



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

# **CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY – OVERVIEW AND SCRUTINY COMMITTEE**

## **DRAFT MINUTES**

**Date: 26<sup>th</sup> November 2018**

**Time: 10am**

**Location: East Cambridgeshire District Council**

### **Present:**

Cllr Jon Neish	Huntingdonshire District Council
Cllr Tom Sanderson	Huntingdonshire District Council
Cllr Alan Sharp	East Cambs District Council
Cllr Mike Bradley	East Cambs District Council
Cllr Peter Topping	South Cambs District Council
Cllr Philip Allen	South Cambs District Council
Cllr Mike Sargeant	Cambridge City Council
Cllr Markus Gehring	Cambridge City Council
Cllr Ed Murphy	Peterborough City Council
Cllr Irene Walsh	Peterborough City Council
Cllr Chris Boden	Fenland District Council
Cllr Lucy Nethsingha	Cambridgeshire County Council
Cllr David Connor	Cambridgeshire County Council

### **Officers:**

Kim Sawyer	Interim Chief Executive Officer
Karl Fenlon	Interim Chief Finance Officer
Paul Raynes	Director for Strategy and Planning
Roger Thompson	Director for Housing and Development
Patrick Arran	Interim Monitoring Officer
Anne Gardiner	Scrutiny Officer

Mayor for the Combined Authority, James Palmer was also in attendance.

## **1. Apologies**

- 1.1 Apologies received from:  
Cllr Doug Dew substituted by Cllr Jon Neish  
Cllr Grenville Chamberlain substituted by Cllr Peter Topping  
Cllr June Stokes substituted by Cllr Irene Walsh  
Cllr David Hodgson

## **2. Declaration of Interests**

- 2.1 No declarations of interests were made.

## **3. Minutes**

- 3.1 The minutes of the meeting held on the 29<sup>th</sup> October 2018 were agreed as a correct record.

## **4. Public Questions**

- 4.1 There were no public questions received.

## **5. Mayor for the Combined Authority in attendance.**

- 5.1 The Committee members had been given the opportunity to submit questions prior to the meeting and written response had been provided (Appendix 1) The Chair opened the floor for questions from the members.

- 5.2 The following points were raised during the discussion:-

- In response to a question about the provision of a commercial loan facility of £24.4m to East Cambridgeshire Trading Company the Mayor advised that there were 88 houses which would be renovated and the first units would be put on the market within six months. Therefore, the money would come back from this scheme very quickly.
- The Mayor said that the Combined Authority would welcome other schemes such as this to come forward and that the Combined Authority was open to any organisation, local authority or housing association who would like to bring forward a scheme.
- The Mayor informed the meeting that a review was carried out by government around three months ago who were satisfied with where the Combined Authority was with housing; the Combined Authority would definitely hit the target set for housing however, the Mayor wanted to do more than hit the target.
- In response to question about the possible route options for the CAM system the Mayor advised that his decision to no longer support a northern route had been based on professional advice given to him by experienced engineers who had stated very clearly that the preferred route should be through the village of Coton. Although the Mayor regretted that this was the case he had spoken with the Parish Council and had visited to the village to get a better idea of the situation.

- The Mayor advised that the way to pay for the CAM system to expand further out once it was in place was through the development of garden villages.
- In response to question about the Combined Authority taking on health as a possible secondary devolution deal the Mayor advised that he would have concerns about the authority taking on this in addition to its current deal at this time. To ensure the Combined Authority could take on health would require an extraordinary package, however there were still ongoing discussions around this topic.
- In response to a question on the skills challenge for the area the Mayor advised that he felt this was a long-standing problem going back 20 years when many young people were encouraged to attend university which ignored the need for skills in other forms. The powers that the authority had for post 19 education was not enough and the Mayor had contacted the Secretary for Education to make them aware.
- In regard to training by employers, the Mayor stated that the area was unique in that it had jobs available and the ability to earn good money was there but the quality of the education for the area was not there to match this.
- In response to a question about the prioritisation process for infrastructure projects the Mayor advised that the Cam system would help to directly link people to their homes and work and that the key to problem for many of the transport projects was to get people off the roads and using public transport as a viable alternative.
- Members questioned if there was any work that the Mayor could suggest that the Overview and Scrutiny Committee could do to support the work of the Combined Authority and the Mayor advised he would consider this with Board members to provide some suggestions for the committee to consider.

In response to a question on the increased staffing costs the Mayor said that he was concerned around the increased costs and this was why he had asked for a review to be undertaken by the interim chief executives. The Mayor advised that he had underestimated the costs for the Combined Authority.

- The original claim that staffing costs would not be over £850k had been incorrect but this had been based on a different organisation at the time the statement had been made. Since then the Authority has grown and the LEP was now part of the Combined Authority.
- The earnings of senior staff were similar to staff at other local authorities; and it was important to be able to attract the best staff to manage some of the large projects that the Combined Authority would be managing. Where possible the Combined Authority would second staff from the constituent councils, such as the interim chief executive from East Cambridgeshire District Council. The hope was that staffing costs would be reduced as

more permanent staff were taken on, interim contracts came to an end and consultants were used less.

5.3 The Committee thanked the Mayor for attending the meeting and answering the questions posed.

## **6. Affordable Housing Update**

6.1 The Committee received a brief update from the Director for Housing and Development.

6.2 The following points were raised during the discussion that followed:

- There had been £8m drawn down from the £15m pot of money by Cambridge City Council; there was a concern around the ability to hit the required target as it would require all projects in the pipeline being successful.
- The issue around the legislation blocking the ability to grant housing to shared ownership had been raised with the MHCLG and the Mayor had written to the Minister. The Combined Authority was awaiting a response as to when secondary legislation would be introduced.
- Members raised a concern around the measurements and methodology used to ensure that there was additionality and were advised that officers were keen to ensure that they did not discourage any applications due to a strict methodology for assessing applications. The Director advised that the guidelines that the team were using could be provided to members.
- The Housing Strategy required that 2000 units were built from the £60m and the goal was to use the £40m revolving grant to produce the additional units. More schemes were needed especially from South Cambridgeshire area.
- The Combined Authority would be interested in looking into commercial opportunities and would be looking for a pilot scheme to take forward.
- There were a variety of tools that the Combined Authority could use such as joint ventures, other vehicles and potentially direct development. It was easier to deliver when there was an existing company such as the east Cambridgeshire Trading Company.
- The Committee discussed the need for other councils to set up delivery vehicles but some raised concerns around the increased competition this would create and that this could drive up costs in the area.
- The Director advised that communication between the delivery vehicles being set up was key and that the Combined Authority would welcome joining with other development companies as it would create the additionality that was required.

6.3 The Committee agreed that they needed a session dedicated to housing where there would be time to consider some of the ongoing schemes and would add this to their work programme.

## 7. Medium Term Financial Plan

7.1 The Committee received the presentation from the Interim Chief Finance Officer, Karl Fenlon. (Appendix 2)

7.2 The following points were discussed:

There were no plans to borrow at present, but the Combined Authority needed to make provision to enable it to draw on the ability to borrow if necessary;

- In regard to staffing costs a good starting point could be around 40% of the revenue budget. Currently there were around 50 members of staff employed by the Combined Authority and around 20 consultants.
- Within the skills budget and the transport budget were salaries for certain number of staff to support those projects.
- It was a requirement that the Combined Authority accrue election costs on an ongoing basis to cover the expenses for the Mayoral election. The Mayor must post a budget which would be agreed by the Combined Authority Board.
- Overheads included the cost of the Alconbury accommodation.
- A zero-based budget analysis had been carried out to reflect what the organisation was doing today; the results of the governance review and the prioritisation exercise would need to be factored in.
- In regard to risk; the Combined Authority was in a very strong reserve position as the Authority was planning to carry forward a years' worth of expenditure as a reserve which allowed for transition time; Interim Chief Finance Officer was confident the organisation was not in a risk position.
- The budget created a significant stretch and challenge for the Combined Authority and a need to ensure a different approach was taken in the delivery of projects.
- Funding around transport in particular would be challenging as there were so many projects. The CPIER report had created further challenge by highlighting the necessity for development. The key would be to get some focus and clarity on the projects.
- The paper that went to the Board in March which detailed the priority projects for the Combined Authority identified the funding requirement for 2019/20 and going forward; most of these projects were being undertaken by the constituent authorities. However, if the Combined Authority was to deliver on all the projects detailed in that report then a large element of the capital budget would be spent.
- The £10m contingency money was to cover overspend on projects as it was felt that these would mainly be around costs to materials which would impact on all projects.

- As part of the prioritisation process decisions needed to be reconsidered and money spent on business case development to create a greater understanding on the priorities. The CPIER report highlighted that the Combined Authority needed to prioritise and find a way to leverage the pot of Devolution Deal funding. From speaking with other Combined Authorities, they had followed a similar process.

7.3 The Committee agreed that they would like to thank the Interim Chief Finance Officer for his openness during their discussion.

The Committee agreed that they would like to ask the following questions at the Board meeting on Wednesday 28<sup>th</sup> November:

1) The Committee wanted to express their thanks to the Interim Chief Finance Officer for his openness and transparency during the presentation the committee received on the draft Medium Financial Plan and recognised that there was still a long way for the Combined Authority to go.

2) The Committee felt it was important that there was a clear connection between the recommendations that had come out of the CPIER report and the prioritisation of projects that the Combined Authority would need to carry out. It was also important that each project should be viewed as part of the larger set of projects for each area not just individually.

3) The Committee wanted to ask if the O&S Committee could be involved in the prioritisation process?

## **8. Project Management Processes**

8.1 The Committee received a presentation from the Director for Strategy and Planning (Appendix 3)

8.2 The following points were raised during the discussion:-

- The process was currently being engrained into the organisation and currently there were not too many contingencies as the process was still being refined.
- Members suggested that internal audit could consider the process which the Director agreed could be discussed with the relevant officer.
- Currently the new committees do not have the delegated powers to sign off on projects but a dashboard for each committee was expected to be provided.
- It was noted that the Housing Director does take a list of ongoing projects to its Housing Committee.

8.3 The Director for Planning and Strategy said that he would make a proposal to the Chair on an appropriate way to give the Committee sight of the full list of projects. This was a working document that changed over time.

The Committee requested that copies of the slides be circulated.

- 8.4 The Committee thanked the Director for Strategy and Planning for the presentation.

## **9. Review of the Combined Authority Board Agenda**

- 9.1 The Committee reviewed the agenda due to come to the Board on Wednesday 28<sup>th</sup> November 2018.
- 9.2 The Committee agreed to raise the questions on the Medium-Term Financial Plan as discussed earlier in the meeting.

The Committee agreed to raise a concern and ask for further information around the Wisbech Rail item and the suggested low-cost option being put forward.

## **10. Mass Rapid Transport Task and Finish Group – Centre for Public Scrutiny Proposal**

- 10.1 The Committee discussed the timeframe for reporting the Task and Finish Group's recommendations into the Board and agreed that the recommendations should be circulated via email for members to comment upon and would then be submitted to the Board in time for the January meeting.  
The Committee would then ratify the decision at the next appropriate meeting.
- 10.2 Cllr Sargeant asked that if members had any comments to email them to him so he could add pass them on to the Centre for Public Scrutiny.
- 10.3 The Committee agreed to ratify the decision taken by the Task and Finish group to engage the Centre for Public Scrutiny.

## **11. Member Update on Activity of Combined Authority**

- 11.1 The Chair advised she had attended both the Skills Committee meeting and the Housing Committee meeting this month and advised that other members attend these in future as it was helpful.

## **12. Combined Authority Forward Plan**

- 12.1 The Committee considered the Combined Authority Forward Plan and commented that it was more detailed and much better than previous forward plans.

## **13. Overview and Scrutiny Work Programme Report**

- 13.1 The Committee received the report which outlined the work programme for the committee for the municipal year 2018/19.
- 13.2 The Committee requested that an item with detailed housing schemes be added to the February meeting.
- 13.2 The Committee agreed to cancel the next meeting due to be held on the 17<sup>th</sup> December 2018 as there were no items on the work programme and the Board meeting would most likely be cancelled on Wednesday.

## **14. Date of Next Meeting**

14.1 The Committee agreed that as the Combined Authority Board was to be cancelled in December that the committee would not meet again until the 28<sup>th</sup> January 2019 at Huntingdonshire District Council.

Meeting Closed: 13:40pm.

Action Sheet – Overview and Scrutiny Committee – 26<sup>th</sup> November 2018

<b>Date</b>	<b>Action</b>	<b>Officer</b>	<b>Completed</b>	<b>Comment</b>
26/11/18	Director for Housing to provide guidelines that the team were using to assess applications.	Roger Thompson	7/12/18	
	Housing item where individual schemes could be discussed to be brought to the February meeting.	Roger Thompson/Anne Gardiner		
	O&S involvement in the prioritisation process for potential schemes	Kim Sawyer/Anne Gardiner		This was asked at the Board meeting and the Mayor advised he would consider what involvement O&S could have.
	The Director for Planning and Strategy said that he would make a proposal to the Chair on an appropriate way to give the Committee sight of the full list of projects.	Paul Raynes	4/01/2019	
	Copies of the presentations to be circulated to members	Anne Gardiner	30/11/2018	
	Recommendations from the Task and Finish group to be circulated to members for comments before being fed back to the Board.	Cllr Sargeant/ Anne Gardiner	28/01/2018	Due to the CAM report being brought to the March Board meeting, the Task and Finish Group report would be brought to the February O&S Committee for approval.

Questions Received from Overview and Scrutiny Committee Members

Question Received from	Question	Response
Cllr Mike Sargeant	<p>I am confused about how the £100 million is being used for Housing outside of Cambridge. 2 schemes are mentioned in the board papers:</p> <p>a.11-12 High Street, Wisbech – the Forward Plan says ‘Using the Combined Authority’s investment capacity to support a potential risk position for Fenland District Council in leveraging in funding for local regeneration’</p> <p>Can you explain how this is being funded and if by using the £100 million Housing Fund how this fits in with the Devolution Deal agreement and the funding by the relevant Government departments?</p> <p>b.MOD site at Ely – the report says in reference to the Housing Strategy ‘This proposal is further supported by paragraph 3.23 to encourage the best use of all property assets, bringing homes that are currently excluded from the market back into market use’ and as a result ‘15 affordable housing units will be provided to a local community lands trust from the total of 92 units.’</p> <p>For the finance it says ‘It is proposed that the Combined Authority provides a £24.4m commercial loan facility for a two-year period to ECTC. Anticipated commencement of drawdown is April 2019 from the £100m Housing programme.’</p> <p>Can you advise if this is from the £40million ‘Revolving Door’ fund out of the £100 million and if so explain how 60% of this fund being tied up until 1 year before the end</p>	<p>a) We have two investment pots (affordable housing and general revenue) and we will use whichever is appropriate to the type of investment being sought.</p> <p>b) It is important to correct a serious, and potentially misleading, interpretation of the scheme if it is considered to provide units at £1.6M each. In fact, the loan means that all funding is returned to the CPCA, so it will deliver 15 affordable homes at <b>zero cost</b>. Unlike grant which is simply given away, this proposal will return the funding back into the CPCA with interest to deliver more affordable homes in the future. It also enables us to bring forward 77 market homes and a further opportunity for more affordable homes from a potential additional development within the site. All at no cost to the tax payer. The proposal is for the £24.4m to come from the £40m revolving fund, which the Board created as a means of providing affordable housing out of recycled funds. Loan repayments are projected to start before the end of 2019 and be re-paid in full by March 2021. As the repayments are received, those funds will immediately be available for further revolving fund initiatives elsewhere. It will offer the combined authority a larger pool of capital to deliver even more affordable housing.</p>

	<p>of the £100 million funding period impacts the programme for delivering much needed affordable homes when this will only deliver 15 homes at £1.6 million each?</p> <p>c. I am also concerned about the lack of progress overall in the Housing Investment Programme where the forecast in the Budget Monitor Forecast is for expenditure of £6.63 million well short of the May 2018 MTFP of £27.12 million. Can you advise on the reasons for the lack of progress in this financial year?</p>	<p>c) When we agree grants we have a cashflow position whereby grant money is paid in stages through phases of development as construction proceeds, so the full amount of grant paid is not captured until the houses are complete. As at October 2018 we have £16.755m approved by board for schemes at this time. We are seeing some impact as a result of us not being able to offer grant for affordable rental units until the MHCLG complete the secondary legislation that will resolve the issue around this. We are assured that MHCLG are dealing with this. We have a pipeline of projects that supports a view that, despite a potential temporary slowdown, we remain confident in achieving our targets by March 2022.</p>
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# Cambridge & Peterborough Combined Authority

Budget (19/20) and Medium Term Financial Plan (to 2023)

# CORE CAPITAL FUNDING

	Prior Years	2018-19	2019-20	2020-21	2021-22	Later Years	Total
<b><u>Funding under direct control</u></b>							
Gainshare		24	12	12	12	288	360
Transforming Cities Funding			5	17	22	30	74
40% of £100m Housing Infrastructure Fund		16	6	6	12		40
<b><u>Funding Passed through to 3rd parties</u></b>							
£70m Housing Infrastructure Fund		21	17	17	15		70
60% of £100m Housing Infrastructure Fund		24	9	9	18		60
NPIF			7				7
Highways Capital Maintenance Grants		23	23	23	23	23	116
Cambridge South Station				5			5
<b><u>Funding to be Developed</u></b>							
TIF							
Borrowing			56	29			85
LVC							

Confirmed Funding £186m	Subject to 5 year review £288m	Passported Funding £257m	Developed Funding £85m	TOTAL £816m
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Note that passported highways funding could be retained by the CA but is subject to existing allocations until 2021

# Revenue Sources

<b>Revenue Budget for CPCA</b>					
<b>Forecast Outturn</b>		<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
<b>£000's</b>		<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
	<b>Revenue Funding Sources</b>				
(8,000.0)	Revenue Gainshare	(8,000.0)	(8,000.0)	(8,000.0)	(8,000.0)
(1,000.0)	Mayoral Capacity Building Fund	(1,000.0)	0.0	0.0	0.0
(246.0)	Growth Hub BEIS	(246.0)	(246.0)	(246.0)	(246.0)
(500.0)	LEP Core Funding from BEIS	(500.0)	(500.0)	(500.0)	(500.0)
(333.8)	Energy Hub Contribution (Staff Costs)	(470.7)	(477.7)	(484.9)	(492.2)
(250.0)	EZ contribution to LEP activity	(250.0)	(250.0)	(250.0)	(250.0)
(162.8)	AEB Funding	(12,139.6)	(12,099.0)	(12,099.0)	(12,099.0)
(300.0)	CEC Skills Funding (quarterly claims)				
(500.0)	Growth Fund Contribution	(500.0)	(500.0)	(500.0)	(500.0)
<b>(11,292.7)</b>	<b>Total Revenue Funding</b>	<b>(23,106.3)</b>	<b>(22,072.7)</b>	<b>(22,079.9)</b>	<b>(22,087.2)</b>

# Revenue

Forecast Outturn £000's		2019/20 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's
<b>(11,292.7)</b>	<b>Income</b>	<b>(23,106.3)</b>	<b>(22,072.7)</b>	<b>(22,079.9)</b>	<b>(22,087.2)</b>
349.4	Mayor's Office	352.2	355.1	357.9	360.9
5,502.1	Salaries	5,499.5	5,559.3	5,639.7	5,721.3
547.0	Externally Commissioned Support Service	525.0	525.0	525.0	525.0
687.8	Overheads	522.0	522.0	522.0	522.0
150.6	Governance Costs	237.9	228.8	250.6	50.0
260.0	Election Costs	260.0	260.0	260.0	260.0
0.0	Capacity Funding	250.0	250.0	250.0	250.0
<b>(700.0)</b>	<b>Financing</b>	<b>(300.0)</b>	1,190.0	1,743.8	1,925.0
	<u>Workstreams</u>				
868.1	Economic Strategy	519.9	568.8	567.8	316.8
1,350.0	Transport Feasibility non-capital	3,000.0	6,000.0	3,000.0	500.0
926.6	Other Transport Revenue	350.0	250.0	0.0	0.0
1,015.3	Business & Skills	11,760.1	11,793.1	11,710.6	11,656.1
416.0	Public Sector Reform	400.0	0.0	0.0	0.0
364.2	Other 2018/19 Workstreams	0.0	0.0	0.0	0.0
<b>444.3</b>	<b>Net Position for year</b>	<b>270.3</b>	<b>5,429.5</b>	<b>2,747.6</b>	<b>(0.0)</b>
<b>(9,450.7)</b>	<b>Revenue balance @ 31st March</b>	<b>(9,180.3)</b>	<b>(3,750.9)</b>	<b>(1,003.2)</b>	<b>(1,003.2)</b>

## Notes:

Salaries assume we operate within current headcount

All contract positions converted to staff in Q1

Borrowing fully drawn in 2022/3

Feasibility capacity is key to the future

# Key Dates

16 November: CPSB introduction

21 November: Constituent S151 officer discussion

28 November: CPCA Board

29 November: Consultation commences

31 December: Consultation ends

16 January: CPCA Informal Cabinet

30 January: CPCA Board

13 February: CPCA Board budget meeting

# Capital (1)

<b>Direct Control (4.4)</b>	<b>Reserve</b>	<b>19-20</b>	<b>20-21</b>	<b>21-22</b>	<b>Future Years</b>
Cambridge South Station		0.75	0.75		
King's Dyke CPCA contribution		4.60	6.00	5.80	
Peterborough University - Business case		1.45	1.41	9.74	
Soham Station GRIP 3		0.95			
St Neots River Crossing cycle bridge		2.50	0.95		
Wisbech Garden Town		0.75	0.75	0.75	
Wisbech Rail		0.75	1.75		
Wisbech Access Study				4.00	
Digital Connectivity Infrastructure Programme		1.99	1.96	1.28	
Risk contingency fund		10.00			
<b>Total Committed Expenditure</b>		<b>23.74</b>	<b>13.56</b>	<b>21.57</b>	
Capital Gain Share		(12.00)	(12.00)	(12.00)	(12.00)
Transforming Cities		(17.00)	(22.00)	(30.00)	(21.00)
<b>Direct Control in-year Funding Total</b>		<b>(29.00)</b>	<b>(34.00)</b>	<b>(42.00)</b>	
<b>Available in-year funding</b>		<b>(5.26)</b>	<b>(20.44)</b>	<b>(20.43)</b>	
<b>Schemes previously identified and costed</b>					
Ely Rail GRIP 4 next stage		1.00	2.00	2.00	
Market Town pump priming		1.00	2.00	2.00	
Soham Station Delivery			9.00	11.00	
Coldhams Lane roundabout improvements		0.30	2.20		
Fengate Access Study - Eastern Industries Access - Phase 1		0.30			
Fengate Access Study - Eastern Industries Access - Phase 2		0.10	0.10		
March junction improvements		1.00	3.31	1.55	
Regeneration of Fenland Railway Stations		2.70	3.00	3.00	
A10 Foxton Level Crossing		1.50			
A1260 Nene Parkway Junction 15		0.25	1.96	3.85	
A1260 Nene Parkway Junction 32-3		0.20	3.70		
A141 capacity enhancements		1.00	2.00	2.60	
A16 Norwood Dualling		0.05	0.08		
A505 Corridor		0.50			
A605 Oundle Rd Widening - Alwalton-Lynch Wood		0.50			
<b>Total</b>		<b>10.40</b>	<b>29.34</b>	<b>26.00</b>	
<b>Movement on reserves if approved</b>	<b>(25.19)</b>	<b>5.13</b>	<b>8.90</b>	<b>5.57</b>	

Approved items with business cases

Identified priorities to be brought forward with business cases

# Capital (2) Unfunded Schemes

<b>Potential Future Schemes (4.16)</b>					
A10 Upgrade			11.00	11.00	450.00
A47 Dualling Study			5.00	5.00	218.00
Cambridge Autonomous Metro			10.00	40.00	1,960.00
Cambridge South Station				10.00	250.00
Huntingdon Third River Crossing					200.00
Peterborough University - Land and Infrastructure for build			10.00	20.00	
Wisbech Garden Town					
Wisbech Rail			8.00	60.00	30.00
A16 Norwood Dualling					9.58
A505 Corridor				100.00	150.00
Alconbury Weald Train Station					
East-West Rail					
Ely Area Capacity Enhancements					
Fengate Access Study - Eastern Industries Access - Phase 1				4.03	4.03
Fengate Access Study - Eastern Industries Access - Phase 2					6.55
M11 Extension					2,500.00
Oxford Cambridge Expressway					
<b>Potential Future Schemes Total</b>			<b>0.00</b>	<b>250.03</b>	<b>5,778.15</b>

# Capital (3)

Passported (4.9)	Reserves	19-20	20-21	21-22	Future years
A47 Junction 18 Improvements		2.00			
Cambridge City Housing Programme (£70m)		16.69	26.12	7.02	0.14
East Cambs - Housing Loan Provision		4.83			
Housing Infrastructure Programme (£60m)		20.66	20.33	10.00	
LTP Schemes with PCC and CCC (potholes)		23.08	23.08	23.08	23.08
Housing Investment Fund (£40m)		23.00	17.00		
<b>Passported Expenditure Total</b>		<b>90.26</b>	<b>86.52</b>	<b>40.10</b>	<b>23.21</b>
DfT Capital Funding (potholes)		(23.08)	(23.08)	(23.08)	(23.08)
Housing - Cambridge City (£70m)	(17.98)	(17.00)	(15.00)		
Housing Infrastructure Fund (£60m)	(23.99)	(9.00)	(18.00)		
East Cambs - Housing Loan Repayment*		(1.18)	(5.33)		
National Priorities Investment Fund	(2.00)				
Housing Investment Fund (£40m)	(22.00)	(6.00)	(12.00)		
<b>Passported Funding Total</b>	<b>(65.97)</b>	<b>(56.25)</b>	<b>(73.40)</b>	<b>(23.08)</b>	<b>(23.08)</b>

\* this apparent excess of funding is repayment of grant paid out in 2018-19

Growth Funds (4.14)	Reserves	19-20	20-21
Kings Dyke Growth Deal contribution		1.40	
A428 Cambourne to Cambridge		3.00	5.00
Ely Rail Project		1.35	
In_Collusion (Digital Sector Skills)		0.02	
Wisbech Access Strategy - Delivery Phase		4.00	5.50
Soham Station Feasibility		1.00	
Haverhill Innovation Centre		0.65	0.65
Small Grants Programme		0.10	0.10
Business Growth Programme		4.00	4.70
Eastern Agritech Initiative		2.50	3.00
Skills Capital Fund		1.00	1.00
Major Project Grants		14.00	22.50
Revenue Recharge to Growth Funds		0.50	0.50
<b>Growth Funds Expenditure Total</b>	<b>0.00</b>	<b>33.52</b>	<b>42.95</b>
Growth Fund Income	(25.32)	(15.88)	(35.74)
<b>Growth Fund Income Total</b>	<b>(25.32)</b>	<b>(15.88)</b>	<b>(35.74)</b>

Of the total some £21m (27%) relates to growth driven by infrastructure investment



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## **Project Management**

Overview and Scrutiny Committee  
November 2018



# What is a CPCA project?

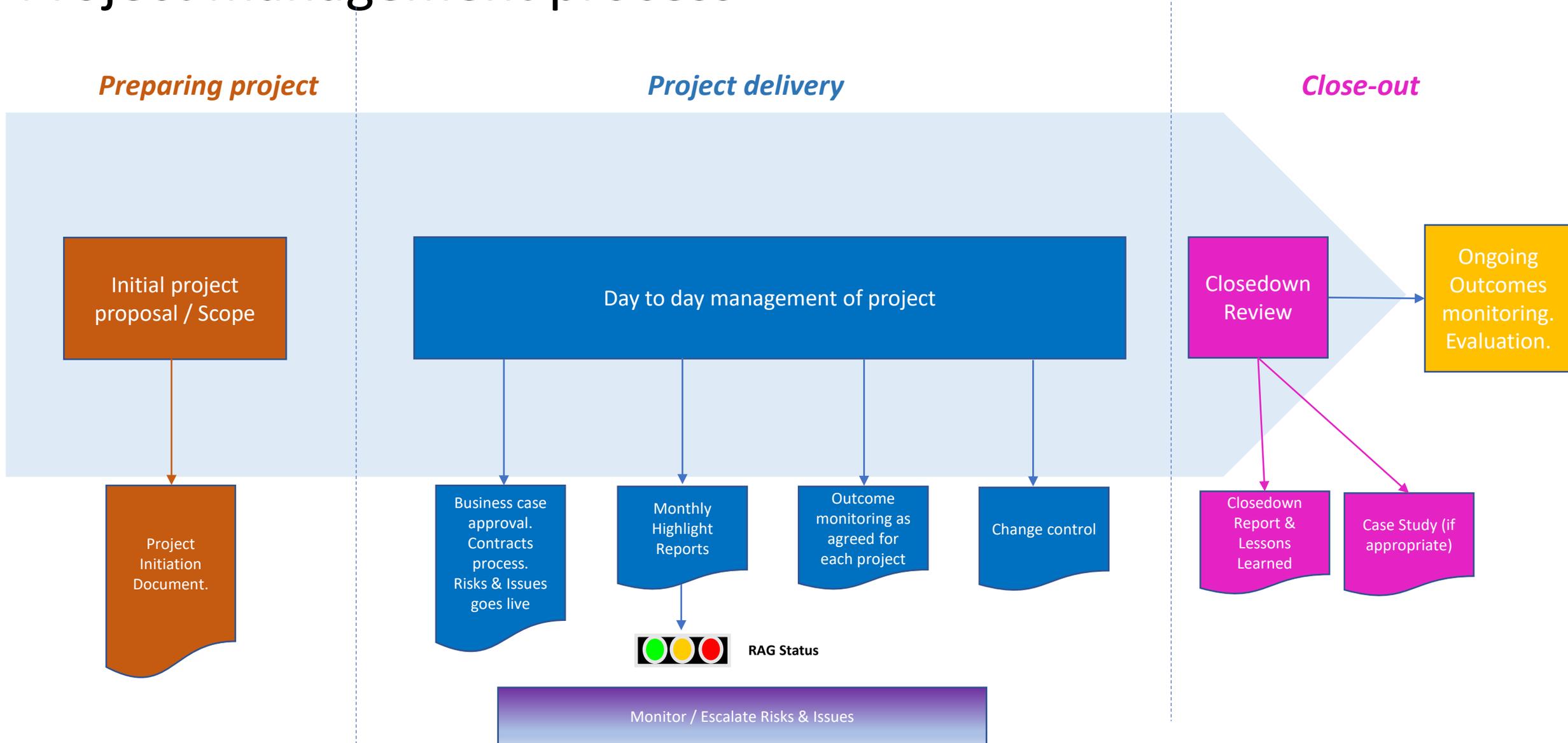
- Capital expenditure to deliver a specific outcome
- Feasibility studies (revenue or capitalised)
- Legacy programmes / activities from LEP

Needs to have Board or delegated approval and entry on the Medium Term Financial Plan. Some projects managed together as Programmes (for example Agri-tech Grant Fund). Includes projects delivered by partners.

- Not revenue funded service activity
- Not day to day corporate activity

We also put project management discipline around major strategy development projects (eg LTP, Spatial Plan)

# Project management process



# Summary of key accountabilities



## **Project managers: responsible for project**

- develop Project Initiation Document, run project, keep to budget/timing/objectives, propose changes if needed, manage risks, highlight reporting and manage closedown

## **Project directors/project boards: overall project direction**

- propose PID to SMT for approval, review risks, agree change requests within delegation, promote change requests not delegated to SMT

## **CPCA Senior Management Team (SMT): strategic fit and interdependencies**

- agree new projects; recommend projects to go to CPCA Board in line with MTFP, corporate overview of Red and Amber rated projects

## **CPCA Board: sets strategic direction**

- sets MTFP, approves budget above delegated limits, receives corporate dashboard.

# Where are we now?

1. All projects have a named internal CPCA project manager
2. Performance management in place across our projects:
  - monthly highlight reports to SMT
  - 'critical friend' clinics
  - quarterly dashboard report to CPCA Board
3. A project register maintained as a corporate document
4. Pre-PID waiting list of potential projects maintained
5. Business case approval process in place for new projects
6. Existing Overview and Scrutiny arrangements
7. Review of project management agreed by SMT

# Example highlight report:

CPCA - Project Highlight Report							
Project Name		Project Highlight Report Date		Previous Status	Green	Current Status (& direction of travel)	Amber ↓
Project Manager				Overview and short narrative on project status			
Director							
Directorate	2030 Ambition Theme						
Agreed start date		Agreed completion date		% Time complete		Forecast Completion Date	
Agreed Project Budget / Cost Ceiling				Actual Spend		Forecast Total Spend £	
Key Activities This Period							
Key Activities Next Period							
Programme Budget							
Agreed Budget	Actuals to date	Actuals & Committed to date	RAG Status	Projected expenditure for the project	Projected variance for the project	Comments	
			Green		£0.00		
Project Milestone Progress							
Milestone #	Milestone Description			Start Date	% Complete	Baseline End Date	RAG Status
1							
2							
3							
Key Risks and Issues (Top 5)							
ID	Identify if Risk or Issue	Description		Risk Score (after mitigation)	Owner	Mitigation	
1				Trivial			
2				Minor			
3				Significant			
4				Major			
5				Severe			

# What are we planning to do next

1. Update the PID template and standardise documents
2. Increased emphasis on accountability for and recording change decisions
3. Standardise practice on use of the Red, Amber, Green ratings
4. Review of existing projects to ensure project management is in line with the agreed standard
5. Update guidance to staff on project management, based around ten-point guide
6. Training for project owners

## Project Initiation Document Summary

Project title:	If a multi-stage project, describe the stage seeking approval (e.g. Feasibility Study of Road Scheme X)
Project outcome:	Describe in a single paragraph the key outcome/s the project stage will achieve (not the outputs, nor overall scheme outcomes)
Project outputs	Specific deliverables and metrics
Strategic fit	Assessment against CPCA strategic priorities and wider background, including impact of 'do nothing' scenario
Total Project Value (£K): Total Funding from CPCA: Total Scheme Value:	State the value and whether any existing agreements are in place. Indicate what risk premium has been applied to any cost estimates.
Source of CPCA funding:	State the funding stream. Existing budget entry on Medium Term Financial Plan: YES/NO
Procurement route:	
Project <u>programme</u>	Include a GANTT chart or equivalent included showing Start, Finish, Milestones and critical dependencies
Exit strategy	Describe what will happen after CPCA funding ends
Risk Register	Identify key risks associated with project
Evaluation method	Describe what evaluation will be undertaken
CPCA Director:	
Project Manager(s):	Needs to have an internal CPCA Project Manager, even if project is sub-contracted with an external PM
Other staff and resources:	



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# Ten point guide

1. Defining a project
2. Agreeing levels of responsibility
3. Initiating a project
4. Documenting the project
5. Handling project risk
6. Controlling changes to project
7. Managing project budget
8. Monitoring outcomes and outputs
9. Evaluating a project
10. Closing a project

# Example: A47 Dualling project

- Project manager identified, PID developed
- Strategic Outline Business case → review → revised approach
- Business case considered and approved by CPCA Board
- MTFP contains budget
- Entered on Single Project Register and highlight reporting in place
- Project manager overseeing the contracted technical work on next stage
- Gateway process in place to consider progression to future stages
- Subject to positive Gateway outcome, Project Board will be established to oversee next stages