



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

## **OVERVIEW & SCRUTINY COMMITTEE**

**Date: Friday, 31 May 2019**

**14:00 PM**

**Democratic Services**  
Howard Norris  
Interim Monitoring Officer

The Incubator  
Alconbury Weald  
Cambridgeshire  
PE28 4WX

**East Cambridgeshire District Council  
Council Chamber, The Grange, Nutholt Lane, Ely, CB7 4EE**

### **AGENDA**

**Open to Public and Press**

- |          |   |               |
|----------|---|---------------|
| <b>1</b> | <b>Appointment of Chair &amp; Vice Chair of O and S</b> | <b>4 - 5</b>  |
| <b>2</b> | <b>Co-optees to the Overview and Scrutiny Committee</b> | <b>6 - 7</b>  |
| <b>3</b> | <b>Apologies for Absence</b>                            |               |
| <b>4</b> | <b>Declarations of Interest</b>                         |               |
| <b>5</b> | <b>OS Final Minutes- 25th March 2019</b>                | <b>8 - 13</b> |

- 6 Public Questions**
- 7 Mayoral Update**
- 8 University of Peterborough 14 - 19**
- 9 Monitoring Update Report**
- O S Report - Budget Monitoring - 31st May 2019 20 - 29**
- 10 Project Register 30 - 34**
- 11 Member Update on Activity of Combined Authority**
- 12 Review of Combined Authority Board Agenda**
- Members to review the Combined Authority Board agenda which was published on the 20/05/2019 and can be found at the following link.
- <https://tinyurl.com/CPCABoardAgenda>
- 13 Combined Authority Forward Plan**
- Members to review the Combined Authority Forward Plan
- [Forward Plan](#)
- 14 Work Programme Report 35 - 45**
- 15 Date of next meeting: 24th June 2019, Guildhall Cambridge City Council**

*For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact*

Clerk Name: Emma Powley

Clerk Telephone:

Clerk Email: [emma.powley@peterborough-ca.gov.uk](mailto:emma.powley@peterborough-ca.gov.uk)

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Public speaking on the agenda items above is encouraged. Speakers must register their wish to speak by making a request in writing to the Monitoring Officer (Howard Norris) no later than 12.00 noon three working days before the day of the meeting at [Howard.Norris@cambridgeshirepeterborough-ca.gov.uk](mailto:Howard.Norris@cambridgeshirepeterborough-ca.gov.uk). The request must include the name, address and contact details of the person wishing to speak, together with the full text of the question to be asked.



<b>OVERVIEW AND SCRUTINY COMMITTEE</b>	<b>AGENDA ITEM No: 1</b>
<b>31<sup>st</sup> May 2019</b>	<b>PUBLIC REPORT</b>

## **APPOINTMENT OF CHAIR AND VICE CHAIR**

### **1.0 PURPOSE**

- 1.1 The purpose of the report is to ask the Overview and Scrutiny Committee to appoint a Chair and Vice Chair for the ensuing year.

<b><u>RECOMMENDATION</u></b>	
<b>Lead Officer:</b>	<b>Howard Norris, Interim Monitoring Officer</b>
That the Committee appoints a Chairman and Vice-Chairman for the municipal year 2019/20.	
That the Committee note the membership of the Overview and Scrutiny Committee.	

### **2.0 BACKGROUND**

- 2.1 The Combined Authority at its Annual General Meeting on 29th May 2019 will appoint the members nominated by constituent councils to the Overview and Scrutiny Committee as detailed in Appendix 1.
- 2.2 The constitution states that the Committee shall appoint its own Chair and that the Chair will be an elected member of one of the Constituent Councils.
- 2.3 In accordance with the Combined Authority (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 which came into effect on 8 May 2017, the Committee must ensure that the person appointed as the Chair is an “appropriate person” who is an elected member of one of the Constituent Councils but is not a member of the registered political party of which the Mayor is a member.
- 2.4 The committee is also requested to appoint a vice-chair from amongst its members.

### **3.0 FINANCIAL IMPLICATIONS**

- 3.1 In accordance with the Cambridgeshire and Peterborough Combined Authority Order 2017, no remuneration is to be payable by the Combined Authority to its members.

### **4.0 APPENDICES**

- 4.1 Appendix 1 – Membership of Overview and Scrutiny.



<b>OVERVIEW AND SCRUTINY COMMITTEE</b>	<b>AGENDA ITEM No:</b>
<b>31<sup>st</sup> May 2019</b>	<b>PUBLIC REPORT</b>

## **CO-OPTION OF INDEPENDENT MEMBER FROM A CONSTITUENT COUNCIL.**

### **1.0 PURPOSE**

- 1.1 The purpose of the report is to ask the Overview and Scrutiny Committee to consider appointing an independent member from a Constituent Council for the ensuing year.

<b><u>RECOMMENDATION</u></b>
<b>Lead Officer: Howard Norris, Interim Monitoring Officer</b>
(a) That the Overview and Scrutiny Committee consider the co-option of an independent member (and substitute) from a Constituent Council.



### **2.0 BACKGROUND**

- 2.1 The Combined Authority at its Annual General Meeting on 29th May 2019 will appoint the members nominated by constituent councils to the Overview and Scrutiny Committee as detailed in the report.
- 2.2 The Board will also consider delegating authority to the Overview and Scrutiny Committee to co-opt a independent member from a Constituent Council and substitute for the municipal year 2019/20.
- 2.3 Previously, discretion has been used to provide independent members a seat on both the Audit and Governance Committee and the Overview and Scrutiny Committee. However, if such discretion had been used following the May 2019 elections at Constituent Councils, it would have tipped the balance on both committees in favour of non-conservative members.
- 2.4 Recognising the process operated through the exercise of discretion last year to provide an independent Member with a seat but ensuring the political

balance of the Committee is not compromised, it has been proposed that the Overview and Scrutiny Committee could consider the co-option of an independent member (from a constituent Council) to the Committee. The co-opted member (and substitute) would not be given voting rights, nor would they be considered as a member of the Committee when paying due regard to the criteria of the call-in process, outlined in Chapter 13, Overview and Scrutiny Committee 13.7 of the Constitution.

2.5 Should the Overview and Scrutiny Committee agree to the co-option of an independent member, authority may be delegated from the Combined Authority Board to the Committee to appoint a co-optee. The co-option would be for the municipal year 2019/2020.

2.6 Independent Groups/Members have been asked for expressions of interests for co-option and if agreed by the Overview and Scrutiny Committee, a random selection will then be made by an independent officer of the authority and witnessed by the Monitoring Officer for both the co-opted and their substitute. The substitute will not necessarily be required to be a named substitute from the same Constituent Council.

### **3.0 FINANCIAL IMPLICATIONS**

3.1 In accordance with the Cambridgeshire and Peterborough Combined Authority Order 2017, no remuneration is to be payable by the Combined Authority to its members including co-opted members of the Overview and Committee.

### **4.0 APPENDICES**

4.1 None



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

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

## **DRAFT MINUTES**

**Date: 25<sup>th</sup> March 2019**

**Time: 10.30 am**

**Location: Cambridgeshire County Council**

### **Present:**

Cllr Barry Chapman	Huntingdonshire District Council
Cllr Alan Sharp	East Cambs District Council
Cllr Mike Bradley	East Cambs District Council
Cllr Grenville Chamberlain	South Cambs District Council
Cllr Pippa Heylings	South Cambs District Council
Cllr Mike Sargeant	Cambridge City Council
Cllr Shaz Nawaz	Peterborough City Council
Cllr June Stokes	Peterborough City Council
Cllr Chris Boden	Fenland District Council
Cllr David Hodgeson	Fenland District Council
Cllr Lucy Nethsingha	Cambridgeshire County Council
Cllr David Connor	Cambridgeshire County Council
Cllr Markus Gehring	Cambridge City Council

### **Officers:**

John T Hill	Director of Business & Skills
Kim Sawyer	Interim Chief Executive Officer
Chris Twigg	Interim Director of Transport
Anne Gardiner	Scrutiny Officer
Emma Powley	Interim Scrutiny Officer

### **1. Apologies**

- 1.1 Apologies received from:  
Cllr Doug Dew,



Cllr Tom Sanderson substituted by Cllr Barry Chapman  
Cllr Ed Murphy, substituted by Cllr Shaz Nawaz

## **2. Declaration of Interests**

2.1 No declarations of interests were made.

## **3. Minutes**

3.1 The minutes of the meeting held on the 25<sup>th</sup> February 2019 were agreed as a correct record.

## **4. Public Questions**

4.1 There were no public questions received.

## **Business Board Update**

5. The Director of Business and Skills gave an overview of the functions of the Business Board and summarised the written report submitted and introduced the Chair of the Business Board.

It was noted that the Local Industrial Strategy (LIS) would be presented to the Business Board and recommended for approval by the CAPA Board on Wednesday 27<sup>th</sup> March 2019.

The following points were raised:

- There needed to be a focus on ensuring an even distribution of job creation and increased productivity across the county to address the North- South divide.
- Concern was expressed that environmental issues and sustainability had not been given adequate consideration with the growth of industry. Gender representation was not considered to be balanced and focus was needed to redress this.
- Consideration was needed to ensure that digital expansion was aligned with the developing infrastructure.
- It was explained by the Chair of the Business Board that they would continue to assist the development of small and medium businesses and noted that the Local Growth Fund would assist with the advancements in digital connectivity whilst ensuring infrastructure compatibility.
- The Director of Business and Skills explained that efforts were being made to profile and target businesses that could address the gender imbalance and in response to concerns raised about environmental issues, it was noted that focus would be on companies committed to sustainability.

The Committee noted the report.

The Committee thanked the Chair of the Business Board for attending the meeting.

## 6. Mayor for the Combined Authority

6.1 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.

The following points were raised during the discussion:-

- In response to questions asked, the Mayor explained that the CAM would allow and improve freedom of movement across Cambridgeshire and explained that a number of suggestions had been considered about bus services including franchising. The proposed CAM would include 2 underground stops in Cambridgeshire which would reduce congestion in the City Centre and would further allow the bus services to be more reliable and effective.
- The Mayor confirmed that he would welcome the involvement of the Overview and Scrutiny Committee in the CAM and wanted to work alongside them and committed to further discussions on accessing some of the associated exempt information.
- In response to concerns raised about congestion on the A428 in part due to some commuters accessing the East Coast Main Line (ECML) the Mayor explained that he was in discussion with Huntingdonshire District Council to allow the Metro to provide links to the ECML.
- The Mayor explained that garden cities would assist in the commitment to the delivery of housing and that an uplift in land value would provide funding in infrastructure. He reported that there was a projection of a 44% reduction in car use once the CAM was in place and that eco-garden cities would be complimentary in the reduction of pollution and progression to more clean air.
- The Mayor confirmed that there was £1million in the budget for the current year for the bus review and that there was a need for a short, medium and long term bus solutions, which would include working with the bus companies, possible franchising and eventually integrating the bus system with the metro
- In response to a further question, the Mayor explained that the non-statutory spatial plan covered some of the environmental concerns raised and noted that he had extensive dialogue with Anglian Water and the Environment Agency.
- The Chair of the Task and Finish Group queried whether the Mayor would be willing to work with Overview and Scrutiny on some of the gaps that had been identified within the Strategic Outline Business Case for the CAM and consider the report produced by the Task and Finish group, in conjunction with the CFPS, to incorporate some of the points discussed within the report in the Outline Business Case; the Mayor agreed.

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

## **7. University of Peterborough Update**

- 7.1 The Committee received the report from the Director of Business and Skills which reported that the University of Peterborough was a key feature of the devolution deal agreed with central government.

It was explained that Peterborough was lacking in Higher Education (HE) education and skills and that the provision of the University would go some way in addressing this through offering technical qualifications to meet the needs of local businesses.

It was noted that three independent reviews had been commissioned and completed and that the findings and recommendations of those would be outlined in a Skills Committee paper for the 3<sup>rd</sup> April 2019 meeting.

The Committee agreed that they would meet in April to discuss the Peterborough University and the reports taken to the Skills Committee on the 3<sup>rd</sup> April 2019.

- 7.2 The Committee noted the report.

## **8. Skills Strategy Update**

- 8.1 The Committee received the report from the Director for Business and Skills which provided an update on the Skills Strategy for the Combined Authority.**

- 8.2 The Director of Business and Skills elaborated on the report and explained that the new Skills Strategy would identify priorities and interventions that would enable the economy to grow and respond to the needs of the varying communities. He explained that there were 7 different sub economies under the Combined Authority and noted that there was some skills inequality which the proposed Skills Strategy could address.

The Committee commented that there were examples of Higher and Further Education establishments in the region having increased financial pressures and that a commitment was needed to ensure that there would not be a reduction in the provision of them.

There was a perceived inequality between the availability and delivery of education across the County and emphasis needed to be placed on businesses to inspire people to get skills. There was agreement that there was a need for teachers, pupils and businesses to incentives people to acquire the correct skills

- 8.3 The Committee noted the contents of the report

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

The Committee reviewed the agenda due to come to the Board on Wednesday 27<sup>th</sup> March 2019.

The Committee agreed to raise the following questions to the Board:

### **Item 3.1 Budget Monitoring Update**

- 1) Could future budget monitoring reports include information relating to the spend on housing?
- 2) The Committee asked that information contained within the Capital Programme differentiate between cash flow and capital e.g. loan to East Cambs?

### **Item 4.1 Housing Development Company**

- 3) Can the Board reassure members that the Housing Director will not be distracted from their commitment to provide 100,000 new homes once seconded to the Development Company
- 4) Will there be conflict and/or competition with other Council's that have set up and continue to run their own Housing Development Companies?
- 5) What mechanisms are to be used for member scrutiny and engagement of the Development Company.

### **Item 4.2 CAM Metro**

- 6) The Overview and Scrutiny Committee are concerned that there is no risk assessment of the Cases in the Strategic Outline Business Case
- 7) Can assurance be given that there will be alignment of the CAM Metro with other public transport systems?
- 8) Overview and Scrutiny would want proper governance be put in place for all aspects of CAM and not just the provision of the tunnels and underground stations as identified in the SOBC?
- 9) The Committee raised some concerns around the Financial Case and that it was unfortunate that they had not been able to see the exempt appendices.
- 10) Overview and Scrutiny thank the Mayor for his agreement that the gaps and concerns that they have raised for the SOBC compared with the questions that they identified with the Centre for Public Scrutiny will be taken into account by the Mayor and officers in drawing up the Outline Business Case.
- 11) Overview and Scrutiny noted that engagement will be happening shortly with the Department for Transport in respect of the Strategic Outline Business Case

### **Item 4.3 A10 Corridor – Strategic Outline Case and Next Steps**

- 12) Overview and Scrutiny are concerned that junction improvements which were highly rated are not being looked at in the Next Steps.
- 13) Can the Committee get clarification whether consideration of climate change and environmental issue has been given due weight in respect of improvements on the A10?

### **Item 4.4 Bus Reform Task Force – Governance and Subsidies**

- 14) The Committee were concerned that the recommendations included in this report differed from those agreed at the January meeting. In particular the long term proposal:
  - 15) Approval, 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.  
Could the status of this recommendation be clarified?

**10. Member Update on Activity of Combined Authority**

10.1 No updates were received from members.

**11. Combined Authority Forward Plan**

11.1 The Committee considered the Combined Authority Forward Plan and had no comments or suggestions at this time.

**12. Overview and Scrutiny Work Programme Report**

12.1 The Committee received the report which outlined the work programme for the committee for the municipal year 2018/19.

12.2 The Committee requested that a further report on the University of Peterborough be considered at the next meeting to include additional information from the Skills Committee on the 3<sup>rd</sup> April 2019

12.3 The Committee invited the Director of Business and Skills to attend the next meeting to respond to question raised in relation to the University of Peterborough.

12.4 The Committee requested that they become more involved in the Bus Task Force and would welcome an opportunity to discuss this in future.

12.5 The Chair advised that she discuss with the Interim Chief Executive the Committees access to exempt papers. The Chair advised that she would work with the Interim Scrutiny Officer on the committees work programme and would circulate this to members.

**13. Date of Next Meeting**

13.1 The Committee agreed that the next meeting would be held at Council Chamber, Peterborough City Council Town Hall; Bridge Street; Peterborough PE1 1HG with a start time of 11am and a pre-meeting starting at 10:15am on **THURSDAY** 18<sup>th</sup> April 2019.

Meeting Closed: 1.16pm.



<b>OVERVIEW AND SCRUTINY COMMITTEE</b>	<b>AGENDA ITEM No: 8</b>
<b>31<sup>st</sup> MAY 2019</b>	<b>PUBLIC REPORT</b>

**TITLE: UNIVERSITY OF PETERBOROUGH - UPDATE**

**PURPOSE:**

- 1.1 To update Members of the Overview and Scrutiny Committee on the creation and development of the University of Peterborough

<b><u>RECOMMENDATION</u></b>
<b>Lead Officer: Kim Cooke – Skills Strategy Manager</b>
The Overview and Scrutiny Committee are recommended to:  (a) Note to contents of the report and updated information.

**1.0 BACKGROUND**

- 1.1 The University of Peterborough is a key feature of the devolution deal agreed with central government and is critical for the growth of the local economy and in addressing skills shortages. There is a long-standing ambition between public sector partners, employers and the residents of Peterborough and surrounding areas to have a University in the city.
- 1.2 It is envisaged that the University will offer technical qualifications to meet the need of local businesses as well as collaborative delivery models working with industry shaping the degrees/high level apprenticeships on offer.
- 1.3 Peterborough is a cold spot for Higher Education (HE) education and skills. Data/evidence from the Hatch Regeneris' Skills Strategy Evidence Base Report and the Combined Authority's Skills Strategy confirms the CPCA interventions and highlights the need for a University of Peterborough.
- 1.4 As a devolved funded priority, the CPCA continues to support the establishment of a new University in Peterborough with a course mix driven by local employer demand for skills in both public and private sectors, encouraging apprenticeships.

The University will offer technical courses to fill skills gaps within priority sectors identified in the Local Industrial Strategy (LIS) and locality, that meet the needs of students, employers and the wider community.

1.5 The creation of the University of Peterborough will deliver a step-change in life-chances for young people in Peterborough and beyond. Key to the success of the new University will be our ability to grow local talent alongside attracting new talent to the area. It is imperative that to raise aspirations and improve social mobility, to achieve inclusive growth, we concentrate our efforts on closing the skills gaps and overcoming the barriers and challenges to progression by developing bespoke life-long learning for all ages.

## **2.0 FUNDING**

2.1 The CPCA has committed £13.83M to the development of the University.

2.2 The CPCA has paid £668,602 to UCP following the issue of Letters of Comfort issued in September 2017. This money has now been spent (to December 2018) and the CPCA agreed at the Board meeting 27<sup>th</sup> February 2019 to award University of Central Peterborough (UCP) a further £446K to complete the work identified in the UCP project plans as defined in the Funding Agreement to the end of this financial year.

2.3 The activity undertaken with the resource includes; marketing, course development and validation, programme management, student experience/amenities and governance arrangements has now been claimed totalling £389K from the £446K agreed at Board. GCGP/LEP had previously allocated UCP £720K - £120,000 of which was to pay for programme management (now complete). The further £600K was awarded to UCP to develop new Degree Awarding Powers - £391K has now been claimed with a further £209K remaining for claims up to October 2019. The application to the Office for Students for new degree awarding powers has stalled and is currently on hold awaiting the outcome of the HE partner selection process to be held over the Summer of 2019.

## **3.0 UNIVERSITY OF PETERBOROUGH ACTION PLAN**

3.1 The outcomes of the previous reviews have informed a new Action Plan which has been endorsed by the Skills Committee on 3<sup>rd</sup> April 2019 with recommendations for the CPCA Board to approve the new Action Plan and associated funding to deliver the University within the agreed timeframe opening the doors to 2000 students by September 2022, at the Board meeting on 29<sup>th</sup> May 2019.

3.2 The vision for the University is to be a trailblazer for other higher education institutions by embedding advanced technical learning within the curriculum. The aim is for the University to provide both the skills that local businesses urgently need, while also giving young people better access to well-paid, secure jobs and improved career prospects.

- 3.3 This approach is also anticipated to better attract students to the University, particularly when student debt and job prospects are now under increased scrutiny by prospective students
- 3.4 The CPCA have commissioned a Curriculum Research Survey with 200 businesses in the Peterborough area being asked to support the shaping of the future curriculum offer to activate employer-demand courses, to attract and retain motivated learners and their families, to aspire to work within the locality in new and developing jobs of the future.
- 3.5 The survey will ask employers a range of questions including input on the curriculum, key courses they would like to see offered, and feedback on how that education is delivered, for example work-based learning through higher level apprenticeship routes, two-year accelerated degrees and industry placement opportunities. The survey will also ask businesses what kinds of skills are anticipated to be in increased demand in the future.
- 3.6 The survey outcomes will form the basis of 'soft market testing' to develop the curriculum offer at the new university. The survey will ensure that local businesses have the chance to truly shape the University from the development stages. The findings will form the basis of the business case within the Outline Business Case and the results will be included in the brief for the selection process of the higher education partner for the University project. The survey is being carried out by economic development company Opportunity Peterborough

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 The financial implications are outlined in the report

#### **5. LEGAL IMPLICATIONS**

- 5.1 The legal implications have been considered and are detailed within the reports to the Combined Authority Board and the Skills Committee (detailed below and appended as hyperlinks)

#### **6. APPENDICES**

- 6.1 Hyperlink below.

<b>Source Documents</b>	<b>Location</b>
Skills Committee 3 April 2019: Agenda, reports and minutes	<a href="http://cambridgeshirepeterborough-ca.gov.uk/meetings/skills-committee-2/?date=2019-04-03">http://cambridgeshirepeterborough-ca.gov.uk/meetings/skills-committee-2/?date=2019-04-03</a>
CAPA Board Agenda:	





<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No</b>
<b>29 MAY 2019</b>	<b>PUBLIC REPORT</b>

## **UNIVERSITY OF PETERBOROUGH – OUTCOME OF REVIEW AND REFLECT LEADING TO THE PROGRESSION OF AN OUTLINE BUSINESS CASE**

### **1.0 PURPOSE**

The report to the Skills Committee provided the findings from recent independent reviews. It is recommended that the CPCA Board gives approval to move into the next stage of the project that will require concurrent work to achieve:

- (a) Agreement of a funding solution to:
- (b) Procure expert programme management consultants with experience and skills to deliver the University, and specifically the following activities to:
- (c) Run a University Delivery Partner selection process to confirm the best choice of academic partner to invest in, to develop and deliver the University defined by the Skills Strategy.
- (d) Carry out site assessments, planning preparation and permissions.
- (e) Work alongside CPCA officers to co-develop and produce the Outline Business Case (OBC) for the build.
- (f) Agree specific curriculum and delivery models to produce a resulting build specification.
- (g) Run a procurement competition for a design and build contractor.
- (h) Produce a Full Business Case with CPCA officers to lay down contracts for the build.
- (i) Initiate the build through integration and coordination with relevant spatial plans.

1.2. The Skills Committee agreed unanimously to adopt the following recommendation at its meeting on 3 April 2019. The Combined Authority Board is asked to approve the recommendations highlighted in bold below. The full report considered by the Skills Committee is available at the following link:

[Skills Committee Meeting 03/04/2019](#)

<b><u>DECISION REQUIRED</u></b>	
<b>Portfolio Holder for Skills:</b>	<b>Councillor John Holdich</b>
<b>Lead Officer:</b>	<b>John T Hill – Director of Business &amp; Skills</b>
<b>Forward Plan Ref: 2019/031</b>	<b>Key Decision: Yes</b>
<p><b>The Combined Authority Board is recommended to:</b></p> <p>1. Note the findings of the reviews that recommend the way forward for the University of Peterborough to be developed to meet the outcomes of the Cambridgeshire and Peterborough Independent Economic Review, Local Industrial Strategy and Skills Strategy.</p> <p><b>2. Approve:</b></p> <p>(i) <b>Running an academic partner review, comparison and selection process that includes PRC, ARU and others.</b></p> <p>(ii) <b>Release £300,000 of capital funding identified in the 2019/20 Capital Programme to deliver items 3 and 5 of the programme outlined in Table B in the report and power is delegated to the Chief Executive, in consultation with the Chairman of the Skills Committee, to approve/agree Officer Decision Notices to maintain the momentum in project delivery for items 3 of Table B – Timescales for commitment and spend of funding. Progress will be reported back to the Skills Committee in July.</b></p> <p>(iii) <b>Approve the release of £235,000 from the non-transport feasibility funding in the revenue budget for 2019/20 to deliver items 1, 2, 4 and 6 in Table B in the report and power is delegated to the Chief Executive, in consultation with the Chairman of the Skills Committee, to approve/agree Officer Decision Notices to maintain the</b></p>	<p><b>Voting arrangements</b></p> <p>All members are required to be present for this item.</p> <p>Two thirds of the constituent council members must vote in favour to include Cambridgeshire County Council and Peterborough City Council.</p>

<p>momentum in project delivery for items 1, 2 and 4 of Table B – Timescales for commitment and spend of funding. Progress will be reported back to the Skills Committee in July.</p> <p>(iv) The Action plan and Timescales set out, noting they both enable meeting the original objective of 2000 students on the Embankment site by 2022.</p> <p>(iv) Officers procuring expert consultants to support the execution of that Action plan to these timescales.</p> <p>(vi) Agree to a review, through the Outline Business Case Process, of the current assumptions regarding:</p> <ul style="list-style-type: none"> <li>a. The level of CPCA capital investment in the build; and</li> <li>b. The Governance Process of the University Programme.</li> </ul> <p>3. Delegate authority to the Chief Executive to enter into the contractual relationships following the procurement of the external consultants required to undertake the activities specified.</p> <p>4. The definition of the University as set out in 2.5 of the report.</p>	
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<u>Source Documents</u>	<u>Location</u>
Skills Committee 3 April 2019: Agenda, reports and minutes	<a href="http://cambridgeshirepeterborough-ca.gov.uk/meetings/skills-committee-2/?date=2019-04-03">http://cambridgeshirepeterborough-ca.gov.uk/meetings/skills-committee-2/?date=2019-04-03</a>



<b>OVERVIEW AND SCRUTINY COMMITTEE</b>	<b>AGENDA ITEM No: 13</b>
<b>31<sup>st</sup> May 2019</b>	<b>PUBLIC REPORT</b>

## **BUDGET MONITORING UPDATE**

### **1.0 PURPOSE**

- 1.1 To provide the Committee with an update of the provisional outturn position for the Combined Authority for the year ended 31 March 2019 to be considered by the Combined Authority Board on the 29<sup>th</sup> May 2019.

<b><u>RECOMMENDATION</u></b>
<b>Lead Officer: Noel O'Neill, Interim S73 Chief Finance Officer</b>
That the Committee notes the update.

### **2.0 BACKGROUND**

- 2.1 At the Overview and Scrutiny Committee on the 25<sup>th</sup> March 2019, the Committee requested that an update be provided on Budget Monitoring.
- 2.2 This report provides a provisional outturn position for the Combined Authority for the year ended 31 March 2019. It is in the format of the management accounts that the Board has received throughout the year. It also seeks authority to carry forward identified underspends and provides an update on the preparation and audit of the draft Statement of Accounts of the Combined Authority for the year 2018/19 and will be considered by Board on the 29<sup>th</sup> May 2019.
- 2.3 The Combined Authority Board will be recommended to:
- a) Note the provisional outturn position against budget for the year to 31 March 2019.
  - b) Approve the carry forward of £616,400 of budget underspends to increase the 2019/20 budget and deliver the outcomes identified.

- c) Note progress being made in the preparation and audit of the draft Statement of Accounts for 2018/19.

### 3. Budget 2018/19 Update

- 3.1. The Board approved the 2018/19 budget at its meeting of 14<sup>th</sup> February 2018. The budget has developed during the course of the year as the Board has approved requests for funding.
- 3.2. The provisional outturn position reflects the predicted income and expenditure against budget for the year to 31 March 2019. These figures are draft and have not yet been audited.
- 3.3. A summary of the financial position of the Authority, showing 'Revenue' income and expenditure for the year, is set out in the table below. A more detailed breakdown of income and expenditure for the year is shown at **Appendix 1**.

<u>2018/19 Revenue</u>	<u>2018/19 Budget</u> <u>(£'000)</u>	<u>Actuals to 31 March 2019</u> <u>(£'000)</u>	<u>Predicted Outturn</u> <u>(P10 Jan)</u> <u>(£'000)</u>	<u>Para ref:</u>	<u>Variance</u> <u>(Actuals to 31 Mar '19 - Budget)</u> <u>(£'000)</u>
<b>Income</b>					
Grant Income	(11,292.6)	(11,396.2)	(11,321.0)	2.5 (a)	(103.6)
<b>Total Income</b>	<b>(11,292.6)</b>	<b>(11,396.2)</b>	<b>(11,321.0)</b>		<b>(103.6)</b>
<b>Expenditure</b>					
Mayor's Office	349.4	340.1	349.4		(9.2)
Operational Budget:					
Combined Authority Staffing	5,502.1	5,361.3	5,347.0	2.5 (b)	(140.8)
External Support Services	547.0	615.2	547.0		68.2
Corporate Overheads	687.8	664.1	702.8	2.5 (c)	(23.6)
Governance	150.6	145.8	150.7		(4.8)
Election Provision	260.0	260.0	260.0		-
Financing Costs	(700.0)	(782.9)	(750.0)	2.5 (d)	(82.9)
Workstream/Programme Budget:					
Rural Areas, Culture, Parks etc.	10.0	26.1	38.4	2.5 (e)	16.1
Fiscal	45.0	60.0	50.0		15.0
Economic Strategy	868.1	879.3	785.7	2.5 (f)	11.2
Transport & Infrastructure	2,350.1	2,007.0	2,000.2	2.5 (g)	(343.1)
Employment & Skills	1,015.3	967.6	998.3	2.5 (h)	(47.7)
Strategic Planning	309.2	50.6	98.3	2.5 (i)	(258.6)
Public Service Reform	416.0	257.2	316.0	2.5 (j)	(158.8)
<b>Total Expenditure</b>	<b>11,810.5</b>	<b>10,851.5</b>	<b>10,893.8</b>		<b>(959.0)</b>
<b>Total (Income) less Total Expenditure</b>	<b>517.9</b>	<b>(544.7)</b>	<b>(427.2)</b>		<b>(1,062.6)</b>

- 3.4. The end of year position shows a surplus of income over expenditure of £544,700. The predicted outturn reported to Board for period 10 to 31<sup>st</sup> January was a surplus of £427,200 where many of the explanations were included in the report. Without any intervention, the impact would be to increase revenue balances by £544,700 rather than draw down £517,900 from balances as was in the original plan.
- 3.5. Overall this represents an underspend of £1.062m against the original 2018/19 budget. As the report below identifies some of these underspends relate to

projects that have been started but not yet completed or projects that have slipped slightly in time frame. For example, the Huntingdon 3<sup>rd</sup> River Crossing project was only approved at the March 2019 Board. Many of these projects require the funding to be carry forward to 2019/20 to enable the work on the projects to be completed. These revenue carry forwards are identified in Appendix 1 and total £616,400.

Work is continuing to finalise these draft figures. A further report will be provided to the Board to confirm the final audited outturn position.

3.6. Variances between the predicted revenue outturn position and the annual budget for the main budget headings are set out below:

- (a) Grant income: The total revenue grants received during the year included two amounts for £90,000 each relating to Veterans support and support for Brexit. The Energy Hub contribution figure is under what was originally budgeted as less is required to be drawn down to cover staffing costs.
- (b) Staffing Costs: The favourable staff cost variance of £140,800 for the year against budget is due to an increase in the number of vacancies in the organisation and the delay in recruitment to permanent positions pending the outcome of the organisational review. This is in line with what was reported in March 2019.
- (c) Corporate Overheads: There has been a slight underspend for the year against accommodation costs. Of this underspend, it is proposed to carry forward £19,500 for the continuing development of a new corporate website.
- (d) Financing Costs: The Combined Authority has incurred no financing costs during the year and it currently hold no debt. The better than expected forecast of income received from investments is due to the improved rate of interest earned on balances during the year and due to the higher than expected balances available for investment. Interest rates have increased from 0.5% to just over 1.1% during the course of the year. The Medium Term Financial Plan (MTFP) has provided greater certainty of future cashflows, which has enabled the Combined Authority to take better informed treasury management investment decisions.
- (e) Rural Areas, Culture, Parks etc: Additional costs in year of £16,100 reflect a more informed profile of the costs of delivering the South East regional energy hub, including the recruitment of staff, and for necessary IT equipment. The impact on the funding draw down from the energy hub grant already received is reflected in the grant income line.
- (f) Economic Strategy:
  - i) The overspend on the development of Market Towns Strategy is due £40,000 of costs of the work on Wisbech Garden Town being

- charged to revenue rather than against the capital programme. Expenditure has been incurred but it is of a revenue nature.
- ii) The underspend on the international trade programme of £13,200 is due to the initiation of the project being put on hold while the Local Industrial Strategy (LIS) was finalised in order to ensure funding is spent on confirmed strategic objectives.
  - iii) Development of the St Neots masterplan came in £18,900 below the forecast costs. There is no need to seek carry forward approval here because there is an on-going revenue budget to support Market Town initiatives of £200,000 per annum.
- (g) Transport and Infrastructure:
- i) The Strategic Bus review provided an underspend in year of £29,200 due to positive management of the project.
  - ii) Additional costs for the year include subsidies paid by the Mayor to maintain local bus routes.
  - iii) The Cambridge Autonomous Metro (CAM) Strategic Outline Business Case has cost £127,000 less than the original budget providing a genuine underspend for the Combined Authority. Authority is sought to carry this forward to 2019/20 and increase the CAM budget for 2019/20 to £1.127m.
  - iv) The Huntingdon Strategic River Crossing project was approved at March 2019 Board and is now commenced. The unused funds of £196,000 will need to be carried forward from this year to meet the full costs of the feasibility project in 2019/20.
  - v) The M11 Extension feasibility study project is complete and historic costs incurred of £338,400. in 2018/19. This shows as an overspend against £200,000 budget allocation within the Transport Feasibility studies revenue budget for 2018/19. However, the original budget in 2017/18 was £500,000 but no carry forward was included during year-end in 2017/18.
- (h) Employment and Skills: As with the International Trade Programme, the Life Sciences Sector Investment programme was also put on hold while the Local Industrial Strategy (LIS) was finalised. Unused funding of £63,000 will be carried forward to fund future LIS and Skills Strategy objectives.
- (i) Strategic Planning: A revised timetable for phase 2 of the Strategic Spatial Framework was presented to the Board in February 2019 highlighting the Board's requirement for the Non-Statutory Spatial Framework to reflect the recommendations of the Independent Economic Commission's CPIER review and the Local Transport Plan. Changes to the timetable will result in an expected underspend for the year of £111,500. This funding will be required to continue the work into 2019/20.
- (j) The Land Commission work has secured external funding of £250,000 in the year. However, the Commission has incurred no specific costs in 2018/19 and the bulk of the work will be done in 2019/20. Therefore,



approval is sought to carry forward the underspend of £80,000 to meet the costs of that work.

- (k) Public Service Reform: The Board received a paper in September 2018 detailing a Health and Social Care proposal for Public Sector Reform. Savings have been made by challenging contractors.

3.7. The 'Capital' position of the Combined Authority as at 31 March 2019 is shown at **Appendix 2**.

Many of the capital programmes show little or limited spend to date. A number of these underspends are due to departures from the original assumptions made in the profiling of expenditure forecasts across multi-year projects.

3.8. Direct Control:

Direct Control programmes reflect updated expenditure profiles and work in progress expenditure to date incurred by our delivery partners. It is expected that £3.53m will be carried forward to 2019/20.

3.9. Schemes previously identified and costed:

Spend incurred to date by delivery partners has been reviewed and predicted outturn positions updated accordingly. A major area of spend is the A505 Corridor project. Unspent budget will be carried forward into the 2019/20 Capital Programme.

3.10. Housing investment programme:

The £100m Housing investment programme has been affected by housing grants not being able to be used to deliver new homes for Affordable Rent. A Statutory Instrument has now been passed by parliament which will enable grant to be used for these schemes in future. Unallocated funding will be carried forward into next year and it anticipated that expenditure against the programme should catch up with original expectations.

3.11. East Cambs Housing Loan Provision:

The first drawdown against the approved loan to East Cambs Trading Company Limited to facilitate the development of a Community Land Trust scheme of 54 homes in Haddenham, as set out in the March 2018 Board papers has not yet been required. It is anticipated that the funds will be drawn down at the end of May 2019.

3.12. Cambridge City Housing Programme:

Funding is being provided to Cambridge City Council to deliver a programme of 500 Council homes by 2022. Finance for the programme is made up of £62.8m from Cambridge City, together with £70m from the Combined Authority, with a final drawdown against the Combined Authority funds in 2018/19 of £13.54m.

3.13. National Productivity Investment Fund:

The profiling of required spending has been updated by Peterborough City Council. The underspend at year end will be carried forward for draw down in 2019/20 as the projects are completed.



3.14. Growth Funds: King's Dyke:

Claims for the year indicate that there will be an overspend against the expected budget of £0.62m. This is due to acceleration of the early phase of the scheme and will be met by bringing forward funding from 2019/20. The overall cost of the project is in line with the original Growth Fund bid and funding is available to meet these costs.

3.15. Growth Funds: Ely Area Capacity Enhancements:

National Rail opted to utilise Strategic Freight Network funding, which needed to be used by 31st March 2019, prior to calling on its remaining contributions from the CPCA. CPCA expenditure has been reduced in 2018/19 to £0.83m and the remaining budget of £0.969m will be reprofiled into 2019/20 for future project delivery.

3.16. Growth Funds: Agri-Tech Programme:

The Agri-tech programme has approved projects committing all but £180k of the allocated 2018-19 budget and these projects will call on the funding over the next financial year. The remaining £180k will not be carried forward and be made available for other projects through the forthcoming Growth Funds funding calls.

**Draft Statement of Accounts 2018/19**

3.17. The draft Statement of Accounts for the year ended 31 March 2019 will be presented to the Audit and Governance Committee on 31 May 2019.

3.18. The draft Statement of Accounts, together with the draft Narrative Report and the draft Annual Governance Statement, will then be signed by the Interim Chief Finance Officer, and published in draft form on the Combined Authority's website together with the notice of the exercise of public rights.

3.19. The notice of the exercise of public rights states that the documents are unaudited, and subject to change, and sets out the rights of members of the public and local government electors in the audit process.

3.20. Ernst & Young LLP will then audit the draft Statement of Accounts and intend present their findings to the Audit and Governance Committee in July 2019.

3.21. The final version of the Statement of Accounts needs to be signed and published on the Combined Authority's website by 31 July 2019.

**4.0 FINANCIAL IMPLICATIONS**

4.1. This report shows an in-year underspending against the approved revenue budget of £1.062m. The explanation of the budget underspendings are detailed in this report. This gives a surplus of revenue in year of £544,700. However, as explained in the report and identified in Appendix 1, £616,400 of carry forward is required to deliver the slipped projects in 2019/20. Authority is sought to increase the 2019/20 budgets accordingly. The implication is that £71,700 will

be drawn from balances rather than the planned £517,900 in the original budget.

- 4.2. The variations on capital spending are explained above. Approval is sought for this year to carry forward the underspends as most schemes are in train and the spending will still need to be incurred to deliver but under a different profile. This will be reflected in the mid-year review.

## **5.0 LEGAL IMPLICATIONS**

- 5.1. The Statement of Accounts will be prepared in accordance with statutory requirements, detailed in the Local Government Act 20103, the Accounts and Audit Regulations 2015 and The Code of Practice on Local Authority Accounting in the United Kingdom 2015/16 (the Code).

## **6.0 SIGNIFICANT IMPLICATIONS**

- 6.1. There are no other significant implications.

## **7.0 APPENDICES**

- 6.1 Appendix 1 - detailed breakdown of draft income and expenditure for the financial year.
- 6.2 Appendix 2 - the 'Capital' position of the Combined Authority for the financial year.

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

**Appendix 1: CPCA Revenue 2018/19 (March 2019)**

	<u>2018/19</u> <u>Budget</u> £'000	<u>Actuals to</u> <u>31 Mar 2019</u> £'000	<u>Predicted</u> <u>Outturn</u> <u>(P10 Jan)</u> £'000	<u>c/fwd</u>	<u>Variance</u> <u>(Actuals to</u> <u>31 Mar '19 -</u> <u>Budget)</u> £'000
<b><u>Income</u></b>					
Gain Share Revenue	(8,000.0)	(8,000.0)	(8,000.0)		0.0
Mayoral Capacity Fund	(1,000.0)	(1,000.0)	(1,000.0)		0.0
MHCLG - LEP core payments	(500.0)	(500.0)	(500.0)		0.0
Energy Hub Contribution (Staff Costs)	(333.8)	(262.1)	(362.2)		71.7
Growth Hub - BEIS	(246.0)	(246.0)	(246.0)		0.0
EZ contribution to LEP activity	(250.0)	(168.2)	(250.0)		81.8
AEB Funding	(162.8)	(161.7)	(162.8)		1.1
CEC Skills Funding (quarterly claims)	(300.0)	(300.0)	(300.0)		0.0
Growth Fund Contribution	(500.0)	(500.0)	(500.0)		0.0
Miscellaneous other income		(258.2)	0.0		(258.2)
<b>Total Income</b>	<b>(11,292.6)</b>	<b>(11,396.2)</b>	<b>(11,321.0)</b>		<b>(103.6)</b>
<b><u>Expenditure</u></b>					
<b><u>Mayor's Office</u></b>					
Mayor's Allowance	85.0	84.5	85.0		(0.5)
Mayor's Office Expenses	33.5	31.3	33.5		(2.1)
Mayor's Office Accommodation	43.9	43.0	43.9		(0.9)
Mayor's Office Staff	187.0	181.2	187.0		(5.8)
<b>Total Mayor's Office Costs</b>	<b>349.4</b>	<b>340.1</b>	<b>349.4</b>		<b>(9.2)</b>
<b><u>Combined Authority Staffing Costs</u></b>					
Salaries	5,432.1				(142.9)
Chief Executive		292.0	292.0		
Business and Skills		1,632.8	1,633.3		
Transport		886.9	886.9		
Housing		214.0	214.0		
Strategy & Planning		539.0	523.3		
Corporate Services		1,724.4	1,727.5		
Travel	40.0	44.3	50.0		4.3
Conferences, Seminars	20.0	21.3	15.0		1.3
Training	10.0	6.5	5.0		(3.5)
<b>Total Combined Authority Staffing Costs</b>	<b>5,502.1</b>	<b>5,361.3</b>	<b>5,347.0</b>		<b>(140.8)</b>
<b><u>Externally Commissioned Support Services</u></b>					
Payments to LAs for services	452.0	511.5	452.0		59.5
Procurement	15.0	13.9	15.0		(1.1)
Finance System	30.0	30.0	30.0		0.0
ICT external support	50.0	59.9	50.0		9.9
<b>Total Externally Commissioned Support Services</b>	<b>547.0</b>	<b>615.2</b>	<b>547.0</b>		<b>68.2</b>
<b><u>Corporate Overheads</u></b>					
Accommodation Costs	258.8	254.5	258.8		(4.3)
ICT consumables	20.0	21.2	20.0		1.2
Website Development	39.0	19.5	39.0	c/fwd	(19.5)
Recruitment Costs	200.0	200.4	200.0		0.4
Insurance	25.0	32.5	35.0		7.5
Audit Costs	70.0	73.3	70.0		3.3
Office running costs	20.0	19.9	25.0		(0.1)
Communications	55.0	42.9	55.0		(12.1)
<b>Total Corporate Overheads</b>	<b>687.8</b>	<b>664.1</b>	<b>702.8</b>		<b>(23.6)</b>
<b><u>Governance Costs</u></b>					
Committee/Business Board Allowances	47.0	47.0	47.0		0.0
Meeting Costs	10.0	1.5	5.0		(8.5)
Monitoring and Evaluation Framework	83.7	83.7	83.7		0.0
Miscellaneous	10.0	13.5	15.0		3.6
<b>Total Governance Costs</b>	<b>150.6</b>	<b>145.8</b>	<b>150.7</b>		<b>(4.8)</b>
<b><u>Election Costs</u></b>					
Election costs	260.0	260.0	260.0		0.0
<b>Total Election Costs</b>	<b>260.0</b>	<b>260.0</b>	<b>260.0</b>		<b>0.0</b>
<b><u>Financing Costs</u></b>					
Interest Receivable on Investments	(700.0)	(782.9)	(750.0)		(82.9)
<b>Total Financing Costs</b>	<b>(700.0)</b>	<b>(782.9)</b>	<b>(750.0)</b>		<b>(82.9)</b>
<b>Total Operational Expenditure</b>	<b>6,447.5</b>	<b>6,263.5</b>	<b>6,257.5</b>		<b>(183.9)</b>

	<u>2018/19</u> <u>Budget</u> £'000	<u>Actuals to</u> <u>31 Mar 2019</u> £'000	<u>Predicted</u> <u>Outturn</u> <u>(P10 Jan)</u> £'000	<u>c/fwd</u>	<u>Variance</u> <u>(Actuals to</u> <u>31 Mar '19 -</u> <u>Budget)</u> £'000
<b><u>Workstream Revenue Budgets</u></b>					
<b><u>Rural Areas, Culture, Parks and Open Spaces</u></b>					
Develop Energy Hub	10.0	26.1	38.4		16.1
<b>Total Rural Areas, Culture, Parks and Open Spaces</b>	<b>10.0</b>	<b>26.1</b>	<b>38.4</b>		<b>16.1</b>
<b><u>Fiscal</u></b>					
Investment Fund Strategy	25.0	60.0	50.0		35.0
Treasury Management Strategy	20.0	0.0	0.0		(20.0)
<b>Total Fiscal</b>	<b>45.0</b>	<b>60.0</b>	<b>50.0</b>		<b>15.0</b>
<b><u>Economic Strategy</u></b>					
Growth Hub (net of salaries)	75.4	75.5	75.4		0.0
Development of a Market Towns Strategy	250.0	285.1	210.0		35.1
Develop an International Trade Programme	50.0	36.9	27.6		(13.2)
St Neots Masterplan	100.0	81.1	80.0	c/fwd	(18.9)
Independent Economic Commission	392.7	400.9	392.7		8.2
<b>Total Economic Strategy</b>	<b>868.1</b>	<b>879.3</b>	<b>785.7</b>		<b>11.2</b>
<b><u>Transport and Infrastructure</u></b>					
Local Transport Plan	400.0	329.6	400.0		(70.4)
Strategic Bus Review	148.6	119.4	118.6		(29.2)
Smart Cities Network	100.0	96.1	100.0		(3.9)
Sustainable Travel	150.0	141.0	150.0		(9.0)
Schemes and Studies	100.0	76.6	100.0		(23.4)
New Bus Subsidies	101.6	101.6	101.6		0.0
Transport Feasibility Studies (Hunts 3rd river crossing)	200.0	3.5	0.0	c/fwd	(196.5)
Transport Feasibility Studies (CAM)	900.0	773.0	780.0	c/fwd	(127.0)
Transport Feasibility Studies (M11)	200.0	338.4	200.0		138.4
Transport Feasibility Studies (C Rail Capacity)	50.0	27.8	50.0		(22.2)
<b>Total Transport and Infrastructure</b>	<b>2,350.1</b>	<b>2,007.0</b>	<b>2,000.2</b>		<b>(343.1)</b>
<b><u>Employment &amp; Skills</u></b>					
Peterborough University	400.0	400.9	446.0		0.9
Career Advice and Progression (Hamptons)	54.5	65.6	54.5		11.1
Skills Hub	231.0	234.3	231.0		3.3
Life Sciences Sector Investment	75.0	12.0	12.0	c/fwd	(63.0)
Devolution of Adult Education Budget	254.8	254.8	254.8		(0.0)
<b>Total Employment &amp; Skills</b>	<b>1,015.3</b>	<b>967.6</b>	<b>998.3</b>		<b>(47.7)</b>
<b><u>Strategic Planning</u></b>					
Non Statutory Spatial Plan (Phase 2)	135.0	23.5	30.0	c/fwd	(111.5)
Rural Strategy - Town & Parish Council conf	28.3	20.0	28.3		(8.3)
CA2030 Programme	40.0	7.1	40.0		(32.8)
Fenland UNESCO Biosphere & Parks Trust	26.0	0.0	0.0		(26.0)
Cambridgeshire and Peterborough Land Commission	80.0	0.0	0.0	c/fwd	(80.0)
<b>Total Strategic Planning</b>	<b>309.2</b>	<b>50.6</b>	<b>98.3</b>		<b>(258.6)</b>
<b><u>Public Service Reform</u></b>					
Independent Commission and Reform Plan	416.0	257.2	316.0		(158.8)
<b>Total Public Sector Reform</b>	<b>416.0</b>	<b>257.2</b>	<b>316.0</b>		<b>(158.8)</b>
<b>Total Workstream Expenditure</b>	<b>5,013.7</b>	<b>4,247.8</b>	<b>4,286.9</b>		<b>(765.9)</b>
<b>Total Expenditure</b>	<b>11,810.5</b>	<b>10,851.5</b>	<b>10,893.8</b>		<b>(959.0)</b>
<b>Total Income less Total Expenditure</b>	<b>517.9</b>	<b>(544.7)</b>	<b>(427.2)</b>		<b>(1,062.6)</b>

**Appendix 2: CPCA Capital Programme - 2018/19 (March 2019)**

	<b><u>2018/19 Budget</u></b>	<b><u>Actuals to 31 March 2019</u></b>	<b><u>Predicted Outturn (P10 Jan)</u></b>	<b><u>Variance (Actuals to Mar 2019 - Budget)</u></b>
<b><u>Direct Control</u></b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Cambridge South Station	0.25	0.25	0.25	0.00
Peterborough University - Business case	0.30	0.00	0.00	(0.30)
Soham Station	2.00	2.21	2.00	0.21
St Neots River Northern Crossing cycle bridge	0.50	0.00	0.01	(0.50)
Wisbech Garden Town	1.00	0.00	1.00	(1.00)
Wisbech Rail	0.75	0.02	0.06	(0.73)
Wisbech Access Study	0.30	0.00	0.00	(0.30)
Digital Connectivity Infrastructure	0.44	0.28	0.44	(0.16)
A10 Upgrade	0.00	0.23	0.24	0.23
A47 Dualling	1.01	0.60	0.80	(0.41)
Office Accommodation Fitout	0.25	0.25	0.25	(0.00)
<b>Total Committed Direct Control Expenditure</b>	<b>6.81</b>	<b>3.83</b>	<b>5.05</b>	<b>(2.97)</b>
<b><u>Schemes Previously Identified and Costed</u></b>				
Coldhams Lane roundabout improvements	0.30	0.07	0.10	(0.23)
Eastern Industries Access - Phase 1	0.25	0.12	0.19	(0.13)
March junction improvements	0.39	0.30	0.39	(0.08)
Queen Adelaide Level Crossing	0.13	0.18	0.11	0.05
Regeneration of Fenland Railway Stations	0.30	0.02	0.02	(0.28)
A10 Foxton Level Crossing	0.50	0.00	0.00	(0.50)
A1260 Nene Parkway Junction 15	0.25	0.12	0.09	(0.13)
A1260 Nene Parkway Junction 32-3	0.15	0.03	0.06	(0.12)
A141 Capacity enhancements	0.40	0.13	0.08	(0.27)
A142 Capacity Study	0.15	0.00	0.00	(0.15)
A14 Junctions Improvement feasibility study	0.15	0.00	0.15	(0.15)
A505 Corridor	1.00	0.12	0.12	(0.88)
A605 Oundle Rd Widening - Alwalton-Lynch Wood	0.23	0.21	0.21	(0.01)
<b>Schemes Previously Identified and Costed Total</b>	<b>4.19</b>	<b>1.31</b>	<b>1.52</b>	<b>(2.88)</b>
Cambridge City Housing Programme	15.06	13.55	13.69	(1.51)
East Cambs - Housing Loan Provision	1.67	0.00	0.00	(1.67)
Housing Investment Programme	6.63	0.34	0.30	(6.29)
LTP Schemes with PCC and CCC	24.52	24.52	24.52	(0.00)
National Productivity Investment Fund	4.65	1.60	1.60	(3.05)
<b>Passported/Ringfenced Total</b>	<b>52.52</b>	<b>40.00</b>	<b>40.11</b>	<b>(12.52)</b>
<b><u>Growth Funds</u></b>				
King's Dyke Crossing (Growth Fund)	5.49	6.11	6.54	0.62
A428 Cambourne to Cambridge	1.00	0.00	1.00	(1.00)
Ely Rail Improvements	1.80	0.83	1.80	(0.97)
In Collusion	0.12	0.12	0.12	0.00
Wisbech Access Strategy - Delivery Phase	1.00	0.28	0.52	(0.72)
Agri-tech	1.98	0.79	1.98	(1.19)
Opportunity Peterborough - Skills	0.00	0.16	0.16	0.16
Bourges Boulevard Phase 2	1.35	1.35	1.74	0.00
Ely Southern Bypass	3.80	3.81	3.81	0.01
Whittlesea and Manea Railway Stations	0.34	0.32	0.37	(0.03)
Local Energy East	0.04	0.04	0.04	0.00
ERDF	0.00	0.35	0.35	0.35
IMET Phase 3	1.64	1.34	1.34	(0.30)
Lancaster Way Phase 2	0.86	0.00	0.00	(0.86)
University Project Group	0.10	0.16	0.11	0.06
COSMOS	0.03	0.03	0.03	0.00
<b>Growth Funds Total</b>	<b>19.56</b>	<b>15.67</b>	<b>19.91</b>	<b>(3.89)</b>
<b>Total</b>	<b>83.08</b>	<b>60.83</b>	<b>66.59</b>	<b>(22.25)</b>



<b>CAMBRIDGESHIRE AND PETERBOROUGH OVERVIEW AND SCRUTINY MEETING</b>	<b>AGENDA ITEM No: 7</b>
<b>31 MAY 2019</b>	<b>PUBLIC REPORT</b>

## CPCA PROJECT REGISTER

### 1.0 PURPOSE

- 1.1. To respond to the Overview & Scrutiny Committee's request for a proposed model for the Committee's relationship with the Combined Authority's project management arrangements.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Mayor</b>
<b>Forward Plan Ref:</b>	<b>Key Decision: No</b>
The Overview & Scrutiny Committee is recommended to:  (1) Note the Performance Reporting process proposed for future meetings.	<b>Voting arrangements</b>  Simple majority of all Members

### 2.0 BACKGROUND

- 2.1. The Overview & Scrutiny Committee has agreed to receive a quarterly update on which projects are on the Combined Authority's Single Project Register, and this is attached as appendix 1. At the Committee's February meeting, Members asked for this to be extended to include the monthly highlight reports and detailed performance monitoring information that officers use to manage the programme and from which quarterly performance reporting to the Board is abstracted. The Chair asked officers to consider what would be appropriate and report back.
- 2.2. Officers have reviewed the issue and it has also since been considered by Combined Authority Members.

2.3. There are three considerations:

- (i) Striking an appropriate balance between transparency, information overload, and confidential commercial information involved in managing projects that involve contractor relationships;
- (ii) Understanding the distinction between management information and performance reporting;
- (iii) Having due regard to the respective responsibilities of the Board, as the executive body of the Combined Authority, and the overview and scrutiny functions of the Committee.

2.4 As things stand, project highlight reports routinely contain commercially sensitive information relating to the status of contracts with suppliers and negotiations with partners. To reproduce the highlight reports in a form suitable for published Committee papers would require establishing a duplicate non-sensitive set of reports. Apart from considerations of workload, such duplicate non-sensitive reports would be of limited value in informing the Committee.

2.5 Project highlight reports record detailed management information and are a tool for enabling day-to-day (or rather month-to-month) management conversations between officers. They are used to compile performance reporting to the Board which is based on that information and which reflects a judgement about what the information means for the performance of the project. The Board has, to date, seen elected Members' role as receiving and challenging that performance reporting.

2.6 The Board is the Combined Authority's executive body. Its members take the view that performance management is part of that executive role, and that the role of the Overview and Scrutiny function is to help the Board with challenge and advice on how it carries it out.

2.7. The Combined Authority Board performance report is published a week prior to the meeting and is available to Overview & Scrutiny members. This includes a dashboard which pulls together:

- Key metrics for delivering the Combined Authority's objectives, including houses built, jobs created and GVA increase;
- An overall programme report on the top priority projects for our portfolio of live projects, with ratings on a Red/Amber/Green (RAG) scale;
- Information on movements across the whole programme, plus a count of all projects with a Red rating.

2.8 In the light of this analysis, it is suggested that Overview and Scrutiny Committee may wish to:

- Continue receiving quarterly updates with a tally of the projects on the Single Project register (as per appendix 1);

- Consider whether to make recommendations to the Board on the performance reporting arrangements the Board has put in place;
- Consider whether individual projects may benefit from scrutiny.

**(iv) FINANCIAL IMPLICATIONS**

- a. There are no additional financial implications arising from this report.

**(v) LEGAL IMPLICATIONS**

- a. There are no additional legal implications arising from this report.

<u>Source Documents</u>	<u>Location</u>





## Appendix 1 - Cambridgeshire & Peterborough Combined Authority Single Projects Register (as at 10<sup>th</sup> May 2019)

Table 1 – active projects

Project Number	Project Name	Director
BUS005	Eastern Agri-tech Growth Initiative	John T Hill
BUS013	Market Town Masterplans	John T Hill
BUS018	Collusion (Digital Sector Skills)	John T Hill
BUS019	Growth Fund 3/ Growing Places	John T Hill
BUS020	Digital Connectivity Infrastructure Programme	Paul Raynes
ENGY001	Greater South East Energy Hub	John T Hill
HOUS001	£100m Affordable Housing Programme	Roger Thompson
HOUS002	£70m Affordable Housing Programme Cambridge City	Roger Thompson
HOUS003	East Cambs - Housing Loan	Roger Thompson
HOUS005	Strategic Housing Sites	Roger Thompson
SKILL005	Peterborough University - TDAP Project	John T Hill
SKILL006	Peterborough University - Land and Infrastructure for build	John T Hill
SKILL008	AGE Grant	John T Hill
SKILL010	Health & Care Sector Work Pilot - HCSWA	John T Hill
SKILL011	Hampton Academies Work Readiness and Careers Promotion Pilot	John T Hill
TRANS003	A1260 Nene Parkway Junction 15	Chris Twigg
TRANS004	A1260 Nene Parkway Junction 32-3	Chris Twigg
TRANS006	A141 Huntingdon Capacity Enhancements	Chris Twigg
TRANS008	A16 Norwood Dualling	Chris Twigg
TRANS009	A47 Dualling Study	Chris Twigg
TRANS010	A47 Junction 18 Improvements	Chris Twigg
TRANS011	A47 Junction 18 Pedestrian Footbridge Replacement Scheme	Chris Twigg
TRANS012	A505 Corridor Royston to Granta Park	Chris Twigg
TRANS013	A605 Oundle Rd Widening - Alwalton-Lynch Wood	Chris Twigg
TRANS014	A605 Stanground - Whittlesea Access - Phase 2	Chris Twigg
TRANS017	Cambridge South Station	Chris Twigg
TRANS018	Cambridge South Station (interim solution)	Chris Twigg
TRANS020	Coldhams Lane roundabout improvements	Chris Twigg
TRANS022	Ely Area Capacity Enhancements	Chris Twigg
TRANS023	Fengate Access Study - Eastern Industries Access - Phase 1	Chris Twigg
TRANS028	King's Dyke Level Crossing	Chris Twigg
TRANS029	Lancaster Way Phase 2 Grant	Chris Twigg
TRANS030	M11 Junction 8	Chris Twigg



Table 1 – active projects (continued)

<b>Project Number</b>	<b>Project Name</b>	<b>Director</b>
TRANS034	Huntingdon Strategic River Crossing	Chris Twigg
TRANS037	March Junction Improvements	Chris Twigg
TRANS041	Regeneration of Fenland Railway Stations	Chris Twigg
TRANS042	Schemes, Studies and Monitoring	Chris Twigg
TRANS044	Soham Station	Chris Twigg
TRANS045	St Neots River Great Ouse Northern Crossing (St Neots Masterplan Scheme)	Chris Twigg
TRANS048	Wisbech Access Strategy	Chris Twigg
TRANS049	Wisbech Garden Town	Chris Twigg
TRANS050	Wisbech Rail	Chris Twigg
TRANS054	A10 Dualling	Chris Twigg
TRANS057	Cambridge Autonomous Metro OBC	Chris Twigg

Table 2 – completed projects (since the last update in February 2019)

<b>Project Number</b>	<b>Project Name</b>	<b>Director</b>
TRANS001	A10 Corridor	Chris Twigg
TRANS016	Cambridge Autonomous Metro	Chris Twigg
TRANS019	Cambridgeshire Corridor Study	Chris Twigg
TRANS036	M11 extension	Chris Twigg



<b>OVERVIEW AND SCRUTINY COMMITTEE</b>	<b>AGENDA ITEM No: 12</b>
<b>31<sup>st</sup> May 2019</b>	<b>PUBLIC REPORT</b>

## OVERVIEW AND SCRUTINY WORK PROGRAMME

### 1.0 PURPOSE

- 1.1 To provide the Committee with the draft work programme for the Overview & Scrutiny Committee for the remainder of the 2019/20 municipal year and to ask the committee to comment and make suggestions.

<b><u>RECOMMENDATION</u></b>
<b>Lead Officer: Howard Norris, Interim Head of Legal Services</b>
That the Committee discuss items that they would like to be added to the work programme for the Overview & Scrutiny Committee for the 2019/20 municipal year attached at Appendix 1 and consider and discuss the role the Committee has in the Combined Authority following the induction .

### 2.0 BACKGROUND

- 2.1 In accordance with the Constitution, the Overview & Scrutiny Committee is responsible for setting its own work programme.
- 2.2 A draft work programme which shows the items to be considered over the forthcoming year is attached at Appendix 1.
- 2.3 Following the joint induction held on the 30<sup>th</sup> May 2019 and the proposed changes included in the Governance Review, specifically with regards to the delegation of authority to executive committee, Members of the Committee are asked to consider and discuss the role of the Overview and Scrutiny Committee and the prioritisation of work to be included on their work programme, paying due regard to the resources available to them for the next municipal year.

### **3.0 APPENDICES**

3.1 Appendix 1 – Work Programme.

3.2 Appendix 2 – Summary of Induction and Training

**Overview and Scrutiny Work Programme 2019/2020**

Meeting Date	Item	COMMENTS
<b>31<sup>st</sup> May 2019 East Cambs District Council</b>	<b>Minutes</b> Committee to approve the minutes for accuracy from the last meeting and discuss any matters arising.	
	<b>Appointment of Vice Chair</b>	
	<b>Public Questions</b> Committee to receive any questions received from members of the public in line with the public question scheme set out in the Combined Authority constitution.	
	<b>Mayor for the Combined Authority to attend</b> Mayor James Palmer to attend to respond to questions submitted from the committee.	
	<b>CACP Project Register</b> Members to receive a report from the Strategy and Planning Director which advises on a process for O&S Committee to consider the project register in line with what s taken to the Board on a quarterly basis.	
	<b>University of Peterborough Update</b> Update from Directorate of Business and Skills on the report presented to the Skills Committee	
	<b>Monitoring Update Report</b> The Committee to consider the monitoring update report received by the Board at previous meeting.	

Meeting Date	Item	COMMENTS
	<p><b>Review of Combined Authority Upcoming Agenda</b> Standing item for the Committee to review the upcoming agenda for the Combined Authority Board meeting.</p>	
	<p><b>Combined Authority Forward Plan</b> Standing item where the Committee can review the Combined Authority's Forward Plan and identify any relevant items for inclusion within their work programme.</p>	
	<p><b>Overview and Scrutiny Work Programme</b> To consider the work programme for the year 2019/20</p>	

Meeting Date	Item	COMMENTS
<p><b>24<sup>th</sup> June 2019 Cambridge City Council</b></p>	<p><b>Minutes</b> Committee to approve the minutes for accuracy from the last meeting and discuss any matters arising.</p>	
	<p><b>Transport Briefing</b> Presentation from Transport team to take members through the transport arrangements between local authorities and the combined authority.</p>	
	<p><b>Affordable Housing Update</b> The Committee requested that an Affordable Housing Update report be brought to the June meeting.</p>	

Meeting Date	Item	COMMENTS
	<p><b>Public Questions</b> Committee to receive any questions received from members of the public in line with the public question scheme set out in the Combined Authority constitution.</p>	
	<p><b>Mayor for the Combined Authority to attend</b> Mayor James Palmer to attend to respond to questions submitted from the committee.</p>	
	<p><b>Combined Authority Forward Plan</b> Standing item where the Committee can review the Combined Authority's Forward Plan and identify any relevant items for inclusion within their work programme.</p>	
	<p><b>Member Update on Combined Authority Activity</b> Members allocated to each theme covering the work of the Combined Authority to provide an update to the committee.</p>	
	<p><b>Overview and Scrutiny Work Programme</b> To consider the work programme for the year 2019/20.</p>	

## **ROLE OF THE OVERVIEW AND SCRUTINY COMMITTEE IN COMBINED AUTHORITY:**

### **What is the role of Overview and Scrutiny?**

#### **PURPOSE**

The purpose of the Overview and Scrutiny Committee can be summarised as follows:

To review and scrutinise actions taken, or decisions made by the Combined Authority

To draft reports or make recommendations on those actions or decisions taken.

To report or make recommendations on issues affecting the Authority's area or residents.

To provide a 'critical friend' challenge to the Mayor, Board and decision makers. It should aim to be:

- Constructive, robust and purposeful in challenging decisions
- Non-aggressive to create optimum conditions for investigative evidence-based process.
- Carried out by independent minded councillors in an a-political atmosphere to actively engage in the scrutiny function to drive improvement
- Strategically review corporate policies, plans, performance and budgets

Examples:

- i) Looking at the local community impact of a major investment plan (CAM)
- ii) Highlighting issues or areas identified by the CA as high risk and studying them further to monitor the risk

#### **CURRENT PRACTICES OF OVERVIEW AND SCRUTINY COMMITTEE**

The Combined Authority Overview and Scrutiny Committee currently focus on the following areas:

- a) shadowing the Mayoral and Combined Authority decision making process
- b) Focus on pre-decision scrutiny
- c) Monthly meeting cycle



d) Few Task and Finish Groups

**KEY DECISION**

Key Decisions must be publicised 28 days prior to date when they are anticipated to be taken. This allows the Overview and Scrutiny Committee to observe/understand and question when important or significant decisions are to be made and plan to influence them beforehand.

The role of scrutiny is not just 'to hold the Mayor to account' – there is a general assumption that this is likely to be ineffective.

Key power of Overview and Scrutiny Committee is to prevent any decision that have not had relevant publicity being considered. This mechanism allows the Overview and Scrutiny Committee to understand when particularly important decisions may be coming to be made and influence them beforehand.

\*\*\*Urgency provision exist for when this is not practicable, usually with the agreement of the Chair of the Overview and Scrutiny Committee.

**ACCESS TO INFORMATION (EXEMPT/RESTRICTED INFORMATION)**

The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 Members states that members of the Overview and Scrutiny Committee have enhanced rights to access information held by the Authority; any information (including exempt or confidential information, excluding advice) must be provided on request)

Where a member of an Overview and Scrutiny Committee [or a sub-committee of such a committee] requests a document the combined authority or the mayor must provide that document as soon as reasonably practicable and, in any case, no later than 10 clear days after the combined authority receives the request.

*“No member of an overview and scrutiny committee is entitled to a copy—*

*of any such document or part of a document as contains exempt or confidential information unless that information is relevant to—*

*(i) an action or decision that that member is reviewing or scrutinising; or*

*(ii) any review contained in any programme of work of such a committee or sub-committee of such a committee”;*

## CALL IN

Members of the Overview and Scrutiny Committee may call-in a key decision of the Mayor, the Combined Authority Board, an executive committee or an Officer for scrutiny by notifying the Monitoring Officer. The legislation does not specify the circumstances in which a call-in can be triggered

The power of call -in can halt a decision from being implemented once it is under scrutiny

The Committee must scrutinise the decision within 10 clear working days of the Monitoring Officer receiving the request for call-in. If it does not meet within this time or does not conclude its scrutiny of the decision, the decision will automatically take effect at the end of the period.

## ISSUES RELATING TO CALL-IN

The Centre for Public Scrutiny states that – *“Call in is a blunt instrument and can be useful in extremis, when all other methods to influence a decision have failed and they the Overview and Scrutiny Committee consider the decision needs to be delayed”*.

Careful consideration needs to be given prior to deciding to call in a decision. If a Committee meeting is convened specifically for the call-in items and is not quorate, the credibility of the Committee may be questioned.

Reputational damage to the Combined Authority – could give perception of poor working relationship between the Board, Mayor and Overview and Scrutiny Committee.

Whilst the decision cannot be implemented whilst under scrutiny, the decision - maker does not need to change their mind; therefore, any potential consequences of the delay should be given careful consideration.

## WAYS FORWARD

Scrutiny at the Combined Authority needs to be light touch and streamlined

A robust process of work programming needs to be in place– prioritising the work of the Overview and Scrutiny Committee which may have to make difficult decision

about what will (and will not) be considered. It may be very difficult for scrutiny functions to engage productively both in policy development work, and scrutiny of Mayoral decision making

Work programmes should involve a rigorous approach and members should only place items on the programme where they clearly add value and relate to the role of Scrutiny. Members should seek evidence to justify plans for consideration of items.

Information sharing with members of the Overview and Scrutiny Committee could be carried out informally to remove the need to escalate all decisions to Committee

## **WHAT CAN BE DONE TO ASSIST MEMBERS?**

For a specific area on the website with clear information and links to signpost members to significant issues and key decision in their papers. This would allow members to freely access information that may assist them in obtaining an understanding of the full extent of the work carried out to date.

Directory of core policies and strategies accessible to members (on website) for members to read and to satisfy themselves that they have all the information needed prior to decisions making or presenting a view.

Additional induction training for new members who may be appointed to the roles on the Committee to minimise the impact in the change in the Committee's key people.

## **TASK AND FINISH GROUPS**

Task and finish groups may be commissioned to meet a few times to look at a specific issue or project.

Having been given an indication of what the scope should be the task and finish group should consider the specific issues it will cover and agree a plan for the task. This should include:

- 1 A clear statement of the scrutiny topic.
- 2 The purpose of the project.
- 3 The benefits of undertaking the review.

4 Key lines of enquiry

5 Timescale for completion of the task (A realistic target date by which the review is to be completed and findings and recommendations reported back to the main committee)

The benefits of this allow for the Overview and Scrutiny Committee to have a direct input and influence into the board by asking them to agree and support recommendations made to them from the Overview and Scrutiny Committee Task and Finish Group.

Task and Finish groups can also promote the involvement and engagement of Members who have specialist knowledge or interest.

## **GOVERNANCE REVIEW PROPOSALS**

The Interim Chief Executive is undertaking a Governance Review of the Combined Authority. Proposals that may affect the Overview and Scrutiny Committee are:

- A reduction in the frequency of meetings, which will include the Board and Committee meetings
- Delegated authority be given to the Committees to allow them to make decision at meetings, without having to refer them back to the Board for approval

The benefits of the proposals could include:

- Less shadowing of the Mayoral and Combined Authority decision making process; allowing for Overview and Scrutiny to be more pro-active than reactive
- Overview and Scrutiny Committee to be more complimentary in their role than antagonistic, whilst maintaining their role as 'critical friend'.
- Fewer meetings decrease likelihood of non-engagement of Members and meetings being inquorate.

## **POSITIVE ASPECT OF THE CURRENT ARRANGEMENTS & NEXT STEPS**

- ✓ The working relationship between members and officers is considered good
- ✓ There is a general level of awareness that scrutiny is being undertaken

- ✓ The provision of information has improved
- ✓ The reporting back of issues to constituent councils works well.
- ✓ The Mayor responds to the Committee and attends when requested.
- ✓ There is potential for the Committee to measure their success by recording the number of recommendations made by the Overview and Scrutiny Committee that have been accepted and implemented
- ✓ Review the work of the Overview and Scrutiny Committee in past 6 months and ask the members of the Committee what they consider their achievements.