage decisions and maintain confidence in the success of the Arc.

2) Delivery plan and investment prospectus

This Economic Vision will be followed by a delivery plan and joint investment prospectus. This delivery approach will be a priority for the Arc's new governance structure. This will set out:

- how we will work with our local, national and international stakeholders to deliver our vision;
- potential delivery mechanisms, including policy interventions, to achieve transformative development;
- where this development might occur and where services and infrastructure might be provided;
- preferred delivery phasing and priorities;
- potential sources of public and private financing, including those being developed locally that government may choose to match fund;
- **a funding strategy for revenue interventions and capital projects that span the Arc.**

Following these key priorities will give authorities and private stakeholders **the best possible opportunity** to bring economic transformation to the region, developing an innovation powerhouse to bolster the Arc and the wider UK.

BUSINESS BOARD	AGENDA ITEM No: 3.2
28TH MAY 2019	PUBLIC REPORT

ENERGY HUB UPDATE

1.0 PURPOSE

- 1.1. The Cambridgeshire and Peterborough Combined Authority (CPCA) agreed to be the Accountable Body for the Greater South East Energy Hub. The Hub operates on behalf of the 11 Local Enterprise Partnership (LEP) areas served and their member local authorities.
- 1.2. The Memorandum of Understanding (MoU) between the Department for Business, Energy and Industrial Strategy (BEIS) and the CPCA sets out the expectation that each region establishes a governance process which will enable all LEPs/lead local authorities to oversee the activities of the Hub and be involved in decision-making.
- 1.3. To this end the Greater South East Energy Hub Board (Hub Board) has been established with members from each of the LEP's however, in order to fulfil the decision-making role that Government require the Hub Board must now be formally recognised within the CPCA governance structure.
- 1.4. The draft Terms of Reference and Accountable Body Agreement for the Hub Board are attached as **Appendix 2**.

<u>DECISION REQUIRED</u>	
Lead Member:	Chair of Business Board
Lead Officer:	John T Hill, Director of Business and Skills
Forward Plan Ref: N/A	Key Decision: No
<p>The Business Board is recommended to:</p> <ul style="list-style-type: none"> (a) Recommend the Combined Authority Board to agree to the establishment of the Greater South East Energy Hub Board in line with the draft Terms of Reference and included in this report, and authorise the Director of Business & Skills, in consultation with the Chief Finance Officer and Monitoring Officer, to make minor amendments to terms of reference as required in their finalisation. (b) Agree to nominate the Combined Authority's representative on the Hub Board or to delegate the appointment of the Hub Board member to the Director of Business, Skills & Energy. (c) Agree to delegate authority to the Energy Hub Board for the use of the Local Energy Capacity Support Grant and Rural Community Energy Fund where the decisions do not impact Cambridgeshire and Peterborough Combined Authority staffing arrangements. (d) Note the draft Accountable Body Agreement and authorise the Section 73 Officer to make minor amendments and finalise the agreement. 	<p>Voting arrangements</p> <p>Simple majority of all Members</p>

2.0 BACKGROUND

- 2.1. On the 28th February 2018 the CPCA Board agreed that the CPCA would be the Accountable Body for the Greater South East Energy Hub funded by the Department for Business, Energy and Industrial Strategy (BEIS). The consent of the Greater South East LEPs to the CPCA acting as the Accountable Body was noted.
- 2.2. BEIS and the CPCA entered into a MoU dated 9 March 2018, which set out the purpose of the grant and required the creation of a governance structure which would enable all LEPs/Lead Authorities in the Hub area to oversee the operation of the Hub. Tied to agreement of the MoU was the release of the Local Energy Capacity Support Grant of £1,321,000 to fund the delivery of the Hub. This was subsequently amended on 26th March 2019 to £2,021,000 and the MoU was amended accordingly
- 2.3. To fulfil the governance requirements set out in the MoU the Hub Board has been established with representatives from all 11 LEPs (including The Business Board) and the CPCA as Accountable Body.
- 2.4. BEIS have subsequently clarified that they require the Hub Board to have decision making authority regarding the use of the Local Energy Capacity Support Grant. To facilitate this the Hub Board needs to be formally recognised as part of the CPCA governance structure and receive delegated authority for these funds.
- 2.5. BEIS have provided £2.9M for the delivery of the Rural Community Energy Fund (RCEF) to the Hub. The governance and decision-making of RCEF will be through the GSE Hub Board as outlined in the RCEF MoU, which was entered into by BEIS and the CPCA on 26 March 2019, and the Hub's Terms of Reference.
- 2.6. The draft Terms of Reference attached as **Appendix 1** set out the proposed membership, voting rights and governance arrangements for the Hub Board including alignment with CPCA's Assurance Framework. This draft was presented to the Hub Board on the 8th March 2019 for comment from the 11 LEP members.
- 2.7. The attached draft Accountable Body Agreement sets out how the CPCA will operate the Hub and the roles and responsibilities of both CPCA and the 10 LEPs.
- 2.8. As the CPCA is Accountable Body for the funds, the CPCA's Section 73 officer has ultimate responsibility for the use of the grant funds thus all papers with a financial implication must receive S73 sign off prior to being presented to the Hub Board.

- 2.9. The CPCA and Business Board's constitution will be amended to include recognition of the Hub Board.

3.0 FINANCIAL IMPLICATIONS

- 3.1. The two grants for which delegated authority is being recommended (Local Capacity Support Grant and the RCEF) have governance structures and restrictions set out by BEIS in their respective MoUs. As these specify that the grant funding is ringfenced for the Hub, and applications for the RCEF respectively, they could not be utilised on other projects, thus there is no effect on the wider CPCA budgets.

4.0 LEGAL IMPLICATIONS

- 4.1. The operation of an agreed Terms of Reference will ensure both certainty and consistency in the work of the Energy Hub Board and provide transparency as to its responsibilities

5.0 SIGNIFICANT IMPLICATIONS

- 5.1. There are no significant implications beyond those identified in the report.

6.0 APPENDICES

- 6.1. **Appendix 1** – Draft Terms of Reference for the Greater South East Energy Hub Board
- 6.2. **Appendix 2** – Draft Accountable Body Agreement
- 6.3. **Appendix 3** – GSE Hub Assessment Framework

<u>Source Documents</u>	<u>Location</u>
List background papers: I. BEIS CPCA Local capacity Support MoU II. Greater South East Local Energy Hub - Combined Authority Board key decision 28 th February 2018 III. BEIS CPCA Variation to Local Capacity Support Grant IV. BEIS CPCA RCEF MoU	List location of background papers Cambridgeshire and Peterborough Combined Authority, The Incubator, The Boulevard, Enterprise Campus Alconbury Weald, Huntingdon, PE28 4XA .

Terms of Reference April 2019 (Version 0.9)

Review Date – April 2020

Status of the Terms of Reference

The Terms of Reference (“**ToR**”), which are in draft until they are approved by the LEPs and CPCA, will form an Appendix to the Accountable Body Agreement between the Cambridgeshire and Peterborough Combined Authority and the Greater South East LEPs and/or lead local authorities (the “**Agreement**”).

The ToR set out the purpose and structure of the Greater South East Energy Hub Board and the Energy Hub Operational Team.

The Agreement sets out the governance arrangements between Cambridgeshire & Peterborough Combined Authority (the “**CPCA**”) and the Greater South East regional LEPs and lead local authorities (the “**LEPS**”).

Status of the Decision-making Process

The decision-making process appended to this document has been reviewed by BEIS and is agreed by the five (5) Regional Energy Hubs Boards and Accountable Bodies. However, it sits outside of the ToR and may be updated by the Greater South East Energy Hub (the “**Energy Hub**”) with the approval of the CPCA and the Greater South East Energy Hub Board.

The Energy Hub Project Assessment Framework sets out the processes and criteria for Energy Hub project support and Rural Community Energy Fund grants.

1. Introduction

The Department for Business, Energy and Industrial Strategy (BEIS) has identified that there are a number of local energy projects within LEP areas that are not developing to the point of delivery; either because they do not meet mainstream investor criteria or there is lack of human resource and technical expertise to deliver them.

BEIS allocated £1.6m for Energy Strategy development by LEPs with the first tranche of 13 LEPs receiving a total of £600K in March 2017 with the remaining 25 LEPs in England offered £1m in September 2017. One of the main outcomes of the strategies was to identify a pipeline of energy investment opportunities for each LEP area.

Following on from the strategies and as part of the Local Energy Programme, BEIS allocated funding to support the capacity of LEPs and local authorities to play a leading role in delivering low-carbon economic growth. The model for the delivery of this support was the establishment of five regional Energy Hubs in England to support the capacity of LEPs and local authorities to deliver energy projects.

Each Hub has been set up to serve a number of LEP areas which were agreed by mutual consent with the constituent LEPs, with the expectation that the LEPs work closely with their local authorities in the process of setting up and working with the Hubs. The Hubs in turn would work on behalf of all the LEP areas served and their member local authorities, it is a requirement of the BEIS for governance arrangements to be agreed in support of this.

The Hub Board was formed in November 2017 to establish the Greater South East Energy Hub, comprising the consortia of eleven (11) LEPs/lead authorities in the Greater South East. All LEPs were able to put forward proposals for hosting the Hub (as Lead Authority and Accountable Body for the Section 31 grant). The CPCA became the Accountable Body by mutual agreement in March 2018. The Energy Hub was set up in April 2018 and became operational in September 2018.

The Energy Hub is to be funded by BEIS for an initial period of three (3) years, as detailed in the Local Energy Capacity Support Memorandum of Understanding entered into by BEIS and the CPCA (the “**MoU**”) and the Variation to MoU (26/3/19).

The Energy Hub will administer the Rural Community Energy Fund for a minimum period of two (2) years as detailed in the Rural Community Energy Fund Memorandum of Understanding entered into by BEIS and the CPCA (the “**RCEF MoU**”).

2. Objectives of the Greater South East Energy Hub

The key objective of the Energy Hub is to work collaboratively with LEPs and their member local authorities across the greater south east area to co-ordinate the identification and prioritisation of local energy projects and to undertake the initial stages of development for priority projects up to a point where investment can be secured. The governance structure of the Energy Hub allows for decisions to be made at a local level and to be aligned with local strategic priorities. The Energy Hub

will seek to: Increase the number, quality and scale of local energy projects being delivered;

- a) Raise local awareness of the opportunity for and benefits of local energy investment;
- b) Enable local areas to attract private and/or public finance for energy projects;
- c) Identify options for the Energy Hub model to be financially self-sustaining after the funding period.

3. Hub Board and Operational Team Structure

The Energy Hub will operate under an Energy *Hub Board* (the “**Hub Board**”) and an Energy Hub *Operational Team* (the “**Operational Team**”). The ultimate purpose of this dual arrangement is to ensure that the Energy Hub delivers the required quality outcomes outlined in the MoU and the Local Energy Strategies and responds appropriately to changing requirements of both the LEPs and the operational environment.

4. Hub Board Roles and Responsibilities

The Hub Board is the strategic body responsible for taking decisions on Energy Hub business and programme activity. The Hub Board will provide oversight of the Operational Team’s delivery of the programme to ensure it fulfils the aspirations and expectations of key stakeholders in line with the scope outlined in the MoU. The decision-making process for the allocation of project support is detailed in the Project Assessment Frameworks appended hereto as (Annex 1 Local Energy Capacity Support & Annex 2 Rural Community Energy Fund).

The Hub Board shall have the authority to make decisions in relation to the proposed deployment of the Grant.

The Hub Board shall:

- a) provide overall strategic direction for the allocation of Grant and leverage of Funds;
- b) provide direction and support in relation to the development, delivery and implementation of Energy Hub funded activities;
- c) promote the Energy Hub and the available support within the Greater South-East LEPs and their constituent local authorities, businesses and higher education research base;
- d) provide recommendations to CPCA with regard to the staffing structure of the Operational Team in consultation with the Regional Hub Manager and Section 73 officer of CPCA;
- e) approve the criteria for selection/prioritisation of pipeline projects;
- f) make decisions based on the scrutiny of individual project support proposals (approve allocation of technical/consultancy project support);
- g) approve bids to BEIS for tools to support capability building;
- h) utilise existing CPCA governance structures to deliver the RCEF scheme;
- i) make final decisions for allocations of the RCEF scheme (through the Hub Board or subordinate group thereof);

j) comply with the Assurance Framework.

The Hub Board shall ensure that the Energy Hub has:

- a) a suitable financial model;
- b) appropriate delegated authority and agreed financial thresholds;
- c) the appropriate strategic direction in accordance with the MOU;
- d) robust frameworks for the operation of the Hub;
- e)
- f) monitor and evaluate progress against the objectives defined in the MOU;
- g) an agreed communication strategy; and
- h) clear plans for self-sustainability by the Exit Date.

The Hub Board shall act in an advisory capacity to the Accountable Body in relation to Section 31 of the Financial, Services and Markets Act 2000. All decisions concerning financial models or that have a financial impact will be undertaken by the Hub Board in consultation with the Section 73 officer.

The Hub Board shall be required to approve:

- a) the allocation of financial resources by the CPCA, for project feasibility studies and the Hub Operational Team;
- b) the allocation of RCEF grants;
- c) decisions made regarding the allocation of any future funding delegated to the Hub.
- d) All Board and sub-committee or sub-group members will make decisions on merit having taken into account all the relevant information available at the time.

5. Board Composition

The Hub Board comprises representation of:

- a) one (1) board member from each LEP area served;
- b) one (1) board member representing the Accountable Body Section 73 Officer; and
- c) One (1) Chairperson.

Each LEP board member will have a substitute nominated by the LEP and BEIS will have a position as observer and advisor.

The Energy Hub comprises the following members:

- | | |
|---|---------------------------|
| • Cambridgeshire & Peterborough Combined Authority (Accountable Body) | • South East LEP |
| • Cambridge & Peterborough Combined Authority (Business Board) | • South East Midlands LEP |
| • New Anglia LEP | • Coast to Capital LEP |
| | • Enterprise M3 LEP |
| | • Hertfordshire LEP |
| | • Oxfordshire LEP |

- Thames Valley Berkshire LEP
- Buckinghamshire Thames Valley LEP
- Greater London Authority
- BEIS is a permanent observer representing Local Energy

6. Recruitment of Hub Board Members

The Hub Board shall appoint an Independent Chairperson.

Hub Board Members and Substitutes are nominated by each LEP/lead local authority. Board Members must have the capacity and capability to deliver their role and have delegation for decision-making from their LEP Board or if delegated, the Chief Executive. Hub Board Members are expected to represent their organisations at a strategic level.

The Chief Finance Officer (s73) (or deputy) shall have a non-voting position on the Hub Board.

Whilst all appointments to the Hub Board will be on merit, in accordance with Government requirements, the Hub Board will aim to maintain the gender balance and representation of those with protected characteristics on its board with the following minimum requirements:

- that women make up at least one third of Hub Board by 2020
- with an expectation for equal representation by 2023, and
- ensure its Board is representative of the businesses and communities they serve

The Hub Board is currently comprised with an equal gender balance.

Chairperson & Vice Chairperson of the Hub Board

The Hub Board will appoint an independent Chairperson.

The Chairperson shall be appointed following an open, transparent and non-discriminatory recruitment process which assesses each candidate on merit carried out in accordance with the Combined Authority's diversity statement, Government Guidance and the Nolan Principles. This will include a public advertisement and an interview process conducted by a Hub Board's appointments panel. The Hub Board will consult widely and transparently before appointing a new Chairperson. Each Party shall, should they so wish, nominate an individual for the position of Chairperson and provide the Hub Board with details of said individual for consideration, within ten (10) days of the last date of signature of this Agreement;

Nominated individuals must have:

- i) previously held a similar position;
- ii) significant energy sector experience; and
- iii) an understanding of how authorities operate.

The Hub Board shall convene a meeting to deliberate and prepare a shortlist of three (3) nominees to interview, no less than ten (10) days after the close of the public advert.

The Hub Board shall then select a panel of no less than five (5) Representatives (the “**Interview Panel**”) to interview the shortlisted nominees.

The appointment of the Chairperson shall be made by the unanimous decision of the Interview Panel.

Terms of Appointment

The term of office for **independent Chairperson** will normally be one (1) year, and subject to a maximum of one(1) consecutive term, unless:

- (a) they resign from their position and communicate this in writing to the Hub Board and CPCA Monitoring Officer; or
- (b) upon receipt of a vote of no confidence by the Hub Board, the Board must consider whether to terminate the terms of office of the Chair at the next meeting of the Board.

The position of Chairperson shall be reviewed annually.

The terms of the appointment will be set out in an appointment letter from the Combined Authority to the Chairperson. The Chairperson will be remunerated for allowable expenses.

The Hub Board shall appoint a vice Chairperson from amongst its membership, the term of office is at their discretion.

Working Groups

The Hub Board may appoint informal non-decision-making working groups or panels. Any such subordinate body set up by the Hub Board shall include one or more Hub Board members as nominated by the Board. With the consent of the Chairperson, any such group may also co-opt onto it any independent person with the relevant expertise – judged against pre-determined criteria – on the issues within the remit of these groups.

The remit and terms of reference for any such subordinate body shall be approved by the Hub Board and comply with the Combined Authorities Assurance Framework and Hub Terms of Reference.

RCEF Funding Panel

The Hub Board may appoint a formal decision-making Funding Panel for the RCEF Grants. This subordinate body set up by the Hub Board shall include one or more Hub Board members as nominated by the Board, Local Enterprise Partnerships, lead local authorities and a BEIS official. To guard against any potential conflicts of interest that could potentially arise through Combined Authority involvement with the application or project, the Hub Board must ensure that there are several local authorities represented on the Funding Panel. With the consent of the Chairperson, any such group may also

co-opt onto it any independent person with the relevant expertise – judged against pre-determined criteria – on the issues within the remit of these groups.

The remit and terms of reference for any such subordinate body shall be approved by the Hub Board and comply with the Combined Authorities Assurance Framework and Hub Terms of Reference.

7. Accountability

The Hub Board members are responsible for acting as points of contact and communication 'leads' for their LEP area and as such are required to ensure that

(a) all relevant LEP and local key stakeholders are kept fully informed of Energy Hub activities; and

(b) they represent the views of the LEP area.

8. Collaboration

The Hub Board members are required to take a collaborative and coordinated approach across multiple LEPs, including supporting the Operational Team to identify strategic collaborative projects. Projects that are supported by the Hub and develop collateral and assets, such as business cases, templates and toolkits shall be shared with other LEPs for the benefit of the greater south east area.

9. Duty of Confidentiality

Hub Board members have a duty to maintain the confidentiality of information that they acquire by virtue of their position. Each shall keep confidential any and all information marked as confidential and any and all materials relating to specific project beneficiaries or prospective beneficiaries of support unless compelled by legal process to disclose such information, or authorised to do so by the Hub Board. The Hub Board members can disclose confidential information to their respective LEP Board and/or Secretariat, providing that information is treated in confidence.

10. General Operational Procedures

Meetings

Meetings of the Hub Board shall not be open to the public unless determined otherwise by the Chair.

Agendas and Minutes

Agendas and reports for the Hub Board will be available on the Hub's website www.energyhub.org.uk at least five clear working days before the meeting to which they relate in accordance with the Transparency rules in chapter 6 of the Combined Authority constitution. Any funding decisions shall be ratified by the Combined Authority as accountable body for the Hub Board.

The public may have access to agenda, reports and minutes of public and private meetings except where they are exempt from disclosure under the Freedom of Information Act 2000 (FOIA).

Freedom of Information

Reports will be released with the agenda, except in those cases where the information contained in the reports is exempt from disclosure under the Freedom of Information Act 2000 (FOIA). These papers will be classed as reserved papers.

Likely exemptions that are likely to make information reserved include but are not limited to:

- Commercial sensitivity
- Information provided in confidence
- Personal data
- Legal professional privilege
- Information intended for publication at a future date

Representation in meetings:

A representative of each LEP should be present at the meetings of the Hub Board, the Board Member. Each LEP may appoint a substitute or proxy, to attend and vote at any meeting and each representative shall participate in a cooperative manner in the meetings.

Convening meetings:

The Chairperson of the Hub Board shall:

- authorise and approve a relevant schedule of business for the Hub Board;
- convene meetings of the Hub Board on a frequency no more than six (6) weeks apart;
- give notice in writing to each Representative no later than ten (10) working days prior to any such meeting; and
- prepare and send each Representative a written agenda no later than five (5) clear working days prior to any meeting.

Meetings of the Hub Board may be held:

- face to face in various locations that are geographically accessible to the Parties; or
- by teleconference or another telecommunication means where it is not possible to meet face to face.

Quorum

The Hub Board shall not deliberate and decide validly unless at least seven (7) Representatives are present or represented ("**Quorum**");

During any meeting if the Chairperson counts the number of members present and declares there is not a quorum present, then the meeting will adjourn immediately. Remaining business will be considered at a time and date fixed by the Chair. If the Chairperson does not fix a date, the remaining business will be conducted at the next ordinary meeting.

Decision Making and Voting

Wherever possible, decisions of the Board will be by consensus, without the need for a vote. Where this is not possible a vote may be taken where the Chairperson considers it to be necessary to establish whether a consensus exists.

- Each LEP Representative present or represented in a meeting shall have one (1) vote.
- The CPCA Section 73 officer does not have a vote;
- Decisions taken shall require a majority of the votes cast of those attending;
- In the event of a tied vote, the Chairperson shall have the deciding vote.

The vote will be by way of show of hands and recorded in the minutes.

Decisions: The Hub Board shall be free to act on its own initiative to formulate proposals and take decisions in accordance with the procedures set out herein.

Decisions of the Hub Board

The draft minutes of the Hub Board will be posted on the Hub's website within 12 clear working days of the meeting taking place. Provided that (a) no objection has been raised; and (b) no information contained in the minutes would be deemed exempt information under Schedule 12A of the Local Government Act 1972, the minutes of each Hub Board meeting shall be published on the Hub's website, www.energyhub.org.uk within two (2) clear working days of them being accepted.

- The Chairperson of the Hub Board shall ensure that the draft minutes of each meeting are sent to all Representatives within five (5) working days of each meeting;
- Draft minutes will be accepted as final at the subsequent Board meeting.
- Objections lodged with the Chairperson should be considered and actioned at the following Board meeting.

Where decisions need to be ratified by the CPCA as Accountable Body and the Combined Authority does not agree, they will refer the matter back to the Hub Board with the reasons and ask the Hub Board to reconsider.

Urgency Procedure

In order to ensure that the Hub Board is able to progress its business in an efficient manner, comments on urgent matters may be sought by the Regional Hub Manager or other Statutory Officer outside the meeting cycle.

Members will receive email notification which identifies:

- (a) Details of the matter requiring comment and/or endorsement and the reason for urgency (including an explanation as to why an emergency meeting is not proposed to be held to conduct the business);
- (b) The date responses are required by;

- (c) The name of the person or persons making or putting forward the proposal/decision

Two working days after the close of responses, the following will be circulated to all Hub Board Members:

- (a) The outcome of the decision taken by Statutory Officers (including responses received in agreement and responses received in disagreement); and the date when any decision comes into effect; and
- (b) Any mitigating action taken to address Members' stated views or concerns.

Decisions and actions taken will be retrospectively reported to the next meeting of the Hub Board.

Complaints and Whistleblowing

Any complaint received about the Hub Board will be dealt with under either the Combined Authority Complaints or Confidential Complaints Policy.

Any complaint about an individual Hub Board member alleging a breach of the Code of Conduct will be dealt with in accordance with the code of conduct.

Any whistleblowing concerns raised about the Hub Board will be dealt with under the Combined Authority's Whistleblowing Policy.

Each of these procedures or policies shall be published on the Combined Authority web-site and accessible from the Hub Board's web-site.

11. Code of Conduct

All Hub Board members are expected to adhere to the Nolan Principles of public sector bodies. The Combined Authority has a Code of Conduct which applies to members of the Hub Board.

12. Conflicts of Interest

Register of Interests

It is the responsibility of Board members to ensure an up to date Register of Interests is maintained. Each Hub Board member must complete and keep up to date a register of interest form required under the Combined Authority's code of conduct. The register of interest form will be published on the Hub's website within 28 days from the date of the appointment and is a condition of appointment. A member must within 28 days of becoming aware of any change in their interests provide written notification of this.

It is the responsibility of Board members to declare any interest on any item of business being conducted at a Hub Board or working group meeting. Any declarations of interest made by a Hub Board member at a meeting and any action taken, (such as leaving the room, or not taking part), will be recorded in the minutes for that meeting. The member should update their register of interest form within 7 days of the meeting if a new interest has been declared.

Any alleged breach of the Hub Board member code of conduct will be dealt with under the Combined Authority's Member Complaints Procedure.

13. Grievance Procedure

There are three (3) key points for the grievance procedure:

1. Issues must be dealt with promptly and consistently;
2. The LEPs should have an opportunity to put their case to the Hub Board; and
3. The decision of the Hub Board will be final

The Procedure

i. Raise the grievance in writing

- a) If a LEP has a grievance the LEP Representative should raise it with the Hub Board without unreasonable delay, and within one (1) month of the incident which gave rise to the complaint. The LEP Representative must provide the Hub Board with details in writing of the specific circumstance or circumstances which constitute the grievance, with dates, etc.

ii. Invitation to a Grievance Meeting

- a) The Hub Board will invite the LEP Representative to attend a meeting, without unavoidable delay to discuss the matter. The meeting should ideally be arranged within five (5) working days of the Hub Board receiving the written grievance.

iii. Grievance Meeting

- a) Where possible, a note-taker, who must be uninvolved in the case will take down a record of the proceedings.
- b) The Chairperson of the Hub Board will introduce the meeting, read out the grounds of the grievance, ask the LEP Representative if they are correct and require the LEP Representative to provide clarification regarding details of the grievance if unclear.
- c) The LEP Representative will be given the opportunity to put forward her/his case and say how they would like to see it resolved.
- d) The meeting may be adjourned by the Chairperson of the Hub Board if it is considered necessary to undertake further investigation. Any necessary investigations will be carried out to establish the facts of the case. The meeting will be reconvened as soon as reasonably practicable.
- e) Having considered the grievance, the Chairperson of the Hub Board will give her/his decision regarding the case in writing to the LEP Representative within five (5) working days. If appropriate, the decision will set out what action the Hub Board intends to take to resolve the grievance or if the grievance is not upheld, will explain the reasons.

14. Accountable Decision Making

Local Energy Capacity Support

All LEPs have set a strategic direction for their respective areas through a Local Energy Strategy. Funded by BEIS in 2017/18, energy strategies were required to provide strategic fit with BEIS policy, (energy related aspects of the Industrial Strategy and the national trajectory for decarbonisation and clean growth) and align with other national and local energy and low carbon policy. The Energy Strategies were signed off at LEP Board level after consultation with all the key engagement groups.

In the Greater South East Hub region there are six (6) Local Energy strategies:

- Local Energy East, a tri-LEP strategy for CPCA, NALEP and Hertfordshire LEP;
- South2East a tri-LEP strategy for ECC, C2C and EM3;
- Oxfordshire LEP
- South East Midlands LEP
- Thames Valley Berkshire LEP
- Buckinghamshire Thames Valley LEP

LEPs also have responsibility to set strategic direction through Strategic Economic Plans and emerging Local Industrial Strategies.

These strategies form a key element of the Energy Hub's decision making for Local Energy Capacity Support, as for a project to be supported it must contribute to the achievement of strategic priorities and benefit multiple LEP areas.

The decision-making process for Local Capacity Support is governed by the Local Energy Capacity Support Project Assessment Framework.

Rural Community Energy Fund

The Energy Hub, as part of the BEIS Local Energy Programme was allocated Rural Community Energy Funds (RCEF) to further the objectives of RCEF across the Greater South East. The RCEF is a scheme which provides funding to rural communities in England to develop renewable energy projects which provide economic and social benefits to the community. The Energy Hub will appoint a Rural Community Energy Fund Manager who will provide support to communities in developing grant applications and managing funded studies. The Energy Hub will offer funding to support successful applicants to the RCEF fund by either:

- i) Stage 1 Feasibility Grants – up to £40K;
- ii) Stage 2 Grants – up to £100K for business development and planning of feasible schemes. Each community receiving funds would need to provide a) resources to Community Energy England for sharing across all new schemes; and b) support the Local Energy Hub on engaging other communities to develop a peer-to-peer support network to further build capacity at a local level.

The main objectives of the fund are to:

- i) increase the uptake of the RCEF scheme;
- ii) increase the number of rural communities engaged ;
- iii) monitor the impact of communities of projects funded, included but not limited to:
 - a. Jobs created
 - b. Volunteers engaged

c. MW produced

The Hub Board will:

- a) set up a '**Funding Panel**' for the approval of the RCEF Grants which shall include one or more Hub Board members as nominated by the Board. The Funding Panel shall include representatives from several local authorities. A BEIS official shall be present on the Funding Panel to represent the views of BEIS and ensure the criteria for RCEF are met.
- b) appoint an independent **Assessment Panel** to review applications and make recommendations to the **Funding Panel**.
- c) The Terms of Reference for the **Assessment Panel** and **Funding Panel** shall be approved by the Hub Board and comply with the Combined Authority's Assurance Framework and Hub's Terms of Reference.

The decision-making process for the RCEF will be governed by the RCEF Project Assessment Framework that is aligned with the CPCA Assurance Framework.

15. Operational Team

The Operational Team is employed on behalf of the consortium by the CPCA and perform the tasks assigned to it as per the programme objectives set by BEIS and the Hub Board.

The Regional Hub Manager (the "**Regional Manager**") is the senior responsible owner for the Energy Hub and the CPCA Section 73 Officer acts as the Chief Finance Officer.

The Regional Manager reports to the Hub Board, the Combined Authority's Director for Business, Skills & Energy and BEIS.

The Regional Hub Manager will provide, for Hub Board approval, the Energy Hub:

- Financial forecasts;
- Business Plan;
- Communications Plan;
- Stakeholder Engagement Strategy;
- Communications Framework (agreed);
- Communications Protocol (agreed);
- Project Assessment Frameworks;
- Risk Register (agreed);
- Any other framework or plan required by the Hub Board.

The Regional Hub Manager will have freedom to deliver and act on behalf of the Hub within the scope of the Hub Board approved plans and frameworks. This includes the delegation of technical consultancy allocation of up to £5K and discretion to reallocate up to 1% of the Local Capacity Support grant budget between cost centres.

The Regional Hub Manager provides monthly and quarterly progress and performance reports for BEIS for the Local Capacity Support Grant and RCEF. All reporting and minutes from meetings of the Regional Leads from the five (5) Local Energy Hubs will be shared on the Hub Board SharePoint site hosted by the CPCA.

The Regional Hub Manager will provide operational and financial reports for each Board meeting

The Operational Team is managed by the Regional Hub Manager and comprises energy specialists and support staff and – at their discretion – key subcontractors. The Operational Team are responsible for the development of the project pipeline, delivery of the RCEF, day-to-day delivery of the programme, dealing with technical delivery matters, financial monitoring and compliance, interaction with BEIS and stakeholders.

The Regional Hub Manager provides the secretariat to the Hub Board, minutes are taken by the Hub Support Coordinator; programme and local capacity support is provided from across the Operational Team. The Rural Community Energy Manager will support the delivery and administration of RCEF. The CPCA corporate support services (e.g. financial and human resources) will be provided from within the CPCA's existing support arrangements.

Annex 3 of the BEIS **Local Energy Capacity Support Grant MoU** sets out the scope of the Energy Hub and Annex 4 the KPIs and outputs to be provided by the Energy Hub.

The BEIS **Rural Community Energy Fund MoU** sets out the grant principals and governance arrangements for the fund and Annex A sets out the KPIs for the Energy Hub.

The Energy Hub operates on behalf of all LEP areas served, and their member local authorities.

16. Stakeholder Engagement

Working with stakeholders is critical to the success of the Energy Hub. The Energy Hub's Stakeholder Engagement Strategy sets out the people and groups with whom the Energy Hub should and does engage with and how this is done.

The Energy Hub was set up to work with LEPs and their local authorities to provide local capability and capacity. The LEPs through the development of their Local Energy Strategies are engaging with stakeholders and will support the Energy Hub to build relationships in their respective areas.

The Energy Hub will build relationships with local stakeholders to identify need, inform the Hub's support activities, share information and facilitate the development of local energy projects.

The Energy Hub will undertake and/or participate in a range of engagement activities to develop the stakeholder network, which may include; events, roundtables, thematic conferences, regular meetings and exchanges with advisory groups.

The Energy Hub will participate in external events, and the Hub Board members and the Regional Manager promote the work of the Energy Hub in a range of speaking engagements and events.

The Energy Hub participates in local energy conferences, supports programme development and is the BEIS local energy representative at the regional annual

National Energy Efficiency Awards. The Energy Hub will work with other local energy promoters in Energy Hub region to promote the local energy agenda.

The Energy Hub utilises a range of communication channels to engage with stakeholders. An Energy Hub Communications Group with representation from the eleven (11) LEPs has been set up to develop and align communications activity and promote the Energy Hub; this group works to the Energy Hub's Communications Protocol and Communications Framework.

The Energy Hub has a channel on the BEIS Local Energy Team Huddle which is an online forum and networking website for LEPs, Local Authorities and other partners across England to support delivery of local energy projects. The Huddle enables collaborative working, the sharing of documents, access to resources, news and events.

17. Accountable Body

The CPCA is the employer of the Operational team. All Hub employees will be subject to the policies, terms and conditions of the CPCA. These may change from time to time and the Accountable Body will inform with the Hub Board on any significant changes to employment terms and conditions.

Financial Provisions

The CPCA Section 73 officer shall be solely responsible for the Energy Hub Grant with respect to compliance with the Section 31 grant agreements.

Distribution of Funds - the financial contribution of BEIS shall be distributed by the Accountable Body, with the approval of the Hub Board.

Justifying Costs – In accordance with its own usual accounting and management principles and practices, each project shall be solely responsible for justifying its costs with respect to the feasibility studies prepared for consideration by the Hub Board. No LEP shall be in any way liable or responsible for such justification of costs towards the CPCA.

Notwithstanding the foregoing, the Consortium, local authorities and other organisations shall be permitted to make financial contributions to the Accountable Body to augment or extend the duration of the services offered by the Energy Hub provided always that the Accountable Body does not profit in any way whatsoever from the use of the Grant.

In the event the Funds are not used in their entirety to achieve the objectives set out in the MOU between BEIS and the CPCA - the CPCA shall enter into discussions with BEIS to reach agreement on how best to utilise the underspend in line with the objectives agreed under the MOU, and if agreement cannot be reached, the CPCA shall repay the unspent Funds to BEIS

Record Keeping – the Accountable Body shall, in accordance with the MOU, keep all records relating to any spend funded by the Funds for a period of ten (10) years from the Effective Date

State Aid - the Accountable Body shall ensure that use of the Funds is in compliance with all State aid rules

18. Scrutiny Arrangements

The Combined Authority's Overview and Scrutiny Committee may review or scrutinise any Combined Authority decision in its role as accountable body for the Hub Board. The Combined Authority's Scrutiny Officer shall ensure that this includes appropriate scrutiny of Hub Board decision-making and achievements.

Any Hub Board member may be asked to attend, or otherwise contribute to, a meeting of the Combined Authority's Overview and Scrutiny Committee.

The Combined Authority's Audit and Governance Committees will also review the local assurance framework and how the local assurance frameworks are operating in practice.

19. Exit Strategy

The Energy Hub is funded by BEIS for an initial term of three (3) years. The Regional Hub Manager will, in collaboration with the Hub Board, identify options for financial sustainability. Hub Board Members are expected to liaise with their member local authorities to explore the feasibility of options identified.

If and/or when the funding model changes and revenue is generated the Hub Board will review the Terms of Reference and replace the Accountable Body Agreement with a Partnership Agreement.

If and/or when the Energy Hub receives capital funding the Hub will address the need to adopt independent due diligence for project assessment processes.

20. Amendments to the Terms of Reference

These terms of reference will be reviewed annually. The Hub Board will recommend any proposed changes to the Terms of Reference to the Combined Authority.

The Combined Authority's Monitoring Officer is authorised to make any changes to any constitutional or governance documents which are required:

- (a) as a result of any government guidance, legislative change or decisions of the Hub Board, or
- (b) to enable the documents to be kept up to date, or
- (c) for the purposes of clarification only.

This terms of reference and other governance documents shall be published on the Combined Authority website and accessible from the Hub's website www.energyhub.org.uk.

ACCOUNTABLE BODY AGREEMENT

Between

- 1) CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY**
 - 2) BUCKINGHAMSHIRE THAMES VALLEY LOCAL ENTERPRISE PARTNERSHIP**
 - 3) COAST TO CAPITAL LOCAL ENTERPRISE PARTNERSHIP**
 - 4) ENTERPRISE M3 LOCAL ENTERPRISE PARTNERSHIP**
 - 5) HERTFORDSHIRE LOCAL ENTERPRISE PARTNERSHIP**
 - 6) NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP**
 - 7) OXFORDSHIRE LOCAL ENTERPRISE PARTNERSHIP**
 - 8) LONDON ECONOMIC ACTION PARTNERSHIP**
 - 9) ESSEX COUNTY COUNCIL**
 - 10) SOUTH EAST MIDLANDS LOCAL ENTERPRISE PARTNERSHIP**
- and
- 11) THAMES VALLEY BERKSHIRE LOCAL ENTERPRISE PARTNERHIP**
-

ACCOUNTABLE BODY AGREEMENT

THIS ACCOUNTABLE BODY AGREEMENT (this “**Agreement**”) dated **[xxxxxxxx]** (“**Effective Date**”) is by and between:

- 1) CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY**, having a principal place of business at The Incubator, Alconbury Weald Enterprise Campus, Huntingdon PE26 4WX (“**CPCA**”);
- 2) BUCKINGHAMSHIRE THAMES VALLEY LOCAL ENTERPRISE PARTNERSHIP**, having a principal place of business at Wycombe Rd, High Wycombe HP14 4BF (“**BTVLEP**”);
- 3) COAST TO CAPITAL LOCAL ENTERPRISE PARTNERSHIP**, having a principal place of business at Arun House (Horsham Training Centre), Hurst Road Horsham, West Sussex, RH12 2DN (“**C2CLEP**”);
- 4) ENTERPRISE M3 LIMITED**, having a principal place of business at The Castle, Winchester, Hampshire SO23 8UJ (“**EM3LEP**”);
- 5) HERTFORDSHIRE LOCAL ENTERPRISE PARTNERSHIP**, having a principal place of business at Broadwater Road, Welwyn Garden City AL7 3AF (“**HLEP**”);
- 6) NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP**, having a principal place of business at Centrum, Norwich Research Park, Colney Lane, Norwich NR4 7UG (“**NALEP**”);
- 7) OXFORDSHIRE LOCAL ENTERPSIRE PARTNERSHIP**, having a principal place of business at First Floor, Jericho Building, City of Oxford College Campus, Oxpens Road, Oxford, OX1 1SA (“**OXLEP**”);
- 8) LONDON ECONOMIC ACTION PARTNERSHIP**, having a principal place of business at City Hall, The Queen’s Walk, London SE1 2AA (“**LEAP**”);
- 9) ESSEX COUNTY COUNCIL**, having a principal place of business at Essex County Council, County Hall, Market Road, Chelmsford, CM1 1QH (“**ECC**”);
- 10) SOUTH EAST MIDLANDS LOCAL ENTERPRISE PARTNERSHIP**, having a principal place of business at Cranfield Innovation Centre University Way Cranfield Bedfordshire MK43 0BT (“**SEMLEP**”); and
- 11) THAMES VALLY BERKSHIRE LOCAL ENTERPRISE PARTNERHIP**, having a principal place of business at 100 Longwater Avenue, Reading RG2 6GP (“**TVBLEP**”);

each individually a “**Party**” and collectively the “**Parties**”

BACKGROUND

- A. The Greater South East Energy Hub is a collaboration of eleven (11) Local Enterprise Partnerships (“LEPs”) who will work together to increase the number, quality and scale of local energy projects being delivered over time.
- B. The Department for Business, Energy and Industrial Strategy (“BEIS”) has identified that there are a number of local energy projects within LEP areas that are not developing to the point of delivery; either because they do not meet mainstream investor criteria or there is lack of human resource and technical expertise to deliver them. BEIS has concluded that Local Energy Hubs can help to resolve this issue and has provided local energy capacity support to develop and resource the creation of a programme of existing and future investment ready local energy projects (the “Projects”) at a regional scale that will increase the number, quality and scale of local energy projects being delivered.
- C. BEIS and the CPCA entered into the following Memorandums of Understanding:
- i. the first dated **9 September 2018**, was subsequently amended on **26 March 2019** (together “the **MoU**”) and appended hereto at Schedule 5, for the Local Energy Capacity Support funding for which the CPCA is the Accountable Body and under which it was agreed that (i) BEIS would provide funding of **£2,021,000** subject to the terms of the MOU, for the operational delivery of the Local Energy Hub, as detailed herein (the “**Energy Hub**”); (ii) the CPCA would use the Funds to establish a Local Energy Hub Team including a consultancy budget to commission feasibility studies; (iii) the CPCA would form and lead a consortium of Local Enterprise Partnerships (the “**Consortium**”) to deliver the Projects, the objectives and scope of which are as detailed in annex 3 of the MoU ; (iv) the Consortium would establish a Hub Board to oversee the activities of the Energy Hub and be involved in decision-making; and (v) the Funds would be used solely for the development of the Projects; and
 - ii. the second dated **26 March 2019**, (the “**RCEF-MoU**”) and appended hereto at Schedule 5, for Rural Community Energy Fund (“**RCEF**”) for which the CPCA is the Accountable Body and under which it was agreed that: (i) BEIS would provide funding of **£2,900,000** subject to the terms and conditions of the RCEF-MoU for the operational delivery of the Local Energy Hub; and (ii) the CPCA would use the funds solely for the purpose of RCEF as detailed in the RCEF-MoU.

The funds received under both MoUs are together the “**Grant**”.

- D. The Energy Hub will operate via a new team of nine (9) experts, who will help to consolidate and up-scale local energy projects. Individual and multi-LEP energy strategies will provide the initial evidence base for the Energy Hub to begin its work in late 2018, and the new team will provide resources and knowledge to determine how such projects can be developed.

THE PARTIES HEREBY AGREE AS FOLLOWS:

1. LEGAL AFFECT OF AGREEMENT

- 1.1. Save as expressly indicated below, this Agreement is not intended to be legally binding on the Parties but an expression of the intentions of each of the Parties in relation to the Energy Hub
- 1.2. Nothing in this Agreement is intended to, or shall be deemed to, establish any formal partnership or joint venture between the Parties, nor constitute any Party as the agent of another Party, nor authorise any of the Parties to make or enter into any commitments for or on behalf of another Party.

2. DEFINITIONS

- 2.1. The following words and phrases have the following meanings:

Accountable Body	the CPCA will ensure compliance with the Section 31 Agreement as the Accountable Body for the Grant;
Chairman	an individual who is independent of the Parties, and voted for by the Hub Board;
Confidential Information	all information of a confidential nature (however recorded or preserved) concerning the Consortium, a Party (or former Party) or their respective businesses (including details of customers, clients, suppliers, plans, intentions, market opportunities, operations, processes, product information, know-how, designs, trade secrets or software) and the terms of this Agreement;
Data Protection Legislation	(i) the General Data Protection Regulation ((EU) 2016/679) ("GDPR") unless and until it is no longer directly applicable in the UK, and any national implementing laws, regulations and secondary legislation, as amended or updated from time to time, in the UK; (ii) any successor legislation to the GDPR and/or the Data Protection Act 2018; and (iii) the Market Research Society Code regarding the collection and use of personal data for research and statistical purposes and all other applicable laws.
Exit Date	The current contract with BEIS will expire on the 31 March 2021 ;

Assurance Framework	the CPCA Assurance framework appended hereto as Schedule 6
Grant	<u>£4,921,000</u> to be used solely in accordance with the section 31 agreements between BEIS and the Accountable Body;
Hub Board	The decision-making body for the Energy Hub and its activity, made up of Representatives of the Parties;
Representative	The individual nominated by each Party to represent them on the Hub Board; For the avoidance of doubt, each Party has the right to change the nominated individual, at any time, provided that prior notice is given to the other Parties

3. FORMATION

- 3.1. The Consortium will operate in accordance with the activities and objectives outlined in the MoU, the Assurance Framework and the ToR, so as to enable the Local Energy Hub to achieve its agreed objectives.
- 3.2. The Energy Hub has agreed, with BEIS, to the following objectives:
 - 3.2.1. Increase number, quality and scale of local energy projects being delivered;
 - 3.2.2. Raise local awareness of opportunity for and benefits of local energy investment;
 - 3.2.3. Enable local areas to attract private and/or public finance for energy projects;
 - 3.2.4. Identify working model for teams to be financially self-sustaining after the funding period

4. COMMENCEMENT DATE AND DURATION

- 4.1. This Agreement shall commence on 1 April 2018 and shall continue until the Exit Date unless extended by the mutual written agreement of the Parties and BEIS.

5. GOVERNANCE STRUCTURE

- 5.1. The organisational structure of the Energy Hub, which is detailed in Schedule 1 appended hereto, shall comprise the following Energy Hub bodies:
 - 5.1.1. The Hub Board, which shall be
 - 5.1.1.1. comprised of the Representatives as detailed in Schedule 2 appended hereto;
 - 5.1.1.2. the ultimate decision-making body of the Energy Hub; and
 - 5.1.1.3. governed by the Hub Board Terms of Reference (the “**ToR**”) appended hereto as Schedule 3.

5.1.2 The Hub Team, as detailed in Schedule 4 appended hereto, shall:

5.1.2.1 comprise the employees to be employed by the CPCA (the “**Hub Employees**”); and

5.1.2.2 perform the tasks assigned to it by the Hub as per the Hub Team job descriptions and as agreed by the Hub Board.

5.2. General Operational Procedures:

5.2.1 Appointment of Chairman:

- (a) The Chairperson shall be appointed following an open, transparent and non-discriminatory recruitment process. This will include a public advertisement and an interview process conducted by a Hub Board’s appointments panel. The Hub Board will consult widely and transparently before appointing a new Chair. Each Party shall, should they so wish, nominate an individual for the position of Chairman and provide the Hub Board with details of said individual for consideration, within ten (10) days of the last date of signature of this Agreement;
- (b) Nominated individuals must have:
 - (i) previously held a similar position;
 - (ii) significant energy sector experience; and
 - (iii) an understanding of how authorities operate.
- (c) The Hub Board shall convene a meeting to deliberate and prepare a shortlist of three (3) nominees to interview, no less than ten (10) days after the close of the public advert.
- (d) The Hub Board shall then select a panel of no less than five (5) Representatives (the “**Interview Panel**”) to interview the shortlisted nominees
- (e) The appointment of the Chairman shall be made by the unanimous decision of the Interview Panel.
- (f) The position of Chairman shall be reviewed annually.
- (g) The Chair will be a non-voting member of the Hub Board, other than in the event of a tied vote.
- (h) The Hub Board shall appoint a vice chair from amongst its membership.

5.2.2. Representation in meetings:

- (a) A Representative of each Party should be present at meetings of the Hub Board;

- (b) Each Representative may appoint a substitute or proxy to attend and vote at any meeting;
- (c) Each LEP Board, or CEO if there is appropriate delegated authority, is required to approve its representative and substitute, and acknowledge that they both have the authority to make decisions on behalf of their LEP;
- (d) Each Representative shall participate in a cooperative manner in the meetings;
- (e) BEIS shall be invited to attend Hub Board meetings.

5.2.3. Convening meetings:

- (a) The Chairman of the Hub Board shall:
 - (i) authorise and approve a relevant schedule of business for the Hub Board;
 - (ii) convene meetings of the Hub Board on a frequency no more than six (6) weeks apart;
 - (iii) give notice in writing to each Representative no later than ten (10) working days prior to any such meeting; and
 - (iv) prepare and send each Representative a written agenda no later than five (5) working days prior to any meeting.
- (b) Meetings of the Hub Board may be held:
 - (i) face to face in various locations that are geographically accessible to the Parties; or
 - (ii) by teleconference or another telecommunication means where it is not possible to meet face to face.

5.2.4. Minutes of Meetings:

- (a) The Chairman of the Hub Board shall ensure written minutes of each meeting produced, which shall be the formal record of all decisions taken.
- (b) The Chairman of the Hub Board shall ensure that the draft minutes of each meeting are sent to all Representatives within five (5) working days of each meeting;
- (c) Draft minutes will be accepted as final at the subsequent Board meeting.
- (d) Objections lodged with the Chairman should be considered and actioned at the following Board meeting.
- (e) Provided that (a) no objection has been raised; and (b) no information

contained in the minutes would be deemed exempt information under Schedule 12A of the Local Government Act 1972, the minutes of each Hub Board meeting shall be published on the Hub's website, www.energyhub.org.uk within five (5) working days of them being accepted.

5.2.5. Decisions:

- (a) The Hub Board shall be free to act on its own initiative to formulate proposals and take decisions in accordance with the procedures set out herein.

5.2.6. Voting:

- (a) The Hub Board shall not deliberate and decide validly unless at least seven (7) Representatives are present or represented ("**Quorum**");
- (b) Each LEP Representative present or represented in a meeting shall have one (1) vote.
- (c) Decisions taken shall require a majority of the votes cast of those attending;
- (d) In the event of a tied vote, the Chairman shall have the deciding vote

6. RESPONSIBILITIES OF THE HUB BOARD

6.1. The Hub Board shall have the authority to make decisions in relation to the proposed deployment of the Grant.

6.2. The Hub Board shall:

- (a) provide overall strategic direction for the allocation of Grant and leverage of Funds;
- (b) provide direction and support in relation to the development, delivery and implementation of Energy Hub funded activities;
- (c) promote the Energy Hub and the available support within the Greater South-East LEPs and their constituent local authorities, businesses and higher education research base;
- (d) provide recommendations to CPCA with regard to the staffing structure of the Operational Team in consultation with the Regional Hub Manager and Section 73 officer of CPCA;
- (e) approve the criteria for selection/prioritisation of pipeline projects;
- (f) make decisions based on the scrutiny of individual project support proposals (approve allocation of technical/consultancy project support);
- (g) approve bids to BEIS for tools to support capability building; and
- (h) utilise existing CPCA governance structures to deliver the RCEF scheme;

- (i) make final decisions for allocations of the RCEF scheme (through the Hub Board or subordinate group thereof);
- (j) comply with the Assurance Framework.

6.3. The Hub Board shall ensure that the Energy Hub has:

- (a) a suitable financial model;
- (b) appropriate delegated authority and agreed financial thresholds;
- (c) the appropriate strategic direction in accordance with the MOU;
- (d) robust frameworks for the operation of the Hub;
- (e) monitor and evaluate progress against the objectives defined in the MOU;
- (f) an agreed communication strategy; and
- (g) clear plans for self-sustainability by the Exit Date.

6.4. The Hub Board shall act in an advisory capacity to the Accountable Body in relation to Section 31 of the Financial, Services and Markets Act 2000. All decisions concerning financial models or that have a financial impact will be undertaken by the Hub Board in consultation with the Section 73 officer.

6.5. The Hub Board shall be required to approve:

- 6.5.1. the allocation of financial resources by the CPCA, for project feasibility studies and the Hub Team;
- 6.5.2. the allocation of RCEF Grants;
- 6.5.3. decisions made regarding the allocation of any future funding delegated to the Hub.

7. LIMITATIONS OF LIABILITY

7.1. The Parties acknowledge and agree that the Hub Board shall not be liable for any decisions made under this Agreement.

8. FINANCIAL PROVISIONS

8.1. The CPCA Section 73 officer shall be solely responsible for the Energy Hub Grant with respect to compliance with the Section 31 grant agreement.

8.2. ***Distribution of Funds*** - the financial contribution of BEIS shall be distributed by the Accountable Body, with the approval of the Hub Board. For the avoidance of doubt, the expectation is that the Accountable Body shall have made commitments to spend the Grant by no later than **31 March 2020**.

8.3. ***Justifying Costs*** – In accordance with its own usual accounting and management principles and practices, each project shall be solely responsible for justifying its costs with respect to the feasibility studies prepared for consideration by the Hub Board. No Party shall be in any

way liable or responsible for such justification of costs towards the CPCA.

Notwithstanding the foregoing, the Consortium, local authorities and other organisations shall be permitted to make financial contributions to Accountable Body to augment or extend the duration of the services offered by the Energy Hub provided always that the Accountable Body does not profit in any way whatsoever from the use of the Grant

- 8.4. In the event the Funds are not used in their entirety to achieve the objectives set out in the MOU between BEIS and the CPCA - the CPCA shall enter into discussions with BEIS to reach agreement on how best to utilise the underspend in line with the objectives agreed under the MOU, and if agreement cannot be reached, the CPCA shall repay the unspent Funds to BEIS
- 8.5. **Record Keeping** – the Accountable Body shall, in accordance with the MOU, keep all records relating to any spend funded by the Funds for a period of ten (10) years from the Effective Date
- 8.6. **State Aid** - the Accountable Body shall ensure that use of the Funds is in compliance with all State aid rules
- 8.7. **Procurement** - the Hub Board shall ensure that in delivering the Projects, the Energy Hub is compliant with all relevant requirements of law relating to public procurement

9. OBLIGATIONS OF PARTIES

9.1. Each Party agrees:

- 9.1.1. to use all reasonable efforts towards the successful operating of the Consortium and at all times to conduct itself in a fair and proper manner in all transactions of any nature effecting the Consortium;
- 9.1.2. to use all reasonable efforts to comply with the commitments and principles set out in the MOU, thereby enabling the Accountable Body to fulfil its obligations under the MOU;
- 9.1.3. not to disclose Confidential Information to any third party without the prior written consent of all the other Parties; for the avoidance of doubt and for the purposes of this Agreement, consultants shall not be deemed as third parties but must be bound by obligations of confidentiality at least as restrictive as the ones contained herein;
- 9.1.4. that no other members will be added to the Consortium without the express prior written approval of all of the Parties;
- 9.1.5. to keep proper records of all business transacted by or on behalf of the Consortium;
- 9.1.6. to comply with all regulations, professional standards and other provisions about the conduct of the Consortium's business generally, including any directions made from time to time by the Hub Board.

10. ENTIRE AGREEMENT

- 10.1. This Agreement contains the whole agreement between the Parties relating to its subject matter and supersedes all prior discussions, arrangements or agreements that might have taken place in relation to this Agreement. Nothing in this clause limits or excludes any liability for fraud or fraudulent misrepresentation.
- 10.2. Each Party acknowledges that in entering into this Agreement it does not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Agreement.

11. VARIATION

- 11.1. No variation to this Agreement will be valid or binding unless it is recorded in writing and signed by or on behalf of each of the Parties.

12. NOTICES

- 12.1. Any notice given to a Party under or in connection with this Agreement shall be in writing and shall be delivered by hand or by pre-paid first-class post or other next working day delivery service at that Party's address as set out at the beginning of this Agreement. The notice must be addressed to the Party's most senior official.
- 12.2. Any notice shall be deemed to have been received:
 - 12.2.1. if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the proper address; and
 - 12.2.2. if sent by pre-paid first-class post or other next working day delivery service, at 9.00 am on the second (2nd) working day after posting or at the time recorded by the delivery service.
- 12.3. A notice given under this Agreement is not valid if sent by e-mail or fax.

13. THIRD PARTY RIGHTS

- 13.1. The Contracts (Rights of Third Parties) Act 1999 shall not apply to this Agreement and no third party will have any right to enforce or rely on any provision of this Agreement.

14. MISCELLANEOUS

- 14.1. **Data Sharing** - the Parties must comply with all applicable requirements of Data Protection Legislation, when sharing data about the Energy Hub internally, with each other or BEIS.
- 14.2. **Redundancy Liability** – in the event of any Hub Employees being made redundant for whatever reason, the CPCA as the Accountable Body and as the employer of the Hub Team shall be liable to make redundancy payments from the Grant, where such Hub employees fulfil all the criteria required by the Statutory Redundancy Payments scheme.

15. GOVERNING LAW AND JURISDICTION

- 15.1. This Agreement shall be governed by and interpreted in accordance with the laws of England

and Wales.

15.2. All disputes arising under or in connection with this Agreement shall be subject to the exclusive jurisdiction of the courts of England and Wales.

16. COUNTERPARTS

16.1. This Agreement may be executed in several counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY

Signature:

Date:

Name:

Title:

BUCKINGHAMSHIRE THAMES VALLEY LOCAL ENTERPRISE PARTNERSHIP

Signature:

Date:

Name:

Title:

COAST TO CAPITAL LOCAL ENTERPRISE PARTNERSHIP

Signature:

Date:

Name:

Title:

ENTERPRISE M3 LIMITED

Signature:

Date:

Name:

Title:

HERTFORDSHIRE LOCAL ENTERPRISE PARTNERSHIP

Signature:

Date:

Name:

Title:

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP

Signature:

Date:

Name:

Title:

OXFORDSHIRE LOCAL ENTERPSIRE PARTNERSHIP

Signature:

Date:

Name:

Title:

LONDON ECONOMIC ACTION PARTNERSHIP

Signature:

Date:

Name:

Title:

ESSEX COUNTY COUNCIL

Signature:

Date:

Name:

Title:

SOUTH EAST MIDLANDS LOCAL ENTERPRISE PARTNERSHIP

Signature:

Date:

Name:

Title:

THAMES VALLEY BERKSHIRE LOCAL ENTERPRISE PARTNERHIP

Signature:

Date:

Name:

Title:

SCHEDULE 1

ENERGY HUB ORGANISATIONAL STRUCTURE

To be added in final draft

SCHEDULE 2

HUB BOARD MEMBERS

LEP Area	Primary	Deputy
Buckinghamshire Thames Valley	Ed Barlow	Ian Barham
Coast to Capital	Matthew Wragg	t.b.c.
Enterprise M3	Jennie Pell	Rachel Barker
Cambridgeshire & Peterborough	Domenico Cirillo	Sheryl French
Hertfordshire	Andy Lee	Paul Witcombe
New Anglia	Lisa Roberts	Ellen Goodwin
Oxfordshire	Victoria Fletcher	Sarah Gilbert
Greater London	Rachel Cary	Jon Buick
South East	Jo Simmons	Carolyn McKenzie
South East Midlands	Claire Ackroyd	Arthur Le Geyt
Thames Valley Berkshire	Ben Burfoot	t.b.c.
Cambridgeshire & Peterborough (Accountable Body - non-voting)	Robert Emery	

SCHEDULE 3

HUB BOARD TERMS OF REFERENCE

To be added in final version

SCHEDULE 4

HUB EMPLOYEES & ROLES

- **Regional Hub Manager** - principal Energy Hub ambassador, operational lead and line manager for the other seven staff.
- **Four (4) Energy Projects Managers** - project identification, stakeholder engagement and project delivery readiness key account managers who will each cover an approximate area equivalent to four counties plus all will cover Greater London.
- **Data and Information Manager** - principal responsibility for setting up, maintaining and providing analysis on systems that contain energy data, stakeholder information, related project summaries, funding options and key sector specific organisations. Key technical researcher for the Hub; responsible for GDPR.
- **Hub Support Co-ordinator** – administrative/operational manager for the Energy Hub; first point of contact via telephone, email and website for new contacts; responsible for the communications plan, meetings, events, workshops and seminars.
- **Funding Manager** - assessor of potential projects for funding viability, securer of funding streams, researcher of innovative funding solutions for projects and groups thereof.
- **Rural Community Energy Fund Manager** – principal responsible for the administration and management of the RCEF fund, providing the community engagement function, project development and management.

SCHEDULE 5

- 1) MEMORANDUM OF UNDERSTANDING BETWEEN BEIS & THE CPCA**
- 2) VARIATION TO MEMORANDUM OF UNDERSTANDING BETWEEN BEIS & THE CPCA**
- 3) MEMORANDUM OF UNDERSTANDING BETWEEN BEIS & THE CPCA (RECF)**

To be added in final draft

SCHEDULE 6

CPCA ASSURANCE FRAMEWORK

GSE ENERGY HUB PROJECT ASSESSMENT FRAMEWORK

STAGE 1: Project Planning & Development

Strategic Project Identification & Development

The Local Energy Strategies set the strategic direction for the respective LEPs and provide the basis for identifying, developing and prioritising local energy investment in the region. The Hub will develop a project pipeline aligned with these strategies and the objectives set by BEIS, the funding body for the Hub.

The objectives of the Hub are to:

- Increase number, quality and scale of local energy projects being delivered
- Raise local awareness of opportunity for and benefits of local energy investment
- Enable local areas to attract private and/or public finance for energy projects
- Identify working model for teams to be financially self-sustaining after first two years

The operational team will identify and prioritise local energy projects for support, undertake initial stages of development for priority projects and programmes and take a collaborative and coordinated approach across multiple LEPs.

This Programme will play an important role in delivering aspirations for sustainable and low carbon energy outlined within the Energy Strategies, Strategic Economic Plans and Local Industrial Strategies of the [no. of] LEP areas across the GSE Energy Hub and through the Hubs direct contact with stakeholders.

The GSE Energy Hub Board will prioritise projects that demonstrate:

- Strategic benefit across the Hub area
- clear strategic fit to LEP plans and objectives
- achievement of a balance of breadth of projects
- achievement of a balance of risk (routine/ambitious)
- clear additionality and not duplicating, competing with or replacing existing initiatives
- contribution toward the Hub KPIs including value of projects, funding secured, energy saved/generated, carbon saved, increased GVA, new jobs and skills
- deliverability
- consideration of ability to contribute financially, where appropriate, to support long term sustainability of the Energy Hub
- an acceptable risk register/profile

Each individual partner LEP and the Energy Hub Delivery Team is responsible for overseeing the identification and development of strategically important projects over a 2 year programming period.

Processes

Pipeline Development

Potential projects will be identified through Local Energy Strategies, partner LEPs and direct contact with stakeholders. Project information will be collated and sent to the Energy Hub.

First Sift

Project Review: All projects will go through an initial sifting process, being assessed to check whether they meet the minimum criteria:

- **Strategic fit** – the objectives and impacts need to be aligned with the LEPs Local Energy Strategies, Strategic Economic Plans and/or Local Industrial Strategies.
- **Resource Required** – the type of support or resource required from the Hub is aligned with project type and stage and available Hub resource. Requests for support from the Hub can include human resource and technical support funding.
- **Financial Requirement & Funding Sources** – Details of funding sources identified for the project. Where projects are stalled due to lack of resource or technical expertise to deliver, the project promoter should demonstrate senior officer support for the project.
- **Deliverability** - The project should be affordable and deliverable within a clearly defined timescale.

The initial sifting process will be undertaken by the Hub's Energy Project Managers. Any projects that do not have strategic fit and perform poorly against the criteria will not be taken further, with feedback being given to the project promoter. Projects meeting the minimum criteria does not guarantee that Hub support will be approved.

Projects that meet the minimum criteria will be allocated to the project pipeline relating to the type of project, project stage, timescale and type of resource required. Energy Project Managers will identify clear opportunities for collaborative projects, where opportunities are identified these projects will be developed into a draft thematic programme for the GSE Hub region. Synergies will then be assessed with the other four Energy Hubs at a national level, with the objective of maximising effective deployment of resources.

Strategic Prioritisation

This will include, but is not limited to:

- Alignment with Energy Strategies from multiple LEPs in the GSE region.
- Projects that are beyond the capacity of individual LEPs to deliver e.g. projects that are currently not economically viable, for example, due to technologies or business practices.
- Projects that demonstrate achievable benefits that are aligned with the Hub objectives.
- Projects that address common market failures, for example, where energy investment would unlock economic development opportunities.

Projects that require technical support (external consultancy) will be sent an Additional Information form. The Hub will endeavour to make resources available to assist with the compilation of information. Where opportunities have been identified to group projects with common needs and themes into programmes, the Hub team will work with project promoters to develop a potential Hub offer. The level of detail required will be proportionate to resources and funding required.

Technical Support Project Appraisal

Projects that are allocated to the project pipeline will be prioritised according to the Hub's Assessment Framework. This includes, but is not limited to:

Strategic Fit

- Clear strategic fit to LEP plans and objectives.
- Reflect common themes/challenges/opportunities from across the Hub region which could benefit multiple areas.
- A clearly identified challenge to delivery which the Hub can support the resolution of.

Deliverability

- A clear governance structure and delivery capacity.
- Sufficiently advanced to deliver in the relevant timeline.
- A clear case should be made for Hub support, identifying what barriers the Hub could help overcome. A business case will include a strategic case, economic case, commercial case, financial case and management & legal case.

- Senior commitment from the LEP/LA.
- An acceptable risk register/profile.
- State Aid compliant.

Additionality

- Hub intervention will improve the likelihood of delivery and/or the quality of the project.
- A clear process to achieve metrics and contribute to the Hub's Key Indicators.

Economic, Environmental & Social Benefits

- Demonstrating how impact will be maximised across LEP area, particularly in employment and economic growth as well as environmental impact and in other relevant aspects.
- Unlocking further investment and/or access to other funding streams.
- Provide Value for Money (carbon/energy).
- Drive demand for further economic, environmental and social objectives.
- Consideration of ability to repay funding, where appropriate.

Priority projects will be agreed with the Energy Hub Manager for further development.

Project Recommendations:

A report setting out the Hub's recommendations will be submitted to the Hub Board. The Hub Board will consider and recommend projects to be supported directly by the Hub and/or to enter subsequent due diligence. The Hub Board will also make recommendations for further action for projects that cannot be supported directly by the Hub but may be eligible for support from another delivery partner.

All projects recommended by the Hub are subject to the Hub's project appraisal and approval and procurement processes.

The Hub as delivery body takes responsibility for ensuring effective delivery including where subcontractor delivery bodies have been appointed.

The Hub Board reserves the right to decide not to include a project in the prioritisation process if key information is missing or it is not based on a robust set of assumptions.

Stage 2: Due Diligence & Project Approval

The Hub Board will consider the recommendations for both support to individual projects and collaborative commissions led by the Hub at six weekly Board.

Any decision made by the Hub Board which is made in contravention of the process will be invalid on the basis of non-compliance unless the Board has given prior approval for variation in the decision-making process.

Recommendations approved by the Hub Board that require due diligence will require the project promoter to complete a due diligence form, following satisfactory due diligence by the CPCA Section 73 officer and approval from the Hub Board the project will proceed to Funding Agreement.

Project Funding Agreement

Where technical funding support has been approved, decision plus conditions (if relevant) will be conveyed to the applicant through legal grant award letter issued by CPCA as Accountable Body.

The Hub will procure and sign off collaborative projects through CPCA as Accountable Body.

Stage 3: Delivery, Monitoring and Evaluation

Individual project managers will oversee project delivery, monitoring and evaluation. CPCA will oversee monitoring and evaluation of the GSE Energy Hub programme and report to relevant stakeholders as necessary.

The Hub Board will receive updates on progress and recommendations.

Stage 4: Project Closures

The Hub Board will receive and agree project closure reports.

CPCA will oversee Hub Board agreed project closure reports (financial and practical) provided by the Regional Hub Manager.

A programme evaluation will be performed towards at the end of the initial funded phase of the Energy Hub.

Governance

All project support enquiries, pro-forma support and casework is delivered through Energy Project Managers and support staff employed by CPCA. The EPMs are supported by the Regional Hub Manager.

The Regional Hub Manager will review projects, identify synergies and make recommendations to the Hub Board.

The Hub Board are the decision-making body for the approval (or otherwise) of recommendations made by the Regional Hub Manager.

Project approvals are only made through a majority decision by the Hub Board which comprises one representative from each LEP.

Due diligence of grant applicants is completed by the Hub and CPCA Section 73 Officer.

Requests for payment are submitted by the applicant/Hub as formal claim process, reviewed by the Hub and payment is approved by Section 73 Officer at CPCA.

Accountability

CPCA is the Accountable Body for the Hub.

CPCA provides the legal support to prepare suitable grant documentation for each approved project.

CPCA provides the procurement support to prepare suitable specifications for works commissioned directly by the Hub.

DRAFT GSE Energy Hub Project Assessment Framework

Project Stage	Steps	GSE Energy Hub Role
STAGE 1 Project Planning & Development	GSE Energy Hub Project Managers	First sift of project applications/pipeline to identify energy projects of interest to the GSE Energy Hub using the Decision Tree. This includes but is not limited to: <ul style="list-style-type: none"> Strategic fit with LEPs Energy and Economic or Industrial Strategies Resource requested meets the Hubs objectives and available resources Funding or finance identified or demonstration of senior management support Project delivery timeframe Projects that meet the minimum criteria will be added to the project pipeline spreadsheet. Projects that are not suitable will be given feedback and signposted to other sources of support.
	GSE Energy Hub Team	First sift, using decision tree, of low carbon projects that meet the minimum criteria to identify clear opportunities for collaboration and efficiencies of scale.
	Energy Hub Manager	Projects prioritised for internal Hub staff support will be approved by the Hub Manager and allocated a lead Energy Project Manager.
	Regional Energy Hub Leads	Where practicable, projects passing first sift process and identified as high potential for cross Hub collaboration and efficiencies will be discussed with Hub Leads to identify opportunity for collaboration over multiple Hubs.
	Energy Hub Manager	Projects that meet the minimum criteria and require technical support will be sent an additional information form for completion. This will include an indication of the type of support that may be expected from the Hub, for example where projects are identified for a collaborative approach the Hub is likely to commission consultancy on behalf of multiple projects.
	GSE Energy Hub Manager	Scoring of technical support projects using the GSE Assessment Framework. The GSE Energy Hub Programme Manager will consider and recommend projects to be supported directly by the GSE Energy Hub. The GSE Energy Hub Manager will also make recommendations for further action for projects that can not be supported directly by the GSE Energy Hub. <ul style="list-style-type: none"> Energy projects that are aligned with the Energy Strategies from multiple LEPs within the GSE Energy Hub Energy projects that demonstrate opportunity deliver [SMART] benefits Projects that are beyond the capacity of individual LEPs/LAs/private sector to develop e.g. due to resource constraints, lack of technical knowledge, funding gap Energy projects that address common market failures for example where energy investment would unlock economic development opportunities, or supports innovation
	GSE Energy Hub Board	The GSE Hub Board will consider and make decisions on the project recommendations of the GSE Energy Programme Manager.
STAGE 2: Due Diligence & Project Support Agreement	Due diligence	Project Managers will undertake due diligence of projects and owners to assess key challenges to development and likelihood of achieving a successful outcome
	Project Support Agreement in place. Project is able to proceed.	A standard Agreement will be used, reflecting specific project conditions to be signed by all parties. This will detail the support to be provided, timeline, requirements of each party, monitoring and process when support ends.
STAGE 3: Delivery, Monitoring and Evaluation	Monitoring includes claims and verification checks and progress update reports.	GSE Energy Hub delivery team will oversee project development, monitoring and evaluation.
	Monitoring includes claims and verification checks and progress update reports.	GSE Energy Hub Programme Manager will oversee day to day delivery of the Programme. Additional monitoring and evaluation of the GSE Energy Hub programme will be aligned to the approach used by Cambridge & Peterborough Combined Authority reporting to relevant stakeholders as necessary. A GSE Energy Hub Communications Plan will ensure key progress and delivery updates are given to stakeholders.
	GSE Energy Hub Board	Will receive updates on progress and recommendations
	GSE LEP Chairs	Will receive updates on progress and recommendations
STAGE 4: Project Closure	This includes closure on both financial and practical matters.	GSE Energy Hub will oversee both financial and practical closure of the current programme. A Programme Evaluation will be performed at the end of the project.

DRAFT GSE Energy Hub Project Assessment Framework

		In order to effectively evaluate the GSE Energy Hub programme, an initial baseline will be developed.
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THE BUSINESS BOARD

BUSINESS BOARD	AGENDA ITEM No: 3.3
28TH MAY 2019	PUBLIC REPORT

ASSURANCE FRAMEWORK

1.0 PURPOSE

- 1.1. The report asks the Business Board to approve a revised single Assurance Framework following the Ministry of Housing, Communities & Local Government's revised National Local Growth Assurance Framework for Mayoral Combined Authorities with a Single Pot and Local Enterprise Partnerships.

<u>DECISION REQUIRED</u>	
Lead Member:	Chair of Business Board
Lead Officer:	Kim Sawyer, Interim Chief Executive
Forward Plan Ref: N/A	Key Decision: No
<p>The Business Board is recommended to:</p> <p>Agree the revised single Assurance Framework, which is in line with the Ministry of Housing, Communities & Local Government's revised National Local Growth Assurance Framework for Mayoral Combined Authorities with a Single Pot and Local Enterprise Partnerships. (Appendix 1 - amendments highlighted in bold)</p>	<p>Voting arrangements</p> <p>Simple Majority of All Members</p>

2.0 BACKGROUND

- 2.1. In July 2014, the Government negotiated a Growth Deal with all 39 Local Enterprise Partnerships (LEPs), which awarded a significant proportion of the £12 billion Local Growth Fund to LEPs.
- 2.2. Government produced a National Assurance Framework to ensure that every Local Enterprise Partnership had in place the necessary systems and processes to manage the delegated funding from Central Government budgets effectively.
- 2.3. Each LEP then created a Local Assurance Framework which documented practices and standards which are necessary to provide Government and local partners with assurance that decisions over funding are proper, transparent, and deliver value for money.
- 2.4. Each LEP is required to review, refresh and sign off its Local Assurance Framework as the requirements set out in this Framework will be incorporated as a condition of funding in future Growth Deal grant offer letters.
- 2.5. LEPs must submit a letter from their relevant Section 73 Officer to MHCLG's Accounting Officer by 28 February each year, certifying that the LEPs Local Assurance Framework has been agreed, is being implemented and meets the revised standards set out in the National Assurance Framework.
- 2.6. The Greater Cambridge Greater Peterborough (GCGP) LEP's Assurance Framework was signed off as compliant by its old Accountable Body, Cambridgeshire County Council on the 28 February 2018.
- 2.7. To ensure that the Business Board was fully compliant with Government requirements, the Business Board on 24 September 2018 approved an interim Assurance Framework based on the previous GCGP LEP's agreed framework as the Government was due to publish revised guidance for Mayoral Authorities with a local enterprise partnership.
- 2.8. The Ministry of Housing, Communities & Local Government published revised Assurance Framework guidelines for Mayoral Combined Authorities in January 2019.
- 2.9. A single Assurance Framework for both the Business Board and the Cambridgeshire and Peterborough Combined Authority has been developed in line with the revised Government guidance. Previously both entities had separate Assurance Frameworks. The single Assurance Framework was agreed by the Business Board and the Combined Authority in March 2019. The Boards were advised that final checks needed to be made against the Government guidance and an updated Assurance Framework would be submitted to this meeting. The revised version is attached at **Appendix 1** and the changes are highlighted in bold.

2.10. By creating a single Assurance Framework, we will have a robust, singular framework that brings cohesion to the work of the single Officer team, ensuring clarity, transparency and openness for Government, partners and members of the public around our governance and compliance processes, and a singular approach to the recommendation and decision-making processes of both Boards.

2.11. The new Assurance Framework meets the criteria set out in the revised guidance.

3.0 FINANCIAL IMPLICATIONS

3.1. All of the work has been carried out in-house, therefore there are no significant financial implications to this activity.

4.0 LEGAL IMPLICATIONS

4.1. The approval of this document will ensure the Business Board is compliant with the requirements of Government.

5.0 APPENDICES

5.1. **Appendix 1** – Assurance Framework

<u>Source Documents</u>	<u>Location</u>
Business Board Assurance Framework - Business Board Meeting Minutes 24 September 2018	http://cambridgeshirepeterborough-ca.gov.uk/business-board/meetings/business-board-meeting-24th-september-2018/?date=2018-09-24
Revised National Local Growth Assurance Framework - Guidelines for Mayoral Combined Authorities with a Single Pot and Local Enterprise Partnerships	https://www.gov.uk/government/publications/national-local-growth-assurance-framework



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY



THE BUSINESS BOARD

Cambridgeshire and Peterborough Combined Authority Assurance Framework

March 2019

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Document verification:

Created:	Reviewed by:	Approved by:
March 2019	Chief Executive, S73 Officer and Directors	Business Board Combined Authority Board Audit and Governance Committee
May 2019	Chief Executive, S73 Officer and Directors	Business Board Combined Authority Board

Version number:	2
File location:	Internal folder

1. Purpose of the Assurance Framework

1.1 Purpose

1.1.1. The Assurance Framework sets out:

- (a) How the seven principles of public life shape the culture within the Combined Authority in undertaking its roles and responsibilities in relation to the use and administration of the Cambridgeshire and Peterborough Investment, incorporating the Single Pot funding. This culture is developed and underpinned by processes, practices and procedures.
- (b) The respective roles and responsibilities of the Combined Authority, the Local Enterprise Partnership and the Section 73 Officer, in decision-making and ways of working is set out in the terms of reference of the Business Board and forms part of the Combined Authority and the Local Enterprise Partnership constitutions.
- (c) The key processes for ensuring accountability, including public engagement, probity, transparency, legal compliance and value for money.
- (d) How potential investments to be funded through the Cambridgeshire and Peterborough Medium Term Financial Plan, incorporating the Single Pot, will be appraised, prioritised, approved, signed off and delivered.
- (e) The processes for oversight of projects, programmes and portfolios and how the progress and impacts of these investments will be monitored and evaluated.

1.1.2. The Assurance Framework sits alongside a number of other Cambridgeshire and Peterborough Combined Authority documents including:

- the Constitution of the Mayoral Combined Authority;
<http://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/Final-Constitution-Sept18.pdf>
- the Constitution of the Business Board (Local Enterprise Partnership);
<http://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/Business-Board-Constitution-24-09-18-final.pdf>
- Cambridgeshire and Peterborough Devolution Deal
<http://cambridgeshirepeterborough-ca.gov.uk/home/devolution/>
- the Cambridgeshire and Peterborough Independent Economic Review (CPIER); www.cpier.org.uk
- the Mayor's growth ambition statement;
<http://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/GROWTH-AMBITION-STATEMENT-.pdf>
- the Cambridgeshire and Peterborough Business Plan 2019-2020;
<http://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/CPCA-Business-Plan-2019-20-dps.pdf>

- the Monitoring and Evaluation Framework;
<http://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/ME-Framework-Mar-2019.pdf>
 - the Combined Authority Medium-Term Financial Plan 2019-2023.
<http://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/2019-20-Budget-and-Medium-Term-Financial-Plan-2019-2023-FINAL.pdf>
- 1.1.3. All these documents can be found on the Combined Authority and Business Board websites under
<http://cambridgeshirepeterborough-ca.gov.uk/about-us>
<http://cambridgeshirepeterborough-ca.gov.uk/business-board/governance/>
- 1.1.4. This Assurance Framework replaces the last published Assurance Framework and takes on board the national guidance published by the Ministry of Housing, Communities and Local Government for National Local Growth Assurance Framework (January 2019).
- 1.1.5. The Assurance Framework covers all funds within the Cambridgeshire and Peterborough Medium Term Financial Plan, incorporating the Single Pot under the Cambridgeshire and Peterborough Devolution Deal agreed with government, and funds added to the Single Pot since the Devolution Deal, together with other sources of income such as Enterprise Zone business rates and loan repayments.
- 1.1.6. The Assurance Framework will be reviewed on an annual basis with any revisions in place for April of the following year. Any agreed changes that require amendments to the Combined Authority Constitution will be agreed at the Combined Authority AGM in May each year. The next annual review of this document will take place in December 2019.
- 1.1.7. The review will examine whether the assurance processes are operating effectively and identify any areas of improvement. Any changes to legal, funding, or other contextual changes that might require a change of assurance process will be taken into account, along with the impact on any other Combined Authority key strategies, policies or processes.
- 1.1.8. The remainder of this document is structured around the following sections:
- **Section 2** describes the Cambridgeshire and Peterborough CPIER and the Mayor's growth ambition statement, our One Year Business Plan 2019-2020 and clarifies the content of Cambridgeshire and Peterborough Medium Term Financial Plan and the role of the Assurance Framework.
 - **Section 3** describes the accountability and transparent decision-making processes and practices that we operate and the roles and responsibilities within it.
 - **Section 4** describes the supporting policies and procedures.
 - **Section 5** describes how we make robust and evidenced decisions.
 - **Section 6** explains the processes once programmes and projects are in the delivery phase.
 - **Section 7** explains how we will measure the success of our investments, realise the benefits of that investment and feed the evaluation outcomes

back into the investment planning, and strategy and policy development processes.

2. Cambridgeshire and Peterborough Independent Economic Review, Mayor's Growth Ambition Statement and Business Plan 2019-2020

2.1 Cambridgeshire and Peterborough Growth Ambition Statement and Local Industrial Strategy

- 2.1.1. The Cambridgeshire and Peterborough Growth Ambition Statement sets out the area's priorities for achieving ambitious levels of inclusive growth and meeting the commitments of the Devolution Deal. The Statement has been adopted by the Combined Authority Board (November 2018) and is based upon the significant work of the Cambridgeshire and Peterborough Independent Economic Review (CPIER).
- 2.1.2. The CPIER was commissioned by the Combined Authority and other local partners to provide a world-class evidence base, alongside independent and expert analysis, to inform future strategies and investment. It was also informed by two rounds of open public consultation. The CPIER is publicly available at www.cpier.org.uk.
- 2.1.3. The Local Industrial Strategy sets out the economic strategy for Cambridgeshire and Peterborough, taking a lead role in implementing the business growth, productivity, and skills elements of the Growth Ambition Statement as set out below:



- 2.1.4. The Local Industrial Strategy is focussed around the five foundations of productivity established in the UK Industrial Strategy 2018, namely:
- People
 - Ideas
 - Business Environment
 - Infrastructure
 - Place
- 2.1.5. It is a core principle of the Local Industrial Strategy that the fifth foundation of place reflects the findings of the CPIER. In this area there will be economic

strategies which respond to the three sub-economies identified in the region.

- Greater Cambridge
- Greater Peterborough
- The Fens

2.1.6. Investments will only be made if they can demonstrate that they will support the delivery of the Growth Ambition Statement and the Local Industrial Strategy, and the more detailed place and sector strategies (where they are in place).

2.2 Cambridgeshire and Peterborough Business Plan 2019-2020

2.2.1. With the creation of the Combined Authority in 2017 and the Mayoral election in May 2017, the Devolution Deal with Government provides for the transfer of significant powers for transport, housing, skills and investment. Through the deal, the Combined Authority has the power to create investment, bringing together funding for devolved powers to be used to deliver a 30-year programme of transformational investment in the region. This includes the control of a new £20m a year funding allocation over 30 years. The initial Cambridgeshire and Peterborough Combined Authority Business Plan was agreed in March 2018 and set out the investment priorities for the period to 2020.

2.2.2. The Combined Authority has been developing its detailed strategies for key areas of activity including:

- Housing Strategy
- Local Industrial Strategy
- Local Transport Plan
- Non-statutory spatial plan

2.2.3. The Combined Authority has 12 priority programmes based upon the CPIER objectives and the strategies highlighted above. These 12 priority programmes are reflected in the Business Plan. On 30th January 2019 the Cambridgeshire and Peterborough Combined Authority Board approved a four-year Medium-Term Financial Plan that forms the investment plan for the Combined Authority. This allocates resources to deliver the next stages of these priority programmes.

2.2.4. This Business Plan and the Medium-Term Financial Plan sets out at a high level the transformational investments that the Cambridgeshire and Peterborough Combined Authority will commit resources to, subject to the detailed consideration and appraisal of project business cases. Some are project ideas at an early stage and might not be feasible, others are further advanced. The Business Plan and the Medium-Term Financial Plan are not intended to be an exhaustive list of activity as new opportunities will arise during the period, but it identifies the key activities that are transformational and will need investment during the plan period to unlock the opportunities they could bring. Prioritisation has been undertaken to ensure that our investment goes into projects that will unlock transformational anchor projects that will have a significant impact on growing the whole Cambridgeshire and Peterborough economy.

- 2.2.5. The Combined Authority has a Programme Management regime that reviews the status and performance of projects within the Business Plan. This is reported to the Directors once a month, and to the Cambridgeshire and Peterborough Combined Authority Board quarterly.

2.3 Cambridgeshire and Peterborough Financial Strategy

- 2.3.1. As part of the devolution deal, the Combined Authority has responsibility for a 'Single Pot' of funding, including:
- Gainshare (the devolution deal £20m pa for 30 years).
 - Housing Capital Grant (£170m over five years).
 - Local Growth Fund (LGF).
 - Transforming Cities Fund (TCF) (£94.5m over six years).
 - Adult Education Budget (AEB).
- 2.3.2. However, the Combined Authority also has other sources of income, including Enterprise Zone business rates and investment income. The long-term security of the gainshare funds and other income and the devolution deal powers for the Combined Authority means that it is able to borrow against future funds, to enable us to deliver transformational activity sooner rather than delivering smaller scale and less impactful activities based on a smaller annual allocation. This area of activity is incorporated into a Treasury Management Strategy that is overseen by Audit and Governance Committee. Borrowing is not factored into the current four-year plan, but this may change as the feasibility work identified firms up project delivery programmes.
- 2.3.3. The Combined Authority does not distinguish between the different sources of funding for the purpose of investment planning, other than recognising that some sources of funding are restricted in what they can be used for. All funds are within the Cambridgeshire and Peterborough Medium Term Financial Plan not just the funds provided through the devolution deal and are covered within this Assurance Framework.
- 2.3.4. The Combined Authority recognises that the monitoring requirements for different sources of funding will differ and needs to meet the requirements of the funding body. However, the Combined Authority applies the Assurance Framework consistently across all funds within the Plan. The Assurance Framework clearly identifies the processes for securing funds for investment in Cambridgeshire and Peterborough and the requirements placed on delivery partners once their projects have been approved.
- 2.3.5. This means that any organisation seeking funding from the Combined Authority does not need to concern itself with the source of the funding and different rules and processes that will apply. These will be identified in the funding agreement/contract with the delivery partner.

3. Accountability and Transparent Decision Making

3.1 Roles and Responsibilities

- 3.1.1. Members of the Combined Authority are expected to act in the interests of the Cambridgeshire and Peterborough area, as a whole, when making investment decisions. A variety of controls are in place to ensure that decisions are appropriate and free from bias or perception of bias. Further details are provided in the following sections.

3.2 Cambridgeshire and Peterborough Combined Authority

- 3.2.1. The Combined Authority was established to further the sustainable and inclusive growth of the economy of Cambridgeshire and Peterborough. As a statutory local authority our governance, decision-making and financial arrangements are in line with local authority requirements and standard checks and balances.
- 3.2.2. The Combined Authority was established in 2017 with the Mayoral election held in May 2017.
- 3.2.3. For the purposes of this document all references to the Combined Authority apply to the Cambridgeshire and Peterborough Local Enterprise Partnership (known as the Business Board) unless explicitly referred to separately.
- 3.2.4. The Combined Authority therefore incorporates the role and responsibilities of the Business Board and the roles defined in the devolution deal and the administration of the Adult Education Budget.
- 3.2.5. The Combined Authority is its own accountable **body for funding received from Government through the devolution deal and provides the accountable body role for the Business Board and the Greater South East Local Energy Hub and employs the officers that support them.**

Combined Authority Membership

- 3.2.6. The Combined Authority membership is as follows:

Mayor (Chair) - voting

Leaders of the seven constituent local authorities:

- Cambridge City Council - voting
- Cambridgeshire County Council - voting
- East Cambridgeshire District Council - voting
- Fenland District Council - voting
- Huntingdonshire District Council - voting
- Peterborough City Council - voting
- South Cambridgeshire District Council - voting
- Local Enterprise Partnership Chair - voting
- The Police and Crime Commissioner for Cambridgeshire - non-voting
- Cambridgeshire and Peterborough Fire Authority representative - non-voting
- Clinical Commissioning Group representative - non-voting

Role of the Mayor

- 3.2.7. The Constitution provides for a directly elected Mayor of Cambridgeshire and Peterborough, required by government as a precondition for meaningful devolution, and who is the chair of the Combined Authority. The Mayoral arrangements will only gain the confidence of the electorate if they secure support from across our diverse communities, meet the highest standards of democratic accountability and are subject to robust checks and balances.
- 3.2.8. The Mayor chairs the Combined Authority Board which is made up of the leaders of the seven constituent authorities and the Chair of the Business Board, who together form the Combined Authority's decision-making body (voting members of Board), together with other non-voting partners set out above.
- 3.2.9. The Constitution sets out arrangements to ensure the effective conduct of the Combined Authority's business in this spirit of collaboration, mutual respect and transparency. All members strive to work on the basis of consensus, taking decisions through agreement.
- 3.2.10. The Mayor's term of office is for four years with the next election in May 2021.

Role of the Local Authority Leaders

- 3.2.11. Leadership of the Combined Authority is driven by the Mayor and the local authority leaders. The local authority leaders represent the views of their constituent authorities at the Combined Authority Board whilst putting the needs and opportunities of Cambridgeshire and Peterborough at the forefront of all decisions. In addition, they may take a portfolio lead covering the growth themes within the CPIER and the Mayor's growth ambition statement and the Cambridgeshire and Peterborough Investment Plan. These portfolio lead roles are reviewed annually and are confirmed at the Combined Authority AGM.

3.3 Business Board (LEP)

- 3.3.1. Local Enterprise Partnerships (LEPs) are private sector led voluntary partnerships between local authorities and businesses set up in 2010 by the Department of Business Innovation and Skills to help determine local economic priorities and lead economic growth and job creation within the local area.
- 3.3.2. The Business Board is a non-statutory body which is the Local Enterprise Partnership for this area. It is independent of the Cambridgeshire & Peterborough Combined Authority (CPCA) operating as a private-public sector partnership, focusing on the key business sectors to provide strategic leadership and drive growth in the Cambridgeshire and Peterborough and wider Local Enterprise area.
- 3.3.3. The Business Board is committed to transparent and accountable decision-making processes. By bringing together the Business Board and the Combined Authority we combine the best of private sector expertise and public sector knowledge, transparency and accountability.
- 3.3.4. Cambridgeshire and Peterborough has three functioning economic areas. The Business Board was established on 1st April 2018, taking over from the former Greater Cambridge Greater Peterborough Local Enterprise Partnership, to drive forward economic growth across its local area. The Business Board is now responsible for all former Local Enterprise Partnership projects and programmes.

3.3.5. The Business Board currently covers 15 local authorities; however, the current geographical area is under review. The Department for Business Enterprise and Industry are considering proposals for a coterminous boundary with the Cambridgeshire and Peterborough Combined Authority. The authorities that are current members are as below:

District	Areas	Council
Cambridgeshire		Cambridgeshire County Council
Cambridge		Cambridge City Council
East Cambridgeshire	Ely, Littleport and Soham	East Cambs District Council
Fenland	Wisbech, March, Whittlesey & Chatteris	Fenland District Council
Huntingdonshire	Huntingdon, St Ives & St Neots	Huntingdonshire District Council
South Cambridgeshire	Cambourne	South Cambs District Council
Peterborough		Peterborough City Council
North Hertfordshire	Royston	North Hertfordshire District Council
South Kesteven (Lincs)	Grantham, Stamford, Bourne and Market Deeping	South Kesteven District Council
Rutland	Oakham	Rutland County Council
West Suffolk	Bury St Edmunds, Haverhill, Newmarket and Mildenhall	West Suffolk Council
St Edmundsbury (W-Suffolk)	Bury St Edmunds and Haverhill	St Edmundsbury Borough Council
Forest Heath (W-Suffolk)	Newmarket & Mildenhall	Forest Heath District Council
Uttlesford (Essex)	Saffron Walden, Great Dunmow, Stansted, Mountfitchet and Thaxted	Uttlesford District Council
West Norfolk & King's Lynn	King's Lynn, Downham Market and Hunstanton	BC of King's Lynn and West Norfolk
South Holland (Lincs)	Spalding, Crowland, Donington, Holbeach, Long Sutton and Sutton Bridge	South Holland District Council

- 3.3.6. The Business Board's current area is set out below. The red line denotes the area covered by the Cambridgeshire and Peterborough Combined Authority:



- 3.3.7. The Business Board is the principal forum for collaboration between the public and private sectors, for improving the economy of Cambridgeshire and Peterborough. In 2014, the Government announced the first wave of Growth Deals, making investment via its Local Growth Fund. To date, the Business Board (via the former Local Enterprise Partnership) has been awarded £146m via three rounds of Growth Deal funding allocations.
- 3.3.8. In April 2016, the Government reviewed Growth Deal Assurance Frameworks in the context of new Devolution Deals and issued Single Pot Assurance Framework Guidance for devolved areas. In July 2016, Cambridgeshire and Peterborough secured a Devolution Deal and began work to set up a new Combined Authority. Therefore, this new Guidance came into effect for the Business Board area from that date. In November 2016, the Government issued revised national guidance for Local Enterprise Partnership Assurance Frameworks. The Cambridgeshire and Peterborough Combined Authority was formally established on 2 March 2017.
- 3.3.9. The Cambridgeshire and Peterborough Combined Authority acts as the Business Board's Accountable Body to undertake the public funding accountability responsibilities for administering funds and must also review and approve this Framework.
- 3.3.10. The Business Board provides leadership in the arena of economic growth across its area. Comprising business leaders from key industry sectors, it provides expert knowledge and insight into economic growth-related activities in its area and is leading the development of the Industrial Strategy.

- 3.3.11. The Business Board is building on the strength of its existing partnership with neighbouring Local Enterprise Partner's by collaborating on common issues and is currently leading on multi Local Enterprise Partnership programmes on Energy and Agri-Tech. It will continue to work collaboratively across the wider region and also envisages working more closely with other Local Enterprise Partners that are outside the current Local Enterprise Partnership area potentially through new collaborations and funding agreements.
- 3.3.12. The Business Board comprises a blend of industry leading experts from the private sector, alongside representatives from the public sector and education communities. It is chaired by a private sector representative and brings together some of the brightest entrepreneurial minds in our area.
- 3.3.13. The Chair and Vice Chair of the Business Board are private sector representatives. The Chair will lead on building the reputation and influence of the area at a national and international level and chairs Business Board meetings. The Chair is also a voting member of the Cambridgeshire and Peterborough Combined Authority Board. The Vice Chair will be available to deputise for the Chair as required.
- 3.3.14. The Business Board has a designated a small business (SME) representative, who will lead the engagement with small businesses across the area and represents their views at Board level. Given the makeup of the local business community, this is a vital role on the Board.
- 3.3.15. All of the Board Members operate in an open and transparent manner and conduct themselves in accordance with 'The Seven Principles of Public Life' otherwise known as the Nolan Principles, and the Business Board's Code of Conduct.
- 3.3.16. The Business Board is committed to diversity and has a Diversity Statement in place to help guide Board appointment decisions.
- 3.3.17. The Business Board's Executive Team is provided via the Cambridgeshire and Peterborough Combined Authority officer structure, who operate as a single team for the Combined Authority and the Business Board. This includes an experienced Chief Executive, S73 Officer, Monitoring Officer, Directors, Programmes Managers, Assurance Manager and others to ensure that the organisation is run in a proactive, impact driven and fully compliant manner.
- 3.3.18. The other public and private sector members of the Local Enterprise Partnership support the Combined Authority's work by:
- Supporting and offering advice to the Combined Authority on their responsibilities.
 - Championing and promoting specific initiatives from the perspective of business.
 - Influencing the development of the Combined Authority's strategies and policies, including as lead organisation for the development of the Local Industrial Strategy at the invitation of the Combined Authority.

- Representing the Cambridgeshire and Peterborough nationally and internationally.
- Ensuring a strong business influence over decision-making.
- Supporting the development and delivery of the CPIER and the Mayor's growth ambition statement.

3.3.19. Cambridgeshire and Peterborough is an active member of the national Local Enterprise Partnership Network and will continue to be so. This includes participation in both Local Enterprise Partnership Chair and officer level meetings.

3.3.20. **Enterprise Zones:** The Business Board retains strategic oversight and governance of the Enterprise Zones, and delegates programme delivery to the Enterprise Zone Steering Group for both Alconbury Weald and Cambridge Compass Enterprise Zones. These Steering Groups drive forward the regeneration and economic growth opportunities of Enterprise Zone sites and will be co-chaired by a Business Board member, together with elected representatives from each Local Authority (as nominated by the Districts) and local BEIS Government representatives. The Steering Groups are responsible for reporting to both the Business Board and Combined Authority Board as the accountable body.

3.3.20 The Enterprise Zone Steering Group is supported by individual Enterprise Zone Project Boards for each site, set-up at officer level and responsible for delivering the programmes and projects associated with the regeneration and development of each Enterprise Zone site. These Boards comprise of Combined Authority officers, Local Authority representatives and key stakeholders. Each is responsible for delivering the programmes and projects associated with the regeneration and development of the Enterprise Zone site.

3.3.21 **The Eastern Agri-Tech Growth Initiative & Agri-Tech Programme Board:** The Eastern Agri-Tech Growth Initiative is overseen by the Eastern Agri-Tech Programme Board. Membership of the Programme Board includes experts with experience and knowledge of agriculture and the food industry, including research, farming and food processing.

3.3.22 The Programme Board's main task is to consider and make decisions on applications for grant support. All applications are initially appraised by external independent assessors and follow the process that was previously agreed. Copies of the Eastern Agri-Tech Growth Initiative Guidance Notes and Pre-Qualification Questionnaire (the simple eligibility form) can be found on the CA/Business Board website using the following link:

<http://cambridgeshirepeterborough-ca.gov.uk/business-board/eastern-agri-tech-growth-initiative/>

The Eastern Agri-Tech Growth Initiative has its own monitoring and evaluation arrangements but these do link to the CA monitoring and evaluation framework.

3.3.23 **Agri-Tech** is one of our strategic growth sectors identified by the CPIER; our ambition is to use the Local Industrial Strategy to step up our programme to ensure we are the "go to" UK centre for Agri-Tech. Agri-Tech also features within our Skills Strategy.

3.3.24 It was recommended by the Business Board and agreed by the CA Board at their respective meetings in November 2018 that the Eastern Agri-Tech Programme Board should continue to take decisions about applications for grant funding on behalf of both the CA and NALEP (both organisations are represented on the Programme Board); that the Programme Board became a sub-Board of the Business Board and that a member of the Business Board (nominated by the Business Board) became the Chair of the Programme Board. This would strengthen existing governance arrangements and provide continuity between the two Boards. The agenda and decisions of the Programme Board would be published on the Combined Authority/Business Board web site (with names of individuals redacted). This will ensure that the operation of the Agri-Tech programme is consistent with the Assurance Framework for the Business Board and Combined Authority. The CPCA is the Accountable Body for the Eastern Agri-Tech Growth Initiative.

The Programme Board's Secretariat is provided by the Cambridgeshire and Peterborough Combined Authority's Agri-Tech Project Officer, who is a very experienced programme manager and ensures that the Programme Board operates effectively, that its decisions are sound and that the Eastern Agri-Tech Growth Initiative is successful and delivers meaningful outcomes.

3.3.25 The Terms of Reference (TOR) for the Eastern Agri-Tech Programme Board have been agreed and appear on the Combined Authority/Business Board web site. The TOR can be seen CA/Business Board website using the following link:

3.3.26 The Greater South East Energy Hub & Energy Hub Board: The Energy Hub is funded by the Department for Business, Energy & Industrial Strategy (BEIS) and overseen by the Hub Board. Membership of the Hub Board includes an officer representative from each of the eleven Local Enterprise Partnerships served by the Hub.

3.3.27 The Hub Board is the strategic body responsible for taking decisions on Energy Hub business and programme activity. The Hub Board's main task is to approve the allocation and leverage of funds for the Local Energy Capacity Support Programme. The Hub Board are responsible for oversight of the Rural Community Energy Fund (RCEF) Funding Panel, a Hub Board subordinate body that makes decisions on grant applications. All applications are initially appraised by external independent assessors and follow the process agreed with BEIS. Copies of the RCEF guidance notes and Expression of Interest form can be found on the RCEF website using the following link:

<http://cambridgeshirepeterborough-ca.gov.uk/business-board/energy-hub/>

The Energy Hub has its own project assessment frameworks, monitoring and evaluation arrangements but these do link to the Combined Authority monitoring and evaluation framework.

3.3.28 Clean growth is one of the Grand Challenges in the Industrial Strategy. The transition to local low carbon energy is set out in the Local Energy East Strategy and the CPIER recognises the need for a roadmap to decentralised smart energy systems.

- 3.3.29 The Business Board and the Cambridgeshire and Peterborough Combined Authority Board have agreed that the Combined Authority would be the Accountable Body for the Energy Hub and that the Energy Hub would assume the RCEF management role and administer the Fund. They also agreed the Hub Board terms of reference recognising it as a decision-making body for the Hub.**
- 3.3.30 The agenda and decisions of the Hub Board will be published on the Combined Authority/Hub Board web site (with names of individuals redacted). This will ensure that the operation of the Energy Hub is consistent with the Assurance Framework for the Business Board and Combined Authority. The Cambridgeshire and Peterborough Combined Authority Board is the Accountable Body for the Energy Hub Initiative.**
- 3.3.31 The Programme Board’s Secretariat is provided by the Cambridgeshire and Peterborough Combined Authority’s Regional Energy Hub Manager, who ensures that the Hub Board operates effectively, that its decisions are sound and that the Greater South East Energy Hub is successful and delivers meaningful outcomes.**
- 3.3.32 The Terms of Reference (TOR) for the Hub Board have been agreed and appear on the Combined Authority/Energy Hub web site. The TOR can be seen Combined Authority/Energy Hub website using the following link:**
- <http://cambridgeshirepeterborough-ca.gov.uk/business-board/energy-hub/>**

Membership of the Business Board

- 3.3.33 The Business Board has been reviewing its membership in response to the national Local Enterprise Partnership review (Mary Nay, 2017) and government’s response “Strengthened Local Enterprise Partnerships” (July 2018). The current membership (September 2018) comprises of nine members, which includes two public sector members and up to seven business representatives as follows:**
- The Mayor and the Portfolio for Economic Growth of the Cambridgeshire and Peterborough Combined Authority shall be non-voting members of the Business Board by virtue of their office. Thus ensuring close working relationship between the Combined Authority and the Business Board.
 - Seven private sector members appointed from amongst the key sectors across the Cambridgeshire and Peterborough area.
 - One of the seven private sector members is appointed specifically to represent the interests of the Small and Medium Sized Enterprises (SME) sector, one member represents the education sector and one member is appointed as an international business representative.
- 3.3.34 The Business Board membership meets the requirements for two thirds of the members to be private sector representatives and does not exceed the maximum of 20 members.¹**
- 3.3.35 Whilst all appointments to the Business Board have been made on merit, in**

¹ Strengthening Local Enterprise Partnerships, MHC&LG, July 2018

accordance with Government requirements the Business Board will aim to improve the gender balance and representation of those with protected characteristics on its board with the following aims:

- That women make up at least one third of Business Board by 2020.
- With an expectation for equal representation by 2023.
- Ensure its Board is representative of the businesses and communities they serve.²

3.3.36 The Business Board will regularly review its agenda balance on the Business Board and any committees.

3.3.37 The Business Board Constitution sets out its role, the principles of membership and the terms of office.

- The term of office for **private sector representatives** will normally be a maximum of three years, and subject to a maximum of one consecutive term.
- The term of office of **public sector** members appointed by the Combined Authority is at their discretion; the Mayor is a member by virtue of his office.

3.3.38 The Business Board may appoint **up to five** co-opted members as necessary to complement the skills and expertise on the Board or to meet gender balance and protected characteristic requirements. Membership may not exceed 20 members **and up to five co-opted members**.

3.3.39 Private sector members all have expertise and knowledge of our key sectors. These details together with their biographies are published on the Business Board website. This will include a designated SME representative.

Chair and Vice-Chair of Business Board

3.3.40 The Constitution requires that the Chair and Vice-Chair must be the private sector representatives of the Board.

3.3.41 The terms of office of the Chair will be for two (2) years with one consecutive term permitted upon unanimous vote of the Board members present and voting.

3.3.42 The Chair is a voting member of the Cambridgeshire and Peterborough Combined Authority Board.

3.3.43 “Strengthened Local Enterprise Partnerships” stipulated a maximum membership of 20 members with 2/3rds from the private sector and to aim to have a 50/50 gender balance by 2023. The Business Board aims to have a 50/50 gender balance by 2020 through the advertisement and appointment of new private sector members to sit on the Board and the appointment of co-opted membership. A recruitment campaign will be undertaken in 2019 for three new members to ensure gender balance and to ensure all members’ term of office does not end at the same time thus ensuring succession planning.

3.3.44 Following the revised Assurance Framework Guidance (January 2019), Higher

² Strengthening Local Enterprise Partnerships, MHC&LG, July 2018

Education and Further Education will represent the private sector on the Local Enterprise Partnership.

- 3.3.45 The Business Board Constitution states that private sector members including the Chair shall be appointed following an open, transparent and non-discriminatory recruitment process which assesses each candidate on merit carried out in accordance with its diversity statement, Government Guidance and the Nolan Principles. This will include a public advertisement and an interview process conducted by the Business Board's appointments panel. The Business Board will consult widely and transparently with the business community before appointing a new Chair. When vacancies become available for private sector Local Enterprise Partnership members, they will be advertised on the Combined Authority website. In addition, social media will be used to raise awareness of the opportunities, particularly among under-represented groups. A recruitment panel (including the Cambridgeshire and Peterborough Mayor and Local Enterprise Partnership Chair) assesses applications received and makes a recommendation to the Combined Authority Board for approval of appointments.
- 3.3.46 All Local Enterprise Partnership members (public and private) are expected to conduct themselves in accordance with the seven principles of public life. This is set out under the Code of Conduct detailed in the Combined Authority Constitution and provided to all new Local Enterprise Partnership members in their induction information. All members sign up to the code of conduct and the Nolan principles. **As stated in its constitution, all Business Board and sub-committee and sub-group members will make decisions on merit having taken into account all the relevant information available at the time.**
- 3.3.47 New members receive an initial induction and this is being enhanced during 2019.

Wider Business and Public Engagement

- 3.3.48 The Combined Authority and Business Board recognise that the private sector members cannot represent the views of all business in the Cambridgeshire and Peterborough area. Therefore, a variety of engagement mechanisms are utilised to ensure that the broader business community has the ability to influence strategy and policy development, our investment priorities and to be actively engaged in the delivery of some of our activities, particularly around supporting careers development with schools. This includes, through the business networks and groupings that officers of the executive engage with, as a part of their activity, as well as specific engagement sessions – such as business roundtables to inform strategy and policy development.
- 3.3.49 Strategy and policy documents are developed through engagement with partners and key stakeholders and are subject to consultation. Each consultation will vary depending on the topic but will meet any statutory requirements. However, drafts are formally considered in public at the Combined Authority Board with papers published in advance of the meeting.
- 3.3.50 **Evidence of effective public engagement includes the work on the CPIER and Local Industrial Strategy referred to in section 2. A review of engagement activity and impact will be undertaken annually as part of the annual delivery plan from 2020. The annual delivery plan will be published on the website**

Secretariat Arrangements

- 3.3.51 In accordance with Government requirement to have an independent secretariat to support the Chair and Board, the Director of Business and Skills is the chief officer appointed to support the Business Board. The Director is supported by a S73 Chief Finance Officer and Monitoring Officer appointed separately to those officers who support the Combined Authority Board.

Local Area Agreement

- 3.3.52 In accordance with Government requirements for mayoral areas there is a requirement for a Local Agreement between the Business Board and the Cambridgeshire and Peterborough Combined Authority and the Accountable Body setting out the responsibilities of the Chair, Board and Accountable Body. The Accountable Body agreement is **embedded in the Business Board's terms of reference and constitution**.

3.4 Decision Making for the Cambridgeshire and Peterborough Investment

- 3.4.1. Cambridgeshire and Peterborough Combined Authority is its own Accountable Body for all funds received by Government and is the Accountable Body for the Business Board.
- 3.4.2. The Cambridgeshire and Peterborough Combined Authority and the Business Board Constitution sets out the basis of how decisions will be taken within our Combined Authority, in keeping with principles of democracy and transparency and with effective and efficient decision-making. The Constitution takes on board the changes relating to the Business Board, as a result of the national Local Enterprise Partnership review.
- 3.4.3. In summary, the decision-making process and governance for Cambridgeshire and Peterborough as set out in the Cambridgeshire and Peterborough Business Plan is as follows:
- 3.4.4. **Investment decisions using public funds will be made with reference to statutory requirements, conditions of the funding, local transport objectives and through formal LEP involvement. The Monitoring Officer and S73 review all proposed funding decision and their comments are included in all public or delegated power reports.**

CPIER and the Mayor's growth ambition statementing and Investment Planning

- 3.4.5. The Combined Authority Board provides the overall strategic direction for economic growth in Cambridgeshire and Peterborough, approving the CPIER and the Mayor's growth ambition statement and associated thematic strategies and plans.
- 3.4.6. The Combined Authority Board sets out the investment priorities for Cambridgeshire and Peterborough through the Medium-Term Financial Plan and the Business Plan. This includes named prioritised projects which are allocated against either revenue or capital funds. All projects, revenue or capital, are identified in the current year of the Business Plan and the Medium-Term Financial Plan.

Decision process for Business Board and Combined Authority Board projects

- 3.4.7. For new programmes/projects, the detailed consideration of whether the programme/project represents value for money, has realistic delivery timescales and processes, will deliver the outputs and outcomes that we require etc is undertaken through the development of a Project Initiation Document and Business Case.
- 3.4.8. A Project Initiation Document is used to identify the expected expenditure, timescales for delivery and proposed outcomes, and to enable more informed financial and output profiling in line with the Medium-Term Financial Plan. This is an internal project management document and will be prepared by the Project Manager
- 3.4.9. This document provides a first view of how, what and when the project will deliver against the Mayor's Growth Ambition Statement, the Local Industrial Strategy and the 2019/20 Business Plan. This Project Initiation Document will include detail such as:
- The identified Project Manager.
 - Project description including objectives and overview.
 - Timescales (high level).
 - Project outputs and outcomes against the CPIER and the Mayor's growth ambition statement.
 - Cost of project (high level), and initial funding required.
- 3.4.10. Project Initiation Documents are appraised and approved during the Combined Authority weekly Director meetings. Following approval, the Project Manager can then arrange for the Business Case to be developed, adapting HM Treasury's Five Case Model.
- 3.4.11. Business cases should be initially appraised and approved at the weekly Combined Authority Director Meetings. In considering the appraisal recommendations (including any conditions) on business cases the following supporting information will be provided to the Directors meeting:
- The business case.
 - The completed appraisal documents.
- 3.4.12. Once approved at the Director meetings, the Business Case will then require final approval to commence to project delivery. This may be via the monthly Combined Authority Board cycle or by Combined Authority Officers. Approval requirements are set out in the Scheme of Delegations.
- 3.4.13. In addition, projects with political sensitivities or a variation to an original Board approval are required to go to Combined Authority Board for approval, even when the Chief Executive has delegated authority to sign off.

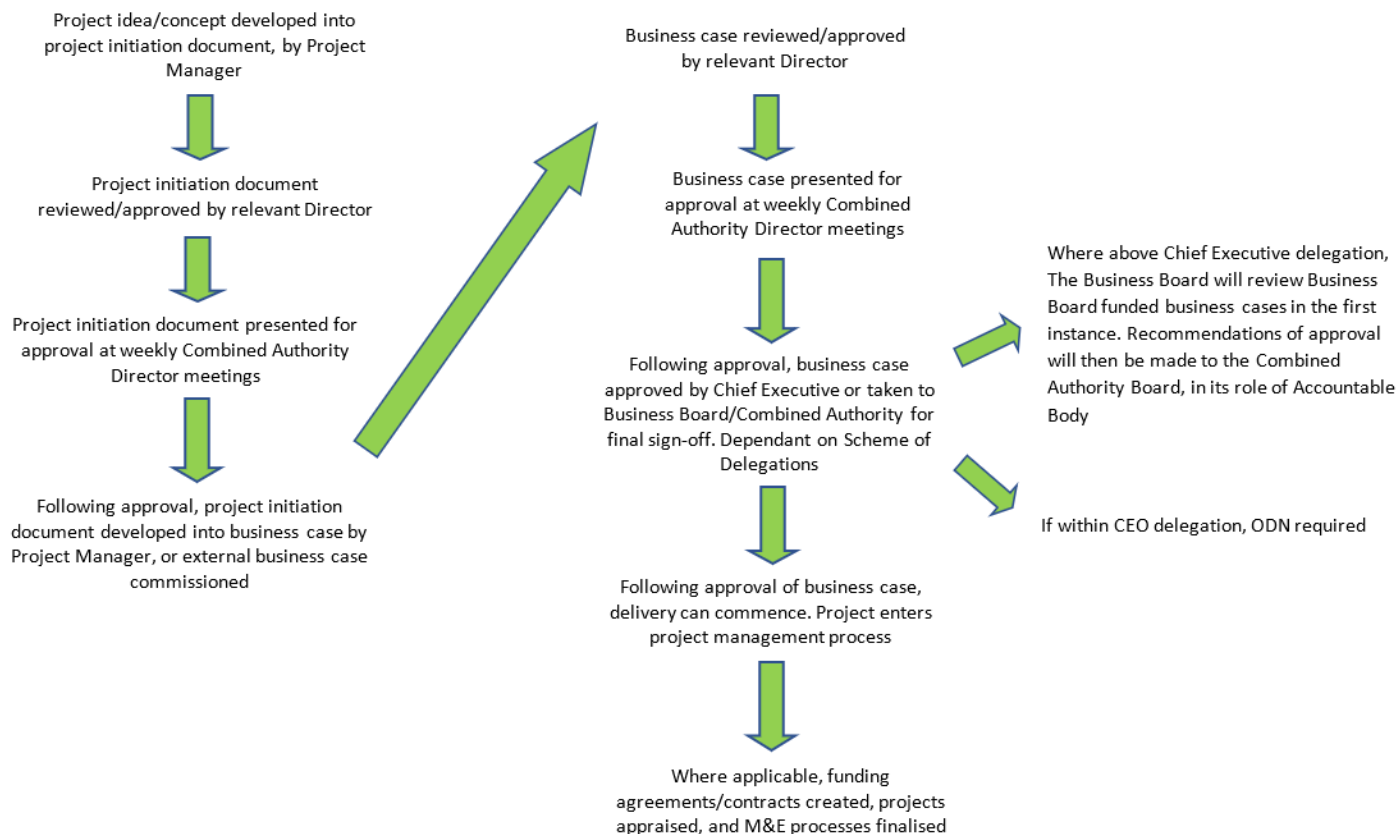
Decision process for Business Board

- 3.4.14. The Business Board will review the Business Case for Business Board funded projects and make recommendations to the Combined Authority Board, as Accountable Body, to approve the funding.

- 3.4.15. In order to ensure that the Business Board is able to progress its business in an efficient manner, the Business Board has an urgency decision making procedure which is set out in its constitution. Decisions and actions taken will be retrospectively reported to the next meeting of the Business Board
- 3.4.16. In addition to the delegations in the Combined Authority Constitution, the Business Board and Combined Authority Board has delegated limited authority to the Director of Business and Skills to approve small grants to SMEs between £2,000 and £20,000 subject to Section 73 Officer approval, and regular reporting to the Business Board;
- 3.4.17. Business cases approved at the Business Board and Combined Authority Board are published on the Combined Authority website, as part of the monthly Board papers.
- 3.4.18. Decisions within the Scheme of Delegation and taken under delegated powers are recorded through the Officer Decision Notice process, with supporting business cases available on request. The Officer Decision Notices are published on the Combined Authority website.
- 3.4.19. **All reports to the Business Board and any committees, include the application for funding, appraisal of application, legal and finance expert' view and recommendations**
- Decision process for Combined Authority Board*
- 3.4.20. The Combined Authority Board will approve the Business Cases for Combined Authority funded projects and will approve the Business Case recommended by the Business Board.
- 3.4.21. Business cases and appraisal documentation submitted to the Combined Authority Board will be published on the Combined Authority website with Board papers, subject to any exemptions applied as set out in the Transparency rules within the Constitution.
- 3.4.22. Decisions within the Scheme of Delegation and taken under delegated powers are recorded through the Officer Decision Notice process, with supporting business cases available on request. The Officer Decision Notices are published on the Combined Authority website.

3.4.23. The decision-making process and governance arrangements are illustrated in the diagram below:

Decision making process



Decision process for new programmes/projects not in the Business Plan and not within a named budget allocation

3.4.24. New opportunities or challenges will arise and programmes/projects that are not currently in the business plan will need to be considered to address them. If these new programmes/projects cannot be accommodated within the current Medium-Term Financial Plan, they will need to be considered by the Combined Authority Board for entry to the Budget and Business Plan and reflected in the six-monthly refreshment cycle for those documents.

3.4.25. The Business Plan and Medium-Term Financial Plan will be reviewed every six months, together with any prioritisation of new projects.

3.4.26. Those that are accepted into the Business Plan would then proceed to follow the Project Initiation Document through to Business Case development and be taken to the Combined Authority Board for decision.

Role of the Cambridgeshire and Peterborough Management Team

3.4.27. The Cambridgeshire and Peterborough Directors Team is made up of members of the Combined Authority's senior officers: Chief Executive and Directors. The Management Team meets weekly and has an oversight role of the work of the Combined Authority.

3.5 Decision Making for the Adult Education Budget

3.5.1. Investment decisions on the use of the Adult Education Budget will be made with full consideration to the statutory entitlements:

- English and Maths, up to and including level 2, for individuals aged 19 and over, who have not previously attained a GCSE grade A* to C or grade 4, or higher, and/or.
- First full qualification at Level 2 for individuals aged 19 to 23, and/or.
- First full qualification at level 3 for individuals aged 19 to 23.

3.5.2. The Combined Authority submitted its Strategic Skills Plan to government in May 2018 as part of the readiness conditions requirements set by the Department for Education. Further iterations have been shared with the Department for Education and form a chapter in the new Skills Strategy 2019.

3.5.3. Local and national partners have been fully engaged throughout the development phase for the processes and priorities for the funding award and during the funding award phase. This has included providing regular communications via our website, hosting three strategic events for all local and national providers, and participating in provider network meetings that met regularly during 2018. The Provider Networks comprised local Further Education and local authority providers, the Education and Skills Funding Agency, the Association of Colleges and Independent Training Providers.

3.5.4. The Combined Authority Board is the final decision-making body for funding awards. A grant commissioning process was launched on 1st December 2018 and closed in March 2019. Appraisals were carried out on the submitted delivery plans requesting funding by the Combined Authority officers. A moderation panel of internal senior managers consider recommendations and make final recommendations for approval. The Director of Business & Skills in consultation with the Portfolio Holder for Skills to approve funding awards.

3.5.5. During the funding award process a web enabled portal has included the ability for all potential providers to submit questions. These have been developed into a Q+A section on the portal so that the same information is available to all potential providers.

3.6 Statutory Committees

3.6.1. As a Mayoral Combined Authority, we are constitutionally required to have the following Committees within our Governance structures:

- **Overview & Scrutiny Committee:** Reviews decisions made, to ensure they meet the needs of the people of the Cambridgeshire and

Peterborough and are made in line with our agreed policies, making recommendations where necessary. It has the power to “call in” and delay the implementation of decisions made by Board. The membership of the Committee comprises 14 members, two nominated from each of the Constituent Authorities. Members of the Committee appointed reflect the balance of political parties for the time being prevailing among members of the Constituent Authorities collectively. It also has the power to scrutinise the Business Board.

- **Audit & Governance Committee:** Ensures we are spending public money properly and have the right systems in place to manage our finances correctly and meet our legal and regulatory responsibilities. The Committee also reviews the corporate risk register on a quarterly basis. The membership of the Committee is one member from each Constituent Authority. Members of the Committee appointed reflect the balance of political parties for the time being prevailing among members of the Constituent Authorities collectively. The Committee will also oversee the audit and governance arrangements of the Business Board.

3.6.2. The terms of reference and membership of these Committees is detailed in the Combined Authority Constitution.

3.7 Role of the Statutory Officers

3.7.1. The Combined Authority appoints four Statutory Officers who each have a formal role of discharging the duties and obligations on its behalf. The roles are detailed in the Combined Authority Constitution but briefly comprise:

- **Head of Paid Service:** The Chief Executive fulfils the role of the Head of Paid Service. The Head of Paid Service discharges the functions in relation to the Combined Authority as set out in section 4, Local Government and Housing Act 1989 and act as the principal advisor to the Business Board.
- **Section 73 Officer:** The Chief Finance Officer fulfils the role of Section 73 Officer in accordance with the Local Government Act 1985 to administer the financial affairs of the Combined Authority and Business Board. The Section 73 Officer is responsible for providing the final sign off for funding decisions. The Section 73 Officer will provide a letter of assurance to government by 28th February each year regarding the appropriate administration of government funds under the Cambridgeshire and Peterborough Investment.
- **Monitoring Officer:** The Monitoring Officer fulfils their role in accordance with the Local Government Act 1972 to administer the legal duties of the Combined Authority and Business Board.
- **Scrutiny Officer:** To promote the role of and provide support to the Overview and Scrutiny Committee.

3.7.2. In addition to these statutory roles the Combined Authority has nominated officers to ensure that we meet our obligations under the Data Protection Act 2018 and information governance. These are:

- **Senior Information Risk Officer (SIRO)** - The Monitoring Officer is the SIRO for Information Governance. The SIRO is responsible for the Strategy, acts as an advocate for good practice and is required to provide a statement of assurance as part of the Combined Authority's Annual Governance Statement.
- **Data Protection Officer** – Deputy Monitoring Officer is the Data Protection Officer responsible for providing advice and guidance on the Data Protection Act 2018.

4. Accountability and Transparent - Supporting Policies and Procedures

4.1 Working Arrangements, Meeting Frequency and Transparency

4.1.1. The Combined Authority is subject to a robust transparency and local engagement regime. The Combined Authority's Constitution includes how agendas, minutes and papers will be made available to the public and when.

4.1.2. The Combined Authority Board:

- Is subject to the Transparency Code applied to local authorities.
- Will ensure all meetings of the Combined Authority Board and other statutory committees are open to the public and appropriately accessible.
- Will make sure all meeting agendas, papers (when not exempt), and minutes are published on the Combined Authority website, within the minimum statutory timescales – an agenda will be published five clear working days before the meeting. A decision notice will be published no later than the third clear working day following the day of the decision was made and any key decisions are subject to call in. Draft minutes will be published within 12 clear working days of the meeting taking place and final minutes within two clear days of approval where changes are made.
- Will make clear the approach to making investment decisions in the Combined Authority Constitution.
- Will publish (online) all funding decisions, including funding levels through Business Board and Combined Authority agendas and minutes and through the mayoral and officer decision notice register where decisions are taken under delegated powers.
- Growth fund updates are submitted to the Business Board at each meeting. The Combined Authority has a performance management system which includes quarterly reports to the Combined Authority Board on delivery of key priority projects in the Business Plan by exception and monthly budget monitoring updates.
- As the accountable body for the Business Board funding the Combined Authority Board will ratify funding decisions made by the Business Board and will hold a record of all relevant documentation relating to government funding allocated to the area.

4.1.3. For ease of access the Combined Authority website has a transparency section and a separate meetings section which contain all information on the Combined Authority governance arrangements, agendas and papers and the Combined Authority Board Forward Plan.

4.1.4. The Combined Authority Board meets every month. The Combined Authority publishes a Forward Plan on the Combined Authority website, which is legally-required with a statement of all key decisions together with all non-key decisions

we plan to take over the next four months. Confirmed items are published 28 days in advance of a decision being made.

- 4.1.5. In addition to the Combined Authority Board, the Business Board meets bi-monthly. The Business Board shall have at least one meeting a year that will be open to the public to ensure the communities that they represent can understand and influence the economic plans for the area.
- 4.1.6. No business may be transacted at a meeting of the Business Board unless there is a quorum. The quorum requires a majority of the total number of Members of the Board to be present which should include the majority of private sector members and at least one public sector member.
- 4.1.7. All other meetings of the Business Board shall not be open to the public unless determined otherwise by the Chair. This enables commercially confidential items to be discussed and for open and frank exchanges of information and views to be expressed that might not otherwise be expressed in an open forum. This forms an important element within the Combined Authority governance arrangements.
- 4.1.8. Agendas and reports will be published five clear days prior to the meeting and minutes of these meetings will be published on the its website within 12 clear working days of the meeting and the agreed minutes will be published within two clear working days after approval at the subsequent meeting.
- 4.1.9. Information regarding activity being undertaken by the Combined Authority is available on the website. This includes the publication of key documents such as the CPIER and the Mayor's growth ambition statement, the Cambridgeshire and Peterborough Business Plan 2019-2020, and the Combined Authority Local Assurance Framework, as well as details of a regular programme of events to provide ongoing engagement with public and private partners across the Cambridgeshire and Peterborough area. Regular news updates on activity underway are also provided through dedicated pages on social media outlets including LinkedIn, Twitter and Facebook. Additionally, when investment decisions are taken they are published through the use of press releases and social media.

4.2 Publication of Financial Information

- 4.2.1. The Combined Authority is subject to the same financial arrangements as a Local Authority and is legally required to publish its annual accounts, external audit letter and annual governance statement by the end of July each year. The draft statement of accounts is signed by the S73 Officer and published (on the Cambridgeshire and Peterborough Combined Authority website) by 31st May. The final set of financial statements are signed by the S73 Officer and the Chair of the Audit and Governance Committee and published by the 31st July.
- 4.2.2. The Annual Governance Statement will be published in draft by 31st May, and the final version to be signed by the Mayor, the Business Board Chair and the Chief Executive and published by 31st July. The Audit and Governance Committee approves the statement of accounts and reviews the Annual Governance Statement prior to approval, in accordance with their terms of reference.
- 4.2.3. It is also used as part of the Annual Conversation each year, to supplement the information provided and discussed on governance arrangements.

- 4.2.4. All payments made on behalf of the Business Board are published in the monthly transparency report by Cambridgeshire and Peterborough Combined Authority.
- 4.2.5. All approvals for new funding are now published and monitored. The quarterly return to BEIS on Growth Fund projects, spend and performance is reported to Business Board and published in the reports, as part of the Business Board agenda. These have now also been uploaded on the Business Board section of the website and will continue to be published going forward to increase transparency.

4.3 Remuneration and Expenses

- 4.3.1. Allowances or expenses may be payable to the Mayor and any of the Business Board members, in accordance with a scheme approved from time to time by the Cambridgeshire and Peterborough Combined Authority Board upon the recommendations of an Independent Remuneration Panel.
- 4.3.2. The Combined Authority publishes the following information on its website: [Transparency](#)
- Confirmation of the allowance payable to the Mayor **and Business Board members**.
 - Confirmation of any allowances and expenses paid to the Mayor, **Business Board Members** and independent Chairs of Committees or Panels (published annually).
 - Salaries of senior officers earning more than £50,000 (published annually); together with the numbers of staff who earn over £50,000, in bands.
- 4.3.3. Any scheme of allowances approved for Business Board members and payments made will also be published.

4.4 Freedom of Information

- 4.4.1. The Combined Authority is subject to the Freedom of Information Act 2000 and the Environmental Impact Regulations 2004. As Accountable Body for the Local Enterprise Partnership the Combined Authority will also fulfil these functions on behalf of the Business Board. The Combined Authority will hold records and will be the focal point for statutory information requests. Applicants are made aware of their right to access information through the Combined Authority, which will deal with the request in accordance with the relevant legislation. As set out in this section, the Combined Authority aims to publish as much information as possible so that Freedom of Information requests are less necessary. A publication scheme is on the website and answers to previous requests are published on the website. [CACP Freedom of Information Policy](#)

4.5 Conflicts of Interest

- 4.5.1. The Combined Authority has a Code of Conduct which applies to all members of the Combined Authority, the Business Board, all committee members and the officers who form part of any decision-making body eg the Chief Executive. The Code of Conduct requires all those identified to avoid any conflicts of interest.

- 4.5.2. Each member of the Combined Authority is also required to complete a written declaration of interest for the purposes of their organisations and their individual personal interests covering a broad range of activities/ownership. Individual declarations of interest forms are completed annually following members' appointment at the Combined Authority annual meeting. Declarations of interest are requested at the start of each meeting and declared and recorded within the minutes. The registers of interests are updated, as appropriate, following each Combined Authority meeting.

[Combined Authority Board Membership](#)

[Business Board Membership](#)

4.6 Gifts and Hospitality

- 4.6.1. Any gifts and hospitality received by members and officers will be declared under the relevant members name and any declarations declared by members will be published on the website, For example [Mayor Palmer: Declared Gifts and Hospitality](#). **The [register of gifts and hospitality](#) declared by Business Board members is published under the governance page of the Business Board section of the website.** All offers of gifts and hospitality of £50.00 or more in value, including any offers of sponsorship for training or development, whether or not they are accepted, must be recorded promptly (and by no later than 28 days from the date of the offer) in a register held by the Combined Authority. A six monthly reminder will be send to all members and officers.

4.7 Complaints and Whistleblowing

- 4.7.1. If it is alleged that the Combined Authority is (a) acting in breach of the law, (b) failing to adhere to its framework, or (c) failing to safeguard public funds, complaints (from stakeholders, members of the public or internal whistleblowers) are to be directed to the Combined Authority's Chief Executive or Internal Auditor.
- 4.7.2. The Business Board and the Combined Authority have adopted a confidential complaints procedure and whistleblowing procedure, which are both published on its website Any complaints will be dealt with in accordance with its approved complaints process.
- 4.7.3. Where the Combined Authority cannot resolve the issue locally to the complainant's satisfaction, and the matter relates to the Cambridgeshire and Peterborough's Single Pot funding, the issue may be passed to the Ministry of Housing, Communities and Local Government for Communities and Local Government (MHCLG) or other relevant departments, such as the Department for Transport (DfT), as appropriate to the complaint in question. If the complainant is not satisfied with the response, they can raise it with the Local Government Ombudsman.

The above complaints and whistleblowing procedures are set out in detail at:

[CACP Complaints Policy](#)

[CACP Whistleblowing Policy](#)

[CA Business Board Complaints Procedure](#)

4.8 Diversity Statement

- 4.8.1. As detailed previously the Combined Authority is fully committed to diversity and equality. The Business Board has a published Diversity Statement which explains how it looks to ensure diverse representation at Board.

[CA Business Board Diversity Statement](#)

4.9. Government Branding

- 4.9.1. **The Combined Authority is committed to meeting Government branding guidelines for projects in its Local Assurance Framework. This includes the branding guidance issued to LEPs for the Local Growth Fund. The correct branding and wording is used on the Business Board and subsidiary websites. Guidance will be produced for signage, social media, press notices and other marketing materials. for every Government funded projects**

5. Robust Decision Making

5.1 Principles

5.1.1. This section details the processes and procedures that are in place to ensure we make robust investment decisions. These are in addition to those identified in the Accountability, Openness and Transparency section above. The processes and procedures will:

- Achieve best value in spending public money - recognising that sometimes the best investments offer long-term outcomes - with the expectation that only in exceptional circumstances will proposed investments not offer at least 'good' value for money – ie a benefit cost ratio (BCR) of at least two for transport schemes or appropriate public sector cost per job/Gross Value Added, and in all cases the benefits exceed the cost of intervention over the projected timeframe.
- Ensure an appropriate separation between project development and project appraisal.
- Appraise projects in a way which is consistent with the Green Book 'five cases' model and proportionate to the funding ask in terms of processes required.
- Ensure that the money spent results in delivery of outputs and outcomes in a timely fashion, and in accordance with the conditions placed on each investment, and by actively managing the investment to respond to changing circumstances (for example, scheme slippage, scheme alteration, cost increases etc).
- Implement effective evaluation to demonstrate where programmes and projects have achieved their stated aims and using feedback appropriately to refine the priorities and the decision-making process.
- Ensure that the use of resources is subject to the usual local authority checks and balances as well as normal local government audit accounting and scrutiny requirements.

5.2 Separation of Development and Appraisal Functions

5.2.1. The Combined Authority ensure all funding decisions are based on impartial advice. Project Initiation Documents and Business Cases created by project managers require approval from Combined Authority Board and Directors before commencing to project delivery.

5.3 Expressions of Interest/Open Calls

5.3.1. In relation to the Local Growth Fund, expressions of interest are received for potential funding under the Growth Prospectus, which is published on the Combined Authority website. The first call has now closed and the potential projects are going through the Business Board and Combined Authority Board cycle. A new call for funding will be issued in 2019/20, following the publication of the Local Industrial Strategy. The **initial** appraisals **from** these funding calls will be appraised by an internal panel, that evaluates expressions of interest, with

inputs from the appropriate policy lead, legal, procurement and financial officers. When **full** applications are received, external appraisers will carry out detailed appraisals.

5.4 Project Initiation Documents

- 5.4.1. Project Initiation Documents are required for all new programmes and projects and are used to identify the expected expenditure, outputs and outcomes of project delivery.
- 5.4.2. Once approved during the weekly Director meetings, the Project Manager is required to develop the Project Initiation Document into the business case.

5.5 Business Cases

- 5.5.1. All programmes and projects with approved allocations within the Business Plan and that have been approved through the Project Initiation Document process are required to complete a detailed Business Case.
- 5.5.2. Business case templates are a continuation of the Project Initiation Documents, but require more detail evidenced on the delivery and outcomes of the project, along with value for money information, project risks and governance arrangements.
- 5.5.3. Business cases would normally use the Combined Authority's template; however, some categories of projects may have specific business case templates (such as Transport schemes using Webtag). These should still comply with the Combined Authority requirements.
- 5.5.4. The Combined Authority has adopted HM Treasury's Five Case Model, and business cases need to be prepared according to the following elements:

Five Cases	Detail
Strategic Case	The strategic case sets out the rationale for the proposal, it makes the case for change at a strategic level. It should set out the background to the proposal and explain the objective that is to be achieved.
Economic Case	The economic case is the essential core of the business case and should be prepared according to Treasury's Green Book guidance. This section of the business case assesses the economic costs and benefits of the proposal to society as a whole, and spans the entire period covered by the proposal.
Commercial Case	The commercial case is concerned with issues of commercial feasibility and sets out to answer the question "can the proposed solution be effectively delivered through a workable commercial deal or deals?" The first question, therefore, is what procurement does the proposal require, is it crucial to delivery and what is the procurement strategy?
Financial Case	The financial case is concerned with issues of affordability, and sources of budget funding. It covers the lifespan of the scheme and all attributable costs. The case needs to demonstrate that funding has been secured and that it falls within appropriate spending and settlement limits.
Management Case	The management case is concerned with the deliverability of the proposal and is sometimes referred to as programme management or project management case. The management case must clearly set out management responsibilities, governance and reporting arrangements, if it does not then the business case is not yet complete. The Senior Responsible Owner should be identified.

- 5.5.5. **Reputational due diligence assessment will also be carried out to enable the combine authority to gain a comprehensive assessment of possible reputational risk attached to business partner.**
- 5.5.6. External business cases are submitted to the Combined Authority, who review the funding source and provide an initial check as to which element of funding within the single pot would be most appropriate. The purpose of this is to ensure that the funding requirements of the component elements of the Single Pot are being met, and to enable the effects and outcomes of the component elements of funding within the Single Pot to be tracked.
- 5.5.7. Appraisals will be proportionate to either the estimated scale of budget and/or the level of innovation/risk associated with the programme and in line with established guidance, where appropriate, as set out by HM Government, including:
- HM Treasury Green Book.
 - MHCLG Appraisal Guide.
 - HM Treasury Magenta Book.
- 5.5.8. Where a conflict of interest exists, full independent due diligence will be sought. Additionally, the Combined Authority will appoint an independent organisation, through appropriate procurement, to undertake external due diligence when required. The independent organisation works directly with the project applicant to undertake due diligence which then follows the decision-making process.
- 5.5.9. In cases where the investment is to match central government funding, and that government department has undertaken due diligence, the Combined Authority would not need to undertake its own due diligence. The Combined Authority will include reputational checks on organisations (and their group structure including parent organisations), when considering making loans and grants.
- 5.5.10. The 10-point guide on Project Management provides detail on this decision-making process.

5.6 Relationship with Project Managers – Development to Decision

- 5.6.1. Throughout the development of Project Initiation Documents and Business Cases through the appraisal process, the Combined Authority will keep in regular contact with external project managers.
- 5.6.2. An internally named project manager will be assigned to each programme/project where the Combined Authority are not the delivery body. The internal project manager will establish close working relationships with external contacts.

5.7 Ensuring Value for Money

- 5.7.1. As an investor of public funds, the Combined Authority has a responsibility to ensure that its decisions deliver best value for the tax payer, and therefore all

investment opportunities and business cases must include an assessment of their Value for Money. The Assurance Framework has been developed in line with HM Treasury Green and Magenta Book Guidelines, which require project managers to build in Value for Money processes throughout the approval stages. In addition, the Combined Authority requires all business cases be developed in line with HM Treasury's Five Case Model.

- 5.7.2. The delivery, and costs, of outputs must be quantified within all applications for funding. Where there are clear guidelines set out by Government for assessing Value for Money these will be taken into account; for example, for all Transport and Infrastructure schemes, the use of benefit cost ratio (BRC) indicator is implemented in line with DfT guidance.
- 5.7.3. The Director responsible for project delivery should document they are satisfied with Value for Money requirements.
- 5.7.4. The key objective of the Assurance Framework is to support the Combined Authority to make judgements about the value for money of potential investments and to accept or reject investments accordingly. However, it is just one of a range of complementary strategic guidance documents developed by the Combined Authority to inform decision making and ensure value for money. The following table, identifies, describes and provides a relevance assessment for all complementary strategic guidance:

Document Name	Function	Date Published
CPIER and the Mayor's growth ambition statement 2016-2026. The Industrial Strategy for Cambridgeshire and Peterborough	<ul style="list-style-type: none"> Key strategy document for the region. Sets high level targets (jobs and GVA) for the Combined Authority and develops the rationale for intervention across the region (six themes and seven priority sectors) 	November 2018
Local Industrial Strategy	<ul style="list-style-type: none"> With a particular focus on productivity the Local Industrial Strategy articulates how the region and its priority industries will contribute to the successful delivery of the UK Industrial Strategy and the key interventions necessary to enable productivity growth in Cambridgeshire and Peterborough. 	May 2019 (pending)
Business Plan	<ul style="list-style-type: none"> Sets output targets both in terms of spend 	January 2019
Monitoring and Evaluation Plan	<ul style="list-style-type: none"> Provides for each theme a capital and revenue logic model including key market failures to be addressed, and a range of indicative activities, outputs, outcomes and impacts, tied back to the achievement of the key performance indicators specified in the SEP. 	March 2019 (updated annually)

5.8 Value for Money for Transport Schemes

- 5.8.1. For transport infrastructure schemes, the Department for Transport requirements will be met. This includes the use of WebTAG which will be applied proportionately, based on the cost of the scheme and the scale of the impacts.

5.9 Project Approval – Funding Agreement

- 5.9.1. For projects being delivered by an external organisation, funding agreements or formal legal contracts will need to be put in place before delivery commences. These are important in setting out project monitoring and evaluation requirements, claims/invoice profile and key conditions of the funding. Agreements/contracts also set out the clawback arrangements in the event of underperformance. Any variations to these funding agreements/contracts must be signed off and approved by the Combined Authority.
- 5.9.2. **All Growth Fund schemes will have a funding agreement that sets out the outputs that are required and the schedule of payments that are to be paid. These are examined at each point in the claim.**
- 5.9.3. Following approval of a Business Case it may be necessary to complete a range of statutory processes to ensure the project is ready to start. For example, planning permission or a Compulsory Purchase Orders. It may also be necessary to satisfy a number of conditions agreed as part of the Business Case. Due diligence of such processes/conditions will then be carried out as required prior to the Combined Authority issuing a formal legal contract.

6. DELIVERY PHASE

6.1 Release of Funding, Cost Control and Contract Management

- 6.1.1. Once a formal funding agreement/contract is in place the programme/project enters the delivery phase.
- 6.1.2. The Combined Authority's Section 73 Officer must certify that funding can be released under the appropriate conditions.
- 6.1.3. Funding claims submitted to the Combined Authority are checked against the approved project baseline information, which is included within the original funding agreement/contract. Payments will be released quarterly in arrears unless otherwise agreed.
- 6.1.4. A mechanism for 'claw-back' provision is to be included within the funding agreements/contract to ensure funding is only to be spent on the specified scheme and linked to delivery of outputs and outcomes. Payment milestones are agreed between the project manager and the Combined Authority based upon the complexity, cost and timescales of the scheme. This forms part of the programme management role of the Combined Authority.

6.2 Performance Reporting

- 6.2.1. Projects funded by the Combined Authority (regardless of size) will incorporate the Monitoring and Evaluation Framework and will have a basic monitoring plan in place as part of the business case. Further information on this can be found in the 10-point guide on Project Management.
- 6.2.2. A monthly highlight report cycle has been created and embedded across the organisation. Projects which fall under the Business Board and Combined Authority Board are required to have monthly reports completed, updating on budget spend and performance against key milestones and outputs/outcomes.
- 6.2.3. Highlight reports also contain risk registers for each project, where project managers track and monitor key risks (and assign a named individual of appropriate seniority against each).
- 6.2.4. Using information from these monthly highlight reports, a monthly dashboard report is created, pulling together the key information from all projects across the Combined Authority Directorates. This is scrutinised on a monthly basis by the Directors and the PMO team.
- 6.2.5. Once a quarter, an exception report is created and includes information on the amber and red rated projects. This report is shared with Combined Authority Board Members, along with a Quarterly Performance Update on how the Combined Authority is performing against the following key metrics and targets:
 - Doubling GVA over the next 25 years
 - 72,000 homes to be built by 2032
 - 2,500 affordable homes to be built
 - Jobs growth

- Apprenticeships
 - Good job within 30minute commute of home
 - RAG status of key projects
- 6.2.6. Growth fund **and investment** update reports are also submitted to every meeting of the Business Board **and will be published on the Business Board section of the website.**
- 6.2.7. Aligning with the quarterly updates to Combined Authority Board, 'Critical Friend' clinic sessions are arranged by the PMO team, where project managers and Directors are invited along to review the status and performance of projects.
- 6.2.8. All funding agreements/contracts with external bodies will include reporting guidelines as specified in the Monitoring and Evaluation Framework.

6.3 Risk Management

- 6.3.1. The Combined Authority has developed a risk management approach to corporate and project in our strategy, with risk identification, mitigation, escalation and reporting templates guidance.
- 6.3.2. It is important that the level of risk taken on any project and programme is understood from an early stage alongside the associated cost implications. Project managers are required to include risk as part of funding requests
- 6.3.3. The corporate risk register which incorporates the risks will be reviewed monthly by the Combined Authority Director team and will be considered by the Audit and Governance Committee quarterly. We corporate risk register and a project register, and a risk strategy
- 6.3.4. Senior Officers of the Combined Authority (Chief Executive and S73 Officer) are responsible for the identification and management of risk. The Combined Authority has an Assurance Manager, to support this activity.
- 6.3.5. At the project level, all projects are expected to outline, in detail, any identified risks during the business case development and due diligence processes. Once in delivery, ongoing risk registers are maintained and incorporated into the monthly highlight reports.

6.4 Change requests

- 6.4.1. All project change requests must be clearly documented, with evidence of approvals and notifications saved where applicable and recorded within the performance highlight reports.
- 6.4.2. Project change request forms should be used when approval is higher than that of a Director and for changes which include the following:
- Changes to timescales (ie delay to completion date)
 - Amendments to budget
 - Variations to outputs delivered
 - Withdrawal of project
 - Agreed mitigation/action arising from RAG

- 6.4.3. Directors are responsible for agreeing change requests within delegation and promoting change requests outside their delegation. Where there is a project board on which the Director sits, the Project Board also agree change requests within delegations.
- 6.4.4. Clawback and recovery processes for projects need **are** addressed in the funding agreement/contract. **Agreements are being reviewed to make it clearer what the recovery action will be.**
- 6.4.5. The Business Board's role in recovering funding where there has been non-compliance, misrepresentation or underperformance is being developed.

7. Measuring Success – Realising the Benefits

7.1 The Importance of Monitoring and Evaluation

7.1.1. The Combined Authority and the Business Board (LEP) is committed to implementing effective monitoring and evaluation so that it is able to:

- **Provide local accountability to the public** by demonstrating the impact of locally devolved funding and the associated benefits being achieved.
- **Comply with external scrutiny requirements** ie to satisfy conditions of the Devolution Deal. Specifically, the Monitoring and Evaluation Framework will be used to demonstrate local progress and delivery to senior government officials and Ministers who are ultimately accountable to parliament for devolved funds.
- **Understand the effectiveness of policies or investments** and to justify reinvestment or modify or seek alternative policy. The Monitoring and Evaluation Framework provides a feedback loop for the Authority and relevant stakeholders.
- **Develop an evidence base for input into future business cases** and for developing future funding submissions. The Monitoring and Evaluation Framework will collect, collate and analyse data which can be utilised for future work.

7.1.2. The Combined Authority Monitoring and Evaluation Framework was initially prepared in relation to the Combined Authority's devolution deal monitoring and evaluation requirements. However, the approach set out in the Framework will be utilised for all sources of funding within the Cambridgeshire and Peterborough Business Plan, accepting that some government departments will have slightly different requirements which will be met. The Framework builds on the National Evaluation Framework for devolution funds, prepared by SQW and agreed with devolution areas and government.

7.1.3. The Business Board will be asked to co-adopt this Monitoring and Evaluation framework, as the Governments published guidance requires the Business Board to reference their monitoring and evaluation arrangements as well.

7.1.4. The overall responsibility for monitoring and evaluation (the Monitoring and Evaluation framework) and execution of the activity associated with it is held at director level at the Combined Authority, within the post of Strategy & Assurance Director. The Combined Authority has agreed a contract with Cambridgeshire County Council (part of the wider CambridgeshireInsight partnership) to provide an appropriate level of officer support on Monitoring and Evaluation, including local knowledge, expertise and supporting capacity.

7.1.5. The Combined Authority's approach uses the Magenta Book definition of monitoring and evaluation and makes use of the wider guidance within this document as complementary guidance to the HM Treasury Green Book.

7.1.6. The Combined Authority major projects will have logic models.

7.1.7. Lessons learnt from evaluations will be reported to the Business Board and Combined Authority Board as appropriate.

7.2 Programme and Project Monitoring

- 7.2.1. Funding agreement/contracts set out the programme or project spend and output profile together with the monitoring arrangements (financial, benefits and risk).
- 7.2.2. Monthly highlight reports are completed by project managers on all live projects and provide updates on the performance of projects. These reports are reviewed by directors at their monthly Director meetings and quarterly, during the 'Critical Friend' clinic sessions.
- 7.2.3. Any changes or variances to the spend profiles or key milestones will need to be reported by the Project Manager and approved by the Combined Authority. On approval a variation letter to the Funding Agreement/contract will be issued.

7.3 Project Evaluation

- 7.3.1. The business case clearly defines those outputs which may be captured through routine monitoring.
- 7.3.2. The Monitoring and Evaluation framework sets out when and how programmes and projects are reported.
- 7.3.3. Evaluation forms are a requirement of the project closure process, and project managers are responsible for identifying what their project has delivered. Detailed evaluation requirements are also a requirement of the project closure form.
- 7.3.4. Evaluation plans will be proportionate and in line with the latest government department guidance where relevant. For example, all transport schemes (over £5m) will follow Monitoring and Evaluation Guidance for Local Authority Major Schemes.
- 7.3.5. All monitoring and evaluation arrangements (which will form part of the final business case) and interim and final monitoring and evolution reports, will be published on the CP Combined Authority website.
- 7.3.6. The Combined Authority will identify the projects that will be subject to a more detailed evaluation. The level of evaluation will depend on the following:
 - Project funded through *growth funding* (in the Combined Authority's case the core agreement with central government to devolve £20m per year over 30 years). Therefore, subject to the agreed national evaluation framework, independent evaluation led by SQW Ltd.
 - Projects funded through other streams and identified as being '*major*' in terms of the relative size of the funding and/or the expected benefits to be achieved. Therefore, subject to full independent evaluation commissioned by the Combined Authority (an example would be evaluating the effectiveness of projects commissioned under the £100m affordable housing fund).

- Project identified locally as one where *significant learning* could be available that would help to inform future policy making either locally or nationally. This will include projects that are innovative or considered 'pilots'. Evaluation work in this case would be either be commissioned independently or carried out locally by the Research Team for Cambridgeshire County Council.
- 7.3.7. Other projects not included above subject to proportionate '*self-evaluation*' based on submitted business cases.

7.4 Adult Education Budget Monitoring and Evaluation

- 7.4.1. The Adult Education Budget reporting will be included within the Combined Authority monitoring and evaluation submissions as required under the devolution agreement. The Combined Authority has already submitted our policies for adult education as part of the readiness conditions and they were published as part of the commissioning process. They will continue to be updated and will be published more broadly during the academic year 2019/20.
- 7.4.2. The Combined Authority's Monitoring and Evaluation Framework (detailed above) will be used for the Adult Education Budget activity including the use of logic models. The first formal annual evaluation will be undertaken after year 1 academic year 2019/20 delivery and completed by December 2020. It will meet the national requirements as set out in the National Assurance Framework, together with locally determined requirements so that it can be used to inform and shape the criteria for future funding awards.
- 7.4.3. **The Combined Authority has agreed with the Education & Skills Funding Agency a formalised approach for Audit, Assurance, Fraud and Investigations for 2019/20. This agreement provides support for both parties in ensuring AEB service provision post devolution.**



BUSINESS BOARD	AGENDA ITEM No: 3.4
DATE OF MEETING 28/05/2019	PUBLIC REPORT <i>This report has appendices at item 3.4 of the Agenda</i>

BETTER SHARING CHAIR AND MEMBER TASKS ACROSS BUSINESS BOARD

1.0 PURPOSE

- 1.1. The Business Board are asked to consider arrangements for recruiting a new Chair and the assignment of key tasks across the Business Board.
- 1.2. The recruitment of a new Chair needs to take account of the **Government Guidance/National Local Growth Assurance Framework** and the **Business Board Constitution**

<u>DECISION REQUIRED</u>	
Lead Member/s:	Chair of the Business Board Portfolio Holder for Economic Growth
Lead Officer:	John T Hill, Director of Business and Skills
Forward Plan Ref: 2019/039	Key Decision: No
<p>The Business Board is recommended to:</p> <p>(a) Discuss alternative ways of handling both the volume of work and the different skills required to fulfil the tasks falling to the Chair as set out in Appendix A;</p> <p>(b) Agree the process for appointing an interim Chair until a permanent appointment is made;</p> <p>(c) Agree delegated authority be given to the Chief Executive to accept the recommendation of the recruitment panel for the interim Chair and that the Board shall ratify the decision at their next meeting in July;</p>	<p>Voting arrangements</p> <p>Simple majority of all Members</p>

<p>(d) Agree that the Constitution be amended to include the process for appointing an interim Chair mid-term as set out below and in Appendix B para 3.7;</p> <p>(e) Agree that a report be submitted to the next meeting of the Business Board on the appointment of additional members and the Chair that accord with the National Guidance set out in Appendix B</p> <p>(f) Agree discussion on assignment of Board member tasks to conclude at a future board meeting</p>	
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2.0 BACKGROUND

Role of the Chair

- 2.1. Due to the combination of his recent promotion to CEO of TWI and the increasing volume of tasks falling to the Chair, Professor Aamir Khalid can no longer devote sufficient time to the role and would like the board to consider alternative arrangements.
- 2.2. The workload placed upon the chair has evolved as both the business board operations have developed and as the OxCam formation of LEPs and the Mayoral Combined Authority has grown to become potentially similar to that of the Northern Power House and Midlands Engine.
- 2.3. The tasks within the role have been mapped (**Appendix A**) and the board are invited to discuss alternative ways of handling both the volume of work and the different skills required to fulfil the tasks.

Recruitment of Chair and Appointment of Interim Chair

- 2.4. The requirement for a recruitment process for the Chair's position is set down in national guidance and therefore is not something that can be changed unilaterally in the Business Board's Assurance Framework or constitution. An extract from the National Guidance and relevant parts of the Business Board constitution is set out in **Appendix B**.
- 2.5. Hence there will need to be a transparent recruitment process that will take place over the coming months.
- 2.6. It is proposed to have a two stage process:
 - (a) Stage 1 an interim Chair should be immediately appointed following the process set out in 2.8 below

- (b) Stage 2 a report should be submitted to the next meeting of the Business Board on the appointment of additional members and the Chair that accord with the National Guidance set out in **Appendix B**.

Appointment of Interim Chair

- 2.7. It will take time to publically advertise and appoint a new Chair to comply with the National Guidance. It is therefore proposed to appoint an interim Chair.
- 2.8. To fulfil this interim position:
 - (a) Existing members of the Board have been invited to indicate their interest in the interim chair position in writing.
 - (b) The applicants will be interviewed by the interview panel as set out in the constitution to include the Mayor, the Lead Member for Economic Growth and three private sector members of the board.
 - (c) It is proposed that delegated authority should be given to the Chief Executive to accept the recommendation of the recruitment panel for the interim chair and the Board will be asked to ratify the decision at their next meeting in July.
 - (d) The interim chair will effectively be in position from the recruitment panel until a further full recruitment process is undertaken and a new permanent chair is appointed.
- 2.9. The current constitution does not deal with the retirement of the Chairmanship mid term. It is therefore proposed that provision should be made in the constitution for this as set out below.

Appointment of Permanent Chair

- 2.10. In order to comply with the national frameworks, it is proposed that a report should be brought back to the July meeting outlining process and timetable for the following:
 - (a) the recruitment process for a permanent Chair including advertising the position on the Centre for Public Appointments website. Existing Board members can apply for the role of both the interim chair and also the permanent chair.
 - (b) The process for consulting widely and transparency with the business community before appointing a new chair.
 - (c) The recruitment process for other Business Board members.
 - (d) The current diversity position in relation to the Business Board and any committees of the Board and the action to be taken to meet its diversity commitments.
 - (e) Proposed amendments to the diversity statement to meet the national guidance as follows:
 - “The LEP should produce a diversity statement explaining how the LEP will ensure representation at Board and Sub-Board level which is reflective of*

their local business community (including geographies, gender and protected characteristics). The statement should also set out how the LEP will monitor diversity at board level and explain what steps the LEP is taking to ensure diversity in its engagement with local communities and businesses.

The diversity statement should include a commitment to ensure that by 2020 at least one third of members of LEP Boards are women with an expectation for equal representation by 2023.”

It is best practice for a report to be made to the Board each year discussing progress in encouraging diversity and how improvements can be made.

In addition, it is best practice for each LEP to nominate a diversity champion from its Board. Their role will be to encourage diversity and ensure that the LEP is acting in line with its diversity statement.

Mid term Appointment of Chair

- 2.11. The term of office for the Chair is two years. Professor Aamir Khalid’s term of office is due to end in September 2020 and was appointed after a lengthy recruitment process..
- 2.12. It is also proposed that where in future, there is a resignation of the chairmanship mid term following a full recruitment process, provision is included in the constitution to permit the Business Board to recruit from within the existing membership of the Board until the end of the (retired) chair’s term. Recruitment processes are time intensive and costly and we should not have to conduct that exercise more than bi-annually. This would require discussions with BEIS. It is proposed that the constitution be amended as follows;

Resignation of the Chairmanship Mid-Term

Where in future, there is a resignation of the chairmanship mid-term following a full recruitment process, existing members of the Business Board shall be invited to apply for the position. Applicants will be interviewed and appointed by the Business Board’s recruitment panel. The appointment will take effect immediately on an interim basis. The business community then will be consulted widely and transparency before formally appointing the new chair. The appointments panel shall consider any representations from the business community before formally confirming the appointment. The appointment shall continue until the end of the (retired) chair’s term.

The role of individual board members

- 2.13. As the Local Industrial Strategy has been produced and a delivery/implementation plan developed it is clear that the board needs to support not just sector representation but also to take on oversight of the delivery of the planned services and interventions that result from the LIS.
- 2.14. This could take the form of individual board members having not just a sector representation role but also responsibility for oversight of the Executives delivery of

specific intervention these, e.g; inward investment, growth coaching, apprenticeships, launchpads, university, etc

- 2.15. The recruitment of the Chair and 3 extra members is planned for the summer to improve gender, BAME and SME balance across the Board – this could be enhanced to cover delivery themes, if we can complete a gap analysis of the current board quickly.

3.0 RECOMMENDATION

- 3.1. It is proposed to combine the Chair recruitment exercise into the wider new Board member recruitment process and to start the recruitment of new Chair and the additional three members over the summer.

- 3.2. The board are invited to discuss and decide on potential temporary arrangements for the fulfilling and transitioning chair that would lead to formal appointment of a replacement over the next two months to the July meeting

- 3.3. The board are asked to consider attending a facilitated workshop on chair and board member roles as well as the skills required and present around the board membership – late June or early July

4.0 APPENDICES

- 4.1. Appendix A - **Discussion Document on Chair Workload**

- 4.2. Appendix B – **Briefing Document on Recruitment of Chair and Board Members**

<u>Source Documents</u>	<u>Location</u>
Business Board 28 May 2019: Agenda and reports	http://cambridgeshirepeterborough-ca.gov.uk/meetings/business-board-meeting-28th-may-2019/?date=2019-05-28

DISCUSSION ON CHAIR WORKLOAD

OPERATIONAL & DELIVERY ASPECTS – 2 DAYS PER MONTH

- **Demonstrating a strong private sector background** and experience of building effective organisations at scale to ensure they are equipped with the skills needed to steer the work of a Local Enterprise Partnership and credible with large business, as well as empathic relatable with small.
- **Setting the board direction** and agenda primarily focused on strategy, performance, value creation, culture, stakeholders and accountability. Establishing sub-committees to spread the effort within the board and capitalise on specific skills.
- **Shaping the culture** in the boardroom, encouraging all board members to engage in board and committee meetings by drawing on their skills, experience and knowledge. Fostering relationships based on trust, mutual respect and open communication – both in and outside the boardroom
- **Developing productive working relationships** with the Business Board and CA chief executives, providing support and advice, while respecting executive responsibility.
- **Providing a strong eye on the detail** and ensuring that the correct processes are in place to provide assurance on both how funding is allocated and how it is managed.
- **Consulting and coaching** with the business board Chief Executive on operational management of activities and delivery of key services and projects
- **Representing at Combined Authority Board meetings**, the strategy and decisions of the Business Board.

BUSINESS BOARD REPRESENTATION ASPECTS – 3 DAYS PER MONTH

- **Advocating for place** and representing the concerns of its people, institutions and businesses, both locally at adhoc events and at the highest levels of Government.
- **Working as a strategic operator** able to interpret the external and political (local and central) environment to articulate the Board's position and amplify its ambitions.
- **Working collaboratively with a range of stakeholders**, including local people, businesses and their representatives, elected officials, education institutions and voluntary and community sector bodies, holding stakeholders to account for delivery.
- **Representing and lobbying** for the interests of the economy and for resources to deliver the LIS, within:
 - OxCam Governance and operational groups – one half day meeting per month
 - Whitehall Officials & Ministers - one half day meeting per month
 - LEP Network - one half day meeting per quarter
- **Leading the annual board evaluation with BEIS/CLGU** and acting on the results, including commissioning regular externally facilitated board and organisational evaluations.

Recruitment of Chair and Board members – Extract from Government Guidance and Business Board constitution

1. Strengthened Local Enterprise Partnerships MHCLG July 2018

Government will:

o Actively **work with Local Enterprise Partnerships to advertise opportunities** for private sector leaders to become a Local Enterprise Partnership Chair when vacancies emerge. While these are not public appointments, we will offer to list vacancies on the Centre for Public Appointments website. P5

Government will actively **work with Local Enterprise Partnerships to advertise opportunities** for private sector leaders to become a Local Enterprise Partnership Chair when vacancies emerge. While these are not public appointments, we will offer to list vacancies on the Centre for Public Appointments website. This will help open up recruitment exercises to a broader pool of potential candidates, and at the same time underline the importance of the role to helping shape and deliver Government policy.p16

How Local Enterprise Partnerships will support this change:

Government expects that each Local Enterprise Partnership **consults widely and transparently with the business community before appointing a new Chair**, and **appoints a Deputy Chair**. This process, including members of the appointment panel, should be set out by the Local Enterprise Partnership in their local assurance framework. Government will support this by advertising vacancies and actively supporting recruitment into these roles but appointment to positions on Local Enterprise Partnership boards will remain a decision for the Partnership. In line with best practice in the private sector, Local Enterprise Partnerships will want to **introduce defined term limits for Chairs and Deputy Chairs** where these are not currently in place.p17

2. Extract from National Local Growth Assurance Framework

Appointment Process for Board Members and Chairs

75. The LEP should outline, or refer to, its appointment process for Board Members (public and private sector), Chairs and Deputy Chairs within the Local Assurance Framework. As part of this they should ensure that they advertise opportunities for private sector leaders to become a LEP Chair or private sector Board Member when vacancies emerge. They should advertise openly, on a variety of platforms to ensure that people across the business community have an opportunity to apply and consider the diversity requirements outlined in this Framework.

76. Whilst LEP Chair appointments are not public appointments, Government offers to list vacancies on the Centre for Public Appointments website.18

77. Government expects that each LEP consults widely and transparently with the business community before appointing a new Chair. LEPs should openly advertise opportunities for private sector leaders to become a LEP Chair or Board Member when vacancies emerge and publish details of how the LEP ensures an open recruitment process. The LEP's appointment process should set out how this is done.

Diversity Statements

78. The Local Assurance Framework must set out the LEPs commitment to diversity. **The LEP should produce a diversity statement explaining how the LEP will ensure representation at Board and Sub-Board level** which is reflective of their local business community (including geographies, gender and protected characteristics). The statement should also set out how the LEP will monitor diversity at board level and explain what steps the LEP is taking to ensure diversity in its engagement with local communities and businesses.

The diversity statement should include a commitment to ensure that by 2020 at least one third of members of LEP Boards are women with an expectation for equal representation by 2023.

Best Practice

1. It is best practice for a report to be made to the Board each year discussing progress in encouraging diversity and how improvements can be made.
2. In addition, it is best practice for each LEP to nominate a diversity champion from its Board. Their role will be to encourage diversity and ensure that the LEP is acting in line with its diversity statement.

3. Extract from CPCA Assurance Framework

3.3.20 The Business Board Constitution states that private sector members including the Chair shall be appointed following an open, transparent and non-discriminatory recruitment process which assesses each candidate on merit carried out in accordance with its diversity statement, Government Guidance and the Nolan Principles. This will include a public advertisement and an interview process conducted by the Business Board's appointments panel. The Business Board will consult widely and transparently with the business community before appointing a new Chair. When vacancies become available for private sector Local Enterprise Partnership members, they will be advertised on the Combined Authority website. In addition, social media will be used to raise awareness of the opportunities, particularly among under-represented groups. A recruitment panel (including the Cambridgeshire and Peterborough Mayor and Local Enterprise Partnership Chair) assesses applications received and makes a recommendation to the Combined Authority Board for approval of appointments.

4. Business Board Diversity Statement

Diversity Statement

The Business Board is dedicated to supporting a fully inclusive culture and recognises its role in promoting diversity and eliminating discrimination and seeks to do this in the way it conducts itself. Our aim is to ensure that The Business Board will provide equal opportunity for everyone.

This policy reinforces our commitment to providing equality and fairness to all those who wish to work with or for us. We will not act less favourably on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, ethnic origin, colour, nationality, national origin, religion or belief, or sex and sexual orientation. We are opposed to all forms of unlawful, unfair and inappropriate discrimination.

The Business Board recognises and embraces the benefits of having a diverse Board, and sees increasing diversity at Board level as essential in representing the diverse community that constitutes The Business Board area and in improving its creativity, productivity and ability to innovate. A truly diverse Board which is reflective of our local business community will include and make good use of differences in the skills, geographical and industry experience, background, race, gender and other qualities. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. Whilst all appointments to the Business Board will be on merit, in accordance with Government requirements, identified during the Strengthening LEPs Review, the Business Board will aim to improve the gender balance and representation of those with protected characteristics on its board with the following aims:

- that women make up at least one third of Business Board by 2020
- with an expectation for equal representation by 2023, and
- ensure its Board is representative of the businesses and communities they serve

Last updated: October 2018

5. Extract from Business Board Constitution

Private Sector Representatives

- 1.1. Up to eight business representatives— one member will be appointed specifically to represent the interests of the Small and Medium Sized Enterprises (SME) sector, one member will represent the education sector and one member will be appointed as an international business representative.
- 1.2. The Business Board membership meets the requirements for two thirds of the Business Board members to be private sector representatives and does not exceed the maximum of 20 members¹.

¹ Strengthening Local Enterprise Partnerships, MHC&LG, July 2018

- 1.3. Whilst all appointments to the Business Board will be on merit, in accordance with Government requirements, the Business Board will aim to Improve the gender balance and representation of those with protected characteristics on its board with the following aims:
- (a) that women make up at least one third of Business Board by 2020
 - (b) with an expectation for equal representation by 2023, and
 - (c) ensure its Board is representative of the businesses and communities they serve².

2. Recruitment, Appointment and Termination of Private Sector Members

- 2.1. The private sector representatives and the Chair of the Business Board shall be appointed following an open, transparent and non-discriminatory recruitment process which assesses each candidate on merit carried out in accordance with the Business Board's diversity statement, Government Guidance and the Nolan Principles. This will include a public advertisement and an interview process conducted by a Business Board's appointments panel. ...
- 2.2. Formal appointment panels will be constituted as follows

Position	Panel
Appointment of a Chair	Mayor of Cambridgeshire and Peterborough Combined Authority, the Combined Authority's Lead Member for Economic Growth plus three private sector Business Board members supported by the Chief Executive of the Combined Authority or his/her nominee
Appointment of private sector board members	Chair and Vice-Chair of the Business Board Mayor of Cambridgeshire and Peterborough Combined Authority or the Combined Authority's Portfolio for Economic Growth
Vice-Chair (where there is more than one candidate)	Chair of the LEP and Mayor of Cambridgeshire and Peterborough Combined Authority or the Combined Authority's Portfolio for Economic Growth

Interview panels will be advised by the Director of Business and Skills.

Requirements for Private Sector Representatives

- 2.3. The Private Sector Board members must not:
- (a) be a member, officer of the Combined Authority, or a County Council, Unitary Council, District tier Council within the area served by the

² Strengthening Local Enterprise Partnerships, MHC&LG, July 2018

- Business Board, or otherwise employed under the direction of a local authority;
 - (b) be a non-executive director or officer of an NHS Trust;
 - (c) be subject to a bankruptcy restriction order or interim order;
 - (d) be subject to a sexual risk order or be on the sexual offenders register;
 - (e) be subject to a civil injunction or criminal behaviour order;
 - (f) be disqualified from acting as a director, a charter trustee or charity trustee
 - (g) within 5 years before the date of submission of application, have been a director or person of significant control of a company subject to a creditors compulsory liquidation
 - (h) within 5 years before the date of submission of application, have been convicted of any offence and have had passed on them a sentence of imprisonment, whether suspended or not, for a period of not less than 3 months without the option of a fine
- 2.4. Private Sector Members should not have made substantial personal contributions to any recognised political party, and must not serve as an officer in any recognised political party.
- 2.5. Members should be employed by, or have a substantial interest (by virtue of ownership / control) in businesses in the area served by the Business Board
- 2.6. The Appointments Panel shall appoint the **private sector representatives** to the Business Board following an interview process.
- 2.7. Each private sector representative on the Business Board is appointed in their individual capacity, and not as a representative of their employer or any other organisation. No substitute members will be appointed for private sector representatives.

Appointment

- 2.8. A formal offer will be made to successful candidates. On appointment Board members are required to sign a declaration affirming their understanding and commitment to the Code of Conduct.
- 2.9. Within the period of 28 days of the appointment being made to the Business Board, the Business Board shall publish a notice on its website which:
- (a) states that it has made an appointment;
 - (b) identifies each Business Board member who has been appointed and any substitute members; and
 - (c) specifies the term of office of those appointed
 - (d) Publishing the members' and substitute members' register of interest form.

Term of Appointment

- 2.10. The term of office for **private sector representatives** will normally be a maximum of 3 years, and subject to a maximum of one consecutive term, unless
- (a) they cease to qualify to be a member of the Business Board;
 - (b) they resign from their membership and communicate this in writing to the ~~Legal Counsel and~~ Monitoring Officer; or
 - (c) the Business Board terminates the membership of any private sector representative which it may do at any time,
 - (d) upon receipt of a vote of no confidence by the Combined Authority Board, the Board must consider whether to terminate the terms of office of the Chair at the next meeting of the Board.
- 2.11. The term of office of **public sector** members and substitute members appointed by the Combined Authority is at their discretion; the Combined Authority Board may terminate their appointment or appoint a representative at any time, to be of effect on receipt of a notice by the Combined Authority's ~~Legal Counsel and~~ Monitoring Officer.
- 2.12. The Business Board may appoint co-opted members as necessary to complement the skills and expertise on the Board. Membership may not exceed 20 members.

3. Chair and Vice-Chair of Business Board

- 3.1. The Business Board will appoint a private sector representative as Chair and Vice Chair.
- 3.2. The Chair shall be appointed following an open, transparent and non-discriminatory recruitment process which assesses each candidate on merit carried out in accordance with the Business Board's diversity statement, Government Guidance and the Nolan Principles. This will include a public advertisement and an interview process conducted by a Business Board's appointments panel. The Business Board will consult widely and transparently with the business community before appointing a new Chair.
- 3.3. The terms of the appointment will be set out in an appointment letter from the Combined Authority to the Chair. A person ceases to be Chair or Deputy Chair if they cease to be a Business Board member.
- 3.4. The terms of office of the Chair will be for two (2) years with one consecutive term permitted upon unanimous vote of the Board members present and voting.
- 3.5. The Chair will be a voting member of the Combined Authority Board.

- 3.6. The Business Board shall appoint a vice chair from amongst its membership. A member may only be appointed as vice chair if they have secured membership through an open recruitment process.

Resignation of the Chairmanship Mid-Term

- 3.7. **Where in future, there is a resignation of the chairmanship mid-term following a full recruitment process, existing members of the Business Board shall be invited to apply for the position. Applicants will be interviewed and appointed by the Business Board's recruitment panel. The appointment will take effect immediately on an interim basis. The business community then will be consulted widely and transparency before formally appointing the new chair. The appointments panel shall consider any representations from the business community before formally confirming the appointment. The appointment shall continue until the end of the (retired) chair's term.**

4. Co-opted Members

- 4.1. Where specific skills or abilities are required which are not available among existing members co-optees may be appointed to the Business Board. The appointment will be made by the Chair, in consultation with the Board, for 12 months. Co-opted members will not have voting rights and will not count towards the quorum. In accordance with Government Guidance, the maximum number of co-opted members should not exceed five.

1. Urgency procedure

- 1.1. In order to ensure that the Business Board is able to progress its business in an efficient manner, comments on urgent matters may be sought by the Chief Executive or other Statutory Officer outside the meeting cycle.
- 1.2. Members will receive email notification which identifies:
- (a) Details of the matter requiring comment and/or endorsement and the reason for urgency (including an explanation as to why an emergency meeting is not proposed to be held to conduct the business);
 - (b) The date responses are required by;
 - (c) The name of the person or persons making or putting forward the proposal/decision
- 1.3. Two working days after the close of responses, the following will be circulated to all Business Board Members:
- (a) The outcome of the decision taken by Statutory Officers (including responses received in agreement and responses received in disagreement); and the date when any decision comes into effect; and
 - (b) Any mitigating action taken to address Members' stated views or concerns.

Decisions and actions taken will be retrospectively reported to the next meeting of the Business Board.



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

BUSINESS BOARD	AGENDA ITEM No: 3.5
28 MAY 2019	PUBLIC REPORT

REVIEW OF CONSTITUTION

1.0 PURPOSE

- 1.1. In the interests of good governance, the Board reviews its constitution annually.
The Board agreed its first constitution in September 2018.
- 1.2. There are a number of suggested changes set out in **Appendix 1**.

<u>DECISION REQUIRED</u>	
Lead Member:	Chair of Business Board
Lead Officer:	Monitoring Officer
Forward Plan Ref: N/A	Key Decision: No
The Business Board is asked to recommend the Combined Authority Board to: Approve the amendments to the constitution set out in Appendix 1.	Voting arrangements: Simple majority of all Members

2.0 BACKGROUND

- 2.1. The Business Board's rules for its governance arrangements are set out in its constitution. The Board's constitution has been prepared with a view to ensuring effective, open and transparent decision making and to conform with legislation and Government guidance relating to local enterprise partnerships.
- 2.2. The Board approved its first constitution on 24th September 2018. It has been kept up to date to take account of changes to the constitution agreed by the Board throughout the year, and the latest version is available on the Business Board website. It should be read in conjunction with the Combined Authority Constitution where appropriate.
- 2.3. A number of changes to the Constitution are suggested in **Appendix 1** (additions in bold and deletions in strikethrough), which reflect decisions made by the Business Board since its inception. The changes also take into account the government's revised National Local Growth Assurance Framework, a guidance for Mayoral Combined Authorities with a Single Pot and Local Enterprise Partnerships.

3.0 FINANCIAL IMPLICATIONS

- 3.1. There are no financial implications

4.0 LEGAL IMPLICATIONS

- 4.1. The legal implications are addressed in the report and appendix.

5.0 SIGNIFICANT IMPLICATIONS

N/A

6.0 APPENDICES

- 6.1. **Appendix 1** – Constitution

<u>Source Documents</u>	<u>Location</u>
Constitution	http://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/Final-Constitution-Sept18.pdf

Business Board

Part 1 – Functions and Membership

1. Governance

- 1.1. Local Enterprise Partnerships (LEPs) are private sector led voluntary partnerships between local authorities and businesses set up in 2010 by the Department of Business Innovation and Skills to help determine local economic priorities and lead economic growth and job creation within the local area.
- 1.2. The Business Board is a non-statutory body which is the Local Enterprise Partnership for its area. It is independent of the Combined Authority operating as a private-public sector partnership, focusing on the key business sectors to provide strategic leadership and drive growth in the Cambridgeshire and Peterborough and wider Local Enterprise area.

2. Current Geographical area (under review)

- 2.1. The current geographical area is under review. The Department for Business Enterprise and Industry are considering proposals for a coterminous boundary with the Combined Authority.
- 2.2. The geographical area of the business Board is set out in the table below:

District	Areas	Council
Cambridgeshire		Cambridgeshire County Council
Cambridge		Cambridge City Council
East Cambridgeshire	Ely, Littleport and Soham	East Cambs DC
Fenland	Wisbech, March Whittlesey & Chatteris	Fenland DC
Huntingdonshire	Huntingdon, St Ives & St Neots	Huntingdonshire DC
South Cambridgeshire	Cambourne	South Cambs DC
Peterborough		Peterborough City Council
North Hertfordshire	Royston	North Hertfordshire DC'
South Kesteven (Lincs)	Grantham, Stamford, Bourne and Market Deeping.	South Kesteven DC

Rutland	Oakham	Rutland County Council
St Edmundsbury (W Suffolk) West Suffolk	Bury St Edmunds, Haverhill, Newmarket and Mildenhall	West Suffolk Council
Forest Heath (W Suffolk)	Newmarket & Mildenhall	Forest Heath District Council
Uttlesford (Essex)	Saffron Walden, Great Dunmow, Stansted Mountfitchet and Thaxted,	Uttlesford DC
West Norfolk & King's Lynn	King's Lynn, Downham Market and Hunstanton	BC of King's Lynn and West Norfolk
South Holland (Lincs)	Spalding, Crowland, Donington, Holbeach, Long Sutton and Sutton Bridge	South Holland DC

3. Functions

- 3.1. In Mayoral combined authorities, there ~~is a requirement to have a~~ **will be a** single local Industrial Strategy led by the Mayor and supported by the Local Enterprise Partnership **The strategy provides the basis for investment decisions for the Cambridgeshire and Peterborough Combined Authority as the accountable decision-making authority.**

~~The Mayor will work in partnership with the Business Board to jointly develop and agree the strategy¹. The Business Board has a vital leadership role to play in developing and is the custodian of the local industrial strategy. , and is responsible for delivering the Local Industrial Strategy, The Mayor will work in partnership with the Business Board to jointly develop and agree the strategy², and Combined Authority will be responsible for its delivery. which should provide the basis for investment decisions for the Cambridgeshire and Peterborough Combined Authority as the accountable decision-making authority.~~

- 3.2. The Business Board will allocate local growth funds to improve economic opportunity in the area and will monitor the delivery of funded projects.
- 3.3. Working in conjunction with the Combined Authority the Business Board will develop initiatives to address the local skills challenges and will play a key role in developing the University of Peterborough as an employer focused provider of higher education.

² See Industrail Strategy: Building a Britain fit for the future, DBE&IS 27 November, 2017

- 3.4. The Business Board will act as an enabler for delivery of sector deals at local level
- 3.5. The Business Board will support applications for the Industrial Strategy Challenge Fund programme and will work collaboratively with the Combined Authorities universities, businesses and research organisations to produce programmes which impact productivity
- 3.6. In accordance with the Single Pot Assurance Framework National Guidance, the Business Board and the Combined Authority Board, as the accountable decision making body, **have will work to agreed** a single local assurance framework, and **have submitted it to the** Ministry of Housing, Communities and Local Government for approval. The Assurance Framework will be reviewed annually. **All decisions must comply with the framework.**

4. Terms of Reference

- 4.1. The purpose of the Business Board is set out below³:

Strategy:

- (a) In collaboration with the Cambridgeshire and Peterborough Combined Authority, develop and deliver an evidence-based Local Industrial Strategy that identifies local strengths and challenges, future opportunities and the action needed to boost productivity, earning power and competitiveness across their area.
- (b) Set strategy and commission interventions to drive growth, jobs and private sector investment to deliver the strategy.

Allocation of funds

- (c) Identify and develop investment opportunities; prioritising the award of local growth funding; and monitoring and evaluating the impacts of its activities to improve productivity across the local economy.
- (d) ensure that bids for public funding made available by government for LEPs support economic growth.
- (e) **ensure any decisions which are made in contravention of the process will be invalid.**

Co-ordination

- (f) Use its Business convening power, for example to co-ordinate responses to economic shocks; and bringing together partners from the private, public and third sectors.

³ These four roles are set out in Strengthening Local Enterprise Partnerships, MHC&LG, July 2018

- (g) ensure Business Board and Combined Authority policy and decisions receive the input and views of key business leaders and take account of the views of the wider business community
- (h) engage with local businesses to understand the needs of different sectors and markets

Advocacy

- (i) Collaborate with a wide-range of local partners to act as an informed and independent voice for business across their area.
- (j) engage business, opinion formers and policy makers at a national and international level in promoting economic growth in the region.

4.2. In pursuit of this role the Business Board will:

- (a) In collaboration with the Cambridgeshire and Peterborough Combined Authority develop local agreements which clearly set out their respective roles, responsibilities and accountability
- (b) Produce an annual delivery plan and end of year report in accordance with Government guidance,
- (c) Develop, agree and review a joint Combined Authority and Business Board Assurance Framework
- (d) Support the supply of skills to an area as they respond to the Skills Advisory Panels programme
- (e) capture and communicate business requirements for changes to, and development of, economic policy and commission associated appropriate interventions
- (f) work collaboratively with all partners, including the Combined Authority and Local Authorities, to address barriers to growth and drive efficiency
- (g) bring together intelligence and expertise to identify priorities and develop solutions to maximise private sector investment in the local enterprise and combined authority area, and secure sustainable growth
- (h) work to create an environment for business growth ensuring appropriate mechanisms exist through which, as a co-ordinated voice, the private sector can inform and influence the shape and future direction of local and national government policy.

4.3. To ensure the Business Board is effective in this role it has the authority to:

- (a) engage in dialogue with Government and respond to policy, proposals and opportunities to bid for funding in support of economic growth
- (b) engage with investors, businesses and advisors to secure growth opportunities
- (c) develop and consult on regional economic policy, programmes and interventions designed to maximise growth in the region
- (d) provide leadership in key themes and priorities to promote growth
- (e) raise the profile, image, reputation and influence of the Local Enterprise Partnership and Combined Authority area at a regional, national and international level.

5. Legal Status

5.1. The Business Board is an informal partnership. It does not have legal status to enter into contracts and will act through the Cambridgeshire and Peterborough Combined Authority as the Accountable Body.

6. The Business Board's accountable body

6.1. Cambridgeshire and Peterborough Combined Authority ('the Combined Authority') is the accountable body for funding allocated to the Business Board; that is the Combined Authority is responsible to Government for complying with any conditions or requirements attached to any such funding.

7. Role of Members and Accountability

7.1. Irrespective of his or her background or geography, it is the duty of a Business Board member to act in the best interests of the Local Enterprise area and in accordance with the policies of the Business Board.

7.2. All private sector members of the Business Board act in their individual capacity and not as representatives of their respective organisations.

7.3. All Business Board members are expected to discharge their duties in line with the Nolan Principles for Standards of Public Life⁴ and the Code of Practice for Board Members of Public Bodies⁵. Members must comply with the Business Board Code of Conduct. Political Leaders who are Members of the Combined Authority must also comply with the Business Board Code of Conduct in addition to that of the Combined Authority.

⁴ <https://www.gov.uk/government/publications/the-7-principles-of-public-life>

⁵ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/409604/code-of-conduct_tcm6-38901.pdf

- 7.4. **All Business Board and sub-committee or sub-group members will make decisions on merit having taken into account all the relevant information available at the time.**

8. **Membership**

- 8.1. The Business Board membership will comprise up to ~~40~~**12 members**; two public sector members and up to ~~eight~~**ten business** representatives as follows:

Public Sector Representatives

- 8.2. The Mayor and the Portfolio for Economic Growth of the Combined Authority shall be a member of the Business Board by virtue of their office. The Combined Authority may appoint at least one Substitute Member to act in their absence. These shall be non-voting members of the Board.

Private Sector Representatives

- 8.3. Up to ~~eight~~**ten business** representatives– one member will be appointed specifically to represent the interests of the Small and Medium Sized Enterprises (SME) sector, one member will represent the education sector and one member will be appointed as an international business representative.
- 8.4. The Business Board membership meets the requirements for two thirds of the Business Board members to be private sector representatives and does not exceed the maximum of 20 members⁶.
- 8.5. Whilst all appointments to the Business Board will be on merit, in accordance with Government requirements, the Business Board will aim to improve the gender balance and representation of those with protected characteristics on its board with the following aims:
- (a) that women make up at least one third of Business Board by 2020
 - (b) with an expectation for equal representation by 2023, and
 - (c) ensure its Board is representative of the businesses and communities they serve⁷.

9. **Recruitment, Appointment and Termination of Private Sector Members**

- 9.1. The private sector representatives and the Chair of the Business Board shall be appointed following an open, transparent and non-discriminatory recruitment process which assesses each candidate on merit carried out in accordance with the Business Board's diversity statement, Government Guidance and the Nolan Principles. This will include a public advertisement

⁶ Strengthening Local Enterprise Partnerships, MHC&LG, July 2018

⁷ Strengthening Local Enterprise Partnerships, MHC&LG, July 2018

and an interview process conducted by a Business Board's appointments panel.

9.2. Formal appointment panels will be constituted as follows

Position	Panel
Appointment of a Chair	Mayor of Cambridgeshire and Peterborough Combined Authority, the Combined Authority's Portfolio for Economic Growth plus three private sector Business Board members supported by the Director of Business and Skills Chief Executive of the Combined Authority or his/her nominee
Appointment of private sector board members	Chair and Vice-Chair of the Business Board Mayor of Cambridgeshire and Peterborough Combined Authority or the Combined Authority's Portfolio for Economic Growth
Vice-Chair (where there is more than one candidate)	Chair of the LEP and Mayor of Cambridgeshire and Peterborough Combined Authority or the Combined Authority's Portfolio for Economic Growth

Interview panels will be advised by the Director of Business and Skills.

Requirements for Private Sector Representatives

9.3. The Private Sector Board members must not:

- (a) be a member, officer of the Combined Authority, or a County Council, Unitary Council, District tier Council within the area served by the Business Board, or otherwise employed under the direction of a local authority;
- (b) be a non-executive director or officer of an NHS Trust;
- (c) be subject to a bankruptcy restriction order or interim order;
- (d) be subject to a sexual risk order or be on the sexual offenders register;
- (e) be subject to a civil injunction or criminal behaviour order;
- (f) be disqualified from acting as a director, a charter trustee or charity trustee
- (g) within 5 years before the date of submission of application, have been a director or person of significant control of a company subject to a creditors compulsory liquidation
- (h) within 5 years before the date of submission of application, have been convicted of any offence and have had passed on them a sentence of imprisonment, whether suspended or not, for a period of not less than 3 months without the option of a fine

- 9.4. Private Sector Members should not have made substantial personal contributions to any recognised political party, and must not serve as an officer in any recognised political party.
- 9.5. Members should be employed by, or have a substantial interest (by virtue of ownership / control) in businesses in the area served by the Business Board
- 9.6. The Appointments Panel shall appoint the **private sector representatives** to the Business Board following an interview process.
- 9.7. Each private sector representative on the Business Board is appointed in their individual capacity, and not as a representative of their employer or any other organisation. No substitute members will be appointed for private sector representatives.

Appointment

- 9.8. A formal offer will be made to successful candidates. On appointment Board members are required to sign a declaration affirming their understanding and commitment to the Code of Conduct.
- 9.9. Within the period of 28 days of the appointment being made to the Business Board, the Business Board shall publish a notice on its website which:
 - (a) states that it has made an appointment;
 - (b) identifies each Business Board member who has been appointed and any substitute members; and
 - (c) specifies the term of office of those appointed
 - (d) Publishing the members' and substitute members' register of interest form.

Term of Appointment

- 9.10. The term of office for **private sector representatives** will normally be a maximum of 3 years, and subject to a maximum of one consecutive term, unless
 - (a) they cease to qualify to be a member of the Business Board;
 - (b) they resign from their membership and communicate this in writing to the ~~Legal Counsel~~ and Monitoring Officer; or
 - (c) the Business Board terminates the membership of any private sector representative which it may do at any time,

- (d) upon receipt of a vote of no confidence by the Combined Authority Board, the Board must consider whether to terminate the terms of office of the Chair at the next meeting of the Board.
- 9.11. The term of office of **public sector** members and substitute members appointed by the Combined Authority is at their discretion; the Combined Authority Board may terminate their appointment or appoint a representative at any time, to be of effect on receipt of a notice by the Combined Authority's ~~Legal Counsel and Monitoring Officer~~.
- 9.12. The Business Board may appoint co-opted members as necessary to complement the skills and expertise on the Board. Membership may not exceed 20 members.

10. Chair and Vice-Chair of Business Board

- 10.1. The Business Board will appoint a private sector representative as Chair and Vice Chair.
- 10.2. The Chair shall be appointed following an open, transparent and non-discriminatory recruitment process which assesses each candidate on merit carried out in accordance with the Business Board's diversity statement, Government Guidance and the Nolan Principles. This will include a public advertisement and an interview process conducted by a Business Board's appointments panel. The Business Board will consult widely and transparently with the business community before appointing a new Chair.
- 10.3. The terms of the appointment will be set out in an appointment letter from the Combined Authority to the Chair. A person ceases to be Chair or Deputy Chair if they cease to be a Business Board member.
- 10.4. The terms of office of the Chair will be for two (2) years with one consecutive term permitted upon unanimous vote of the Board members present and voting.
- 10.5. The Chair will be a voting member of the Combined Authority Board.
- 10.6. The Business Board shall appoint a vice chair from amongst its membership. A member may only be appointed as vice chair if they have secured membership through an open recruitment process. **The Vice-Chair will be the Chair's substitute on the Combined Authority Board.**

11. Code of Conduct and Register of Interests

- 11.1. Every Business Board member must sign and comply with the Business Board member code of conduct.

12. Co-opted Members

- 12.1. Where specific skills or abilities are required which are not available among existing members co-optees may be appointed to the Business Board. The appointment will be made by the Chair, in consultation with the Board, for 12 months. Co-opted members will not have voting rights and will not count towards the quorum. In accordance with Government Guidance, the maximum number of co-opted members should not exceed five.

13. Working Groups

- 13.1. The Business Board may appoint informal non-decision making working groups. Any such subordinate body set up by the Business Board shall include one or more Business Board Members, as nominated by the Board. With the consent of the Chair, any such group may also co-opt onto it any independent person with the relevant expertise - judged against pre-determined criteria - on the issues within the remit of these groups.
- 13.2. The remit and terms of reference for any such subordinate body shall be approved by the Business Board.

14. Scrutiny Arrangements

- 14.1. The Combined Authority's Overview and Scrutiny Committee may review or scrutinise any Combined Authority decision in its role as accountable body for the Business Board. The Combined Authority's Scrutiny Officer shall ensure that this includes appropriate scrutiny of Business Board decision-making and achievements.
- 14.2. Any Business Board member may be asked to attend, or otherwise contribute to, a meeting of the Combined Authority's Overview and Scrutiny Committee.
- 14.3. The Combined Authority's Audit and Governance Committees will also review the local assurance framework and how the local assurance frameworks are operating in practice.

15. Complaints and Whistleblowing

- 15.1. Any complaint received about the Business Board will be dealt with under either the Combined Authority and Business Board's Complaints or Confidential Complaints Policy.
- 15.2. Any complaint about an individual Business Board member alleging a breach of the Code of Conduct will be dealt with in accordance with paragraph 7 above.
- 15.3. Any whistleblowing concerns raised about the Business Board will be dealt with under the Combined Authority and Business Board's Whistleblowing Policy.

- 15.4. Each of these procedures or policies shall be published on the Combined Authority web-site and accessible from the Business Board's web-site.

16. Remuneration

- 16.1. Allowances or expenses shall be payable to any Business Board member, in accordance with a scheme approved from time to time by the Combined Authority.

17. Secretariat Arrangements

- 17.1. In accordance with Government requirement to have a secretariat independent of local government to support the Chair and Board, a S73 Chief Finance Officer and Monitoring Officer has been appointed to advise the Board who is independent of the Cambridgeshire and Peterborough Combined Authority.

18. Local Area Agreement

In accordance with Government requirements for mayoral areas there is a requirement for a Local Agreement between the Business Board and the Combined Authority and the Accountable Body setting out the responsibilities of the Chair, Board and Accountable Body. (To be developed).

19. Amendments to the Constitution

- 19.1. These terms of reference will be reviewed annually. The Business Board will recommend any proposed changes to the Constitution to the Combined Authority.
- 19.2. The Combined Authority's ~~Legal Counsel~~ and Monitoring Officer is authorised to make any changes to any constitutional or governance documents which are required:
- (a) as a result of any government guidance, legislative change or decisions of the Business Board, or
 - (b) to enable the documents to be kept up to date, or
 - (c) for the purposes of clarification only.

20. Publication of constitution and other governance documents

- 20.1. This constitution and other governance documents shall be published on the Combined Authority website and accessible from the Business Board website.

Part 2 – Procedure Rules

1. Meetings

- 1.1. The Business Board shall have at least ~~two~~ one public meetings a **year** **which will be to include** its Annual General Meeting.
- 1.2. The Business Board will hold annual general meetings open to the public to attend to ensure the communities that they represent can understand and influence the economic plans for the area⁸.
- 1.3. With the exception of 1.1 above, meetings of the Business Board shall not be open to the public unless determined otherwise by the Chair.
- 1.4. An extraordinary meeting of the Business Board may be called by:
 - (a) the Chair of the Business Board; or
 - (b) any two Members of the Committee;
 - (c) the Chief Executive.

2. Agendas and Minutes

- 2.1. Agendas and reports for the Business Board will be available on the Cambridgeshire and Peterborough Combined Authority website at least five clear working days before the meeting to which they relate in accordance with the Transparency rules in chapter 6 of the Combined Authority constitution. Any funding decisions shall be ratified by the Combined Authority as accountable body for the Business Board.
- 2.2. The public may have access to agenda, reports and minutes of public and private meetings except where they are exempt from disclosure under the Freedom of Information Act 2000 (FOIA). .

Freedom of Information

- 2.3. Reports will be released with the agenda, except in those cases where the information contained in the reports is exempt from disclosure under the Freedom of Information Act 2000 (FOIA). These papers will be classed as reserved papers.
- 2.4. Likely exemptions that are likely to make information reserved include but are not limited to:
 - Commercial sensitivity
 - Information provided in confidence
 - Personal data
 - Legal professional privilege
 - Information intended for publication at a future date

3. Attendance

⁸ Strengthening Local Enterprise Partnerships, MHC&LG, July 2018

- 3.1. **Business Board members may participate in meetings remotely e.g. through video conferencing or Skype. They must be able to see and hear the meeting proceedings, and be heard, and as far as possible seen, by the other Board members attending the meeting at the venue. Board members who participate in this way may vote, and count towards quorum.**
- 3.2. Private sector Business Board members who fail to attend a third or more of the scheduled Board meetings in a 12 month period shall be reviewed by the Chair and their membership may be terminated.

4. Quorum

- 4.1. No business is to be transacted at a meeting of the Business Board unless a majority of the total number of Members of the Board are present (**either at the venue or remotely**) which should include the majority of private sector members and at least one public sector member.
- 4.2. During any meeting if the Chair counts the number of members present and declares there is not a quorum present, then the meeting will adjourn immediately. Remaining business will be considered at a time and date fixed by the Chair. If the Chair does not fix a date, the remaining business will be considered at the next ordinary meeting.

5. Decision Making and Voting

- 5.1. Wherever possible, decisions of the Board will be by consensus, without the need for a vote. Where this is not possible a vote may be taken where the Chair considers it to be necessary to establish whether a consensus exists.
- 5.2. Each private sector Member of the Business Board is to have one vote and no Member (including the Chair) is to have a casting vote. The public sector members of the Board shall be non-voting members.
- 5.3. The vote will be by way of a show of hands and recorded in the minutes.
- 5.4. Any questions that are to be decided by the Business Board are to be decided by a simple majority of the Members present and voting. If a vote is tied on any matter it is deemed not to have been carried.

6. Conflicts of Interest

Register of Interests

- 6.1. It is the responsibility of Board members to ensure an up to date Register of Interests is maintained. Each Business Board member must complete and keep up to date a register of interest form required under the code of conduct. The register of interest form will be published on the Combined Authority's website within 28 days from the date of the appointment and is a

condition of appointment. A member must within 28 days of becoming aware of any change in their interests provide written notification of this.

- 6.2. It is the responsibility of Board members to declare any interest on any item of business being conducted at a Business Board or working group meeting. Any declarations of interest made by a Business Board member at a meeting and any action taken, (such as leaving the room, or not taking part), will be recorded in the minutes for that meeting. The member should update their register of interest form within 7 days of the meeting if a new interest has been declared.
- 6.3. Any alleged breach of the Business Board member code of conduct will be dealt with under the Combined Authority's Member Complaints Procedure.

Declaration of Interests at a meeting

- 6.4. It is the responsibility of Board members to declare any interest on any item of business being conducted at a Business Board. Where a 'pecuniary interest is declared Members will leave the meeting, where a 'non- pecuniary interest is declared, Members may remain at the meeting but not participate in business in accordance with the Board members' code of conduct.

7. Decisions of the Business Board

- 7.1. The draft minutes of each meeting of the Business Board will be posted on the Combined Authority and Business Board website within 12 clear working days of the meeting taking place. The agreed minutes of each meeting will be published within 2 clear working days after approval at the subsequent meeting.
- 7.2. All decisions of the Business Board will be ratified at the next meeting of the Combined Authority Board. Where the Combined Authority does not agree with the recommendations, they will refer the matter back to the Business Board with the reasons and ask the Business Board to reconsider.

8. Urgency procedure

- 8.1. In order to ensure that the Business Board is able to progress its business in an efficient manner, comments on urgent matters may be sought by the Chief Executive or other Statutory Officer outside the meeting cycle.
- 8.2. Members will receive email notification which identifies:
 - (a) Details of the matter requiring comment and/or endorsement and the reason for urgency (including an explanation as to why an emergency meeting is not proposed to be held to conduct the business);
 - (b) The date responses are required by;
 - (c) The name of the person or persons making or putting forward the proposal/decision

- 8.3. Two working days after the close of responses, the following will be circulated to all Business Board Members:
 - (a) The outcome of the decision taken by Statutory Officers (including responses received in agreement and responses received in disagreement); and the date when any decision comes into effect; and
 - (b) Any mitigating action taken to address Members' stated views or concerns.

Decisions and actions taken will be retrospectively reported to the next meeting of the Business Board.

9. Forward Plan

- 9.1. The **Business Board** ~~Committee~~ will set its own work programme and its forward plan will be published in accordance with the Transparency rules in [chapter 6](#) of the Combined Authority constitution.

Part 3 – Sub Committees

1. Delegations to Sub Committees/Sub Boards

- 1.1. **The Delegated authority to the Eastern Agri-Tech Programme Board (a sub board of the Business Board) to make decisions about applications for grant funding on behalf of both the CA/BB and NALÉP (New Anglia Local Enterprise Partnership). The terms of reference and membership are appended at Appendix 1.**
- 1.2. **Delegated authority to agree the Greater South East Energy Hub to assume the Rural Community Energy Fund management role.**

Part 4 – Delegations

2. Officer Scheme of Delegation and Proper Officers

- 1.1. **In addition to the delegations set out in the Cambridgeshire and Peterborough Combined Authority, the following delegations have been granted to the following by the Business Board:**
- 1.2. **Delegated authority to the Director of Business & Skill to approve small grants to SMEs** between £2,000 and £20,000 subject to Section 73 Officer approval and report all approvals to the next schedule meeting of the Business Board.
- 1.3. **Delegated authority to the Transport Director, in consultation with the Chair of the Transport Committee, at key gateway stages to deliver the agreed Wisbech Access Strategy Package works on behalf of the Business Board.**

Version Control

Version 1	24 September 2018	Constitution approved by Business Board
Version 2	28 May 2018	Constitution approved by Business Board

Eastern Agri-Tech Programme Board

Terms of Reference

Background

1. The Eastern Agri-Tech Growth Initiative brings together leading agriculture, research, science and technology assets in the East of England to strengthen a nationally significant, vibrant cluster that brings a truly global reach and impetus to the emerging UK Agri-tech sector. The (grant) funding provides a significant boost to the food, drink and horticulture sector by supporting businesses looking to invest in specialist equipment, new market and supply chain development, ways to improve productivity and efficiency, and the application and commercialisation of Research and Development.
2. The Eastern Agri-Tech Growth Initiative operates across both the Cambridgeshire and Peterborough Combined Authority (CPCA)/Business Board (BB) and New Anglia Local Enterprise Partnership (NALEP) areas and is run by the CPCA. It is promoted both directly to businesses across the food, drink & horticulture sector as well as working through key intermediaries including banks; accountants and sector specific consultants.
3. The Eastern Agri-Tech Growth Initiative has two main funds:
 - (a) An **Agri-Tech Growth Fund** which provides grants of between £10,000 and £150,000 to enhance business and jobs growth, and support product development. The Fund is aimed at supporting improvements in agricultural productivity through the introduction of new products or processes and encourage improvements to existing product/ processes and energy efficiency. The Growth funds supports the creation of new jobs and the protecting existing jobs.
 - (b) An **R&D and Prototyping Fund** which provides financial assistance to attract innovative and novel technologies. Planned research critical to the development of new products or processes within the Agri-Tech sector can be supported with grants of between £10,000 and £60,000 to cover the costs of research and development.
4. The Programme Board has been given the delegated authority to undertake this role, on behalf of the CPCA and NALEP Boards. Both the CPCA/BB and NALEP are represented on the Programme Board and will receive regular updates on the operation of the programme. A representative of the Business Board will Chair the Programme Board.
5. The CPCA is responsible for delivering the Agri-Tech scheme across the two geographical areas. A CPCA representative chairs the Programme Board. Agri-Tech Programme Manager CPCA, manages the scheme across the two

geographical areas and acts as the Secretariat to the Programme Board. The CPCA is the Accountable Body for the programme.

6. The Programme Board's main task is to consider and take decisions on applications for grant support. The Programme Board should only see and consider an application once an application is deemed eligible and has been assessed by one of the independent team of assessors. Agri-Tech Programme Manager is responsible for ensuring that the assessors deliver quality assessments, undertake the necessary due diligence and in a timely way.
7. The Programme Board will have access to the agenda and supporting documents about each project proposal at least 5 days before meetings. This includes a report on each application which contains a suggested recommendation to approve or decline the application and, if approved, whether there should be any conditions to be placed on the project and/or applicant. For each meeting, the Programme Manager will record the decisions taken by the Programme Board on each application.
8. All applicants are invited to the meeting where their particular project will be considered. Each applicant will have the opportunity to give a short presentation and take questions from/provide clarification to the Programme Board. The Programme Board will judge each application fairly and on its own merits. The final decision about each application rests with Programme Board, unless the application is deemed ineligible during the assessment process in which case the Programme Manager will notify the applicant. The Programme Manager will notify all applicants of the decisions taken by the Programme Board.
9. The assessors will, if possible, attend the relevant meeting to introduce the projects for which they have assessed.
10. The Programme Board will receive regular updates from the Programme Manager on the progress of the Agri-tech programme, which will include the overall take up of the funding and the numbers of jobs created and protected.

Membership

11. The membership of the Programme Board shall be appointed by the Business Board. Membership of the Programme Board will include 8 members, to include:
 - (a) A representative of the CPCA Business Board representatives to be appointed by the Business Board (Chair)
 - (b) A Councillor representative and substitute representative from Cambridgeshire County Council to be decided by the County Council
 - (c) A Councillor representative and substitute representative from Norfolk County Council to be decided by the County Council
 - (d) A representative from Agri-Tech East
 - (e) A representative from New Anglia LEP

- (f) Three experts with experience and knowledge of agriculture and the food, drink and horticulture industry, including research, farming and food processing to include
 - i. A representative from Syngenta UK
 - ii. A representative from National Institute for Agricultural Botany
 - iii. A representative from John Innes Centre

Board Members were recruited based on their expertise and knowledge of the sector and in particular from the research and scientific community. Membership of the Programme Board will be kept under review.

12. In attendance will be:

- (a) CPCA Agri-Tech Programme Manager
- (b) Officer from Norfolk County Council
- (c) Officer New Anglia LEP

13. Whilst all appointments to the Board will be on merit, the Board will aim to maintain the gender balance and representation of those with protected characteristics on its board with the following minimum requirements:
- (a) that women make up at least one third of Board by 2020
 - (b) with an expectation for equal representation by 2023, and
 - (c) ensure its Board is representative of the businesses and communities they serve.

Appointments to the Programme Board

14. The Agri-tech Programme Board Members shall be appointed following an open, transparent and non-discriminatory recruitment process which assesses each candidate on merit carried out in accordance with the Business Board's diversity statement, Government Guidance and the Nolan Principles.
15. Given the specific nature of the sector, a number of activities shall be undertaken to attract the right people with the specialism required in an open and transparent way. This will include
- (a) a public advertisement,
 - (b) writing to all organisations with specialism in Agri-Tech knowledge in the Combined Authority area.
16. A selection panel will be constituted to include:
- (a) two representatives from the Agri-Tech Programme Board and
 - (b) a Business Board member.
17. The selection panel shall make recommendations to the Business Board which would make the final decision.
18. A quorum shall be four Programme Board members. The Programme Board shall meet at appropriate intervals, ideally monthly, provided a quorum is available and there are enough applications ready for the Programme Board to consider.

19. If a Programme Board member cannot attend a meeting, they can send written comments using the assessment sheets on an application(s) to the Programme Manager who will ensure they form part of the discussion and decision taken.
20. If the Chair is unable to attend a meeting, providing that the meeting is quorate, those Board Members attending the meeting can agree a substitute chair at the beginning of the meeting.
21. When a quorum is unavailable and project decisions cannot be held over until the next available meeting, a “Virtual Meeting” can be called. In these circumstances, the Programme Manager will provide Programme Board Members with access to the project papers and invite and co-ordinate comments. The Programme Manager will provide the Chair, with a summary of the comments received and a recommendation based on these comments. The Programme Manager will then provide Programme Board Members with written confirmation of the Board’s decision whether to support or decline the application(s) in question.

Conflicts of Interest

22. Every Board member must sign and comply with the Business Board member code of conduct.
23. Once an application passes the assessment and is deemed ready for the Programme Board’s consideration, the Programme Manager provides the applicant(s) with the names of all Programme Board Members, in writing, and asks each applicant to confirm if any Programme Board Member is conflicted. If so, those Programme Board Members do not have access to the relevant project papers.
24. Similarly, and in the event that the applicants have not recognised that a Board Member(s) is conflicted, a Programme Board Member must declare at each meeting if a conflict of interest arises, especially where an application is received from a competitor business or from a Programme Board Member’s own organisation. In either of these circumstances, the Programme Board Member(s) will not be asked for their views about the application in question and must abstain from commenting on that particular application. It must be left to the other Programme Board Members to take the appropriate decision.

Confidentiality

25. All the information provided by the applicants will be treated in confidence and protected accordingly.

Equal Opportunities

26. The Board should comply with the Business Board’s diversity statement. The members of the Programme Board shall at all times take into consideration the principles of equal opportunity irrespective of age, gender, race, nationality, ethnic origin, sexual orientation or disability

Procedure rules

27. The procedure rules for the Business Board should apply to the Programme Board where applicable