



CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY: MINUTES

Date: Wednesday, 25 July 2018

Time: 10.30a.m. – 12.40p.m.

Present: J Palmer (Mayor)

A Bailey (substituting for C Roberts, East Cambridgeshire District Council), G Bull – Huntingdonshire District Council, S Count - Cambridgeshire County Council, L Herbert – Cambridge City Council, J Holdich – Peterborough City Council, D Oliver (substituting for C Seaton – Fenland District Council) and B Smith – South Cambridgeshire District Council

Observers: R Bisby (substituting for J Ablewhite (Police and Crime Commissioner)), D Over (substituting for K Reynolds (Chairman, Cambridgeshire and Peterborough Fire Authority), and S Watkinson (substituting for J Bawden (Clinical Commissioning Group))

211. ANNOUNCEMENTS, APOLOGIES AND DECLARATIONS OF INTEREST

Apologies received from Councillor C Roberts and C Seaton; Jason Ablewhite, Jess Bawden and Councillor K Reynolds.

212. MINUTES – 27 JUNE 2018

The minutes of the meeting on 27 June 2018 were agreed as a correct record and signed by the Mayor.

213. PETITIONS

No petitions were received.

214. PUBLIC QUESTIONS

The Mayor invited Councillor Mike Sargeant to address the Board. *(The question and the response is published at the following link: [Cambridgeshire and Peterborough Combined Authority meeting 25/07/2018](#) and attached at **Appendix A**).*

In addition to his written response, the Mayor confirmed that the Combined Authority was considering a number of options to raise funds, which included Land Value Capture. He explained that the majority of the finance would be from private investment but Land Value Capture and tax incremental financing would help fund the ambitious

CAM Metro project, which was at an advanced stage with discussions currently taking place with investors. In response to a supplementary question regarding whether the proposed CAM Metro A-F corridors in Figure A on page 51 of the agenda had been shared with investors, the Mayor confirmed that they had but had not yet been shared with the Board.

In the absence of the Chairwoman of the Overview and Scrutiny (O&S) Committee, the Mayor invited Councillor Sargeant to ask questions on behalf of the Committee, which had met on 23rd July 2018. The following questions were addressed to the Board, which produced initial responses from the Mayor with further detail provided by officers at the relevant item:

Item 1.5 - Forward Plan

- 1) The publication date of the Forward Plan was after the date the O&S Committee met which made it difficult for Members to consider upcoming items, could an earlier publication date be considered? The Mayor confirmed that it would be considered. **Action Required.**
- 2) Currently the Forward Plan only listed reports coming to the Board for the next couple of months – could other upcoming reports be added to the Forward Plan, even if the exact date cannot be included? The Mayor confirmed that this request would be considered. **Action Required.**

Item 1.6 – Review of Constitution – Committee Structure

- 1) The Committee requested that the O&S Committee be represented in the new structure as separate to these new committees. The Mayor confirmed that this request would be considered. **Action Required.**
- 2) The O&S Committee had concerns around the consistency in the terms of reference for each of the new committees proposed. The Mayor explained that the committee structure would make the Authority a more democratic organisation. Council Leaders who were also Portfolio Holders were under a considerable amount of pressure. The committee structure would be inclusive and relieve the pressure on individual Leaders who also had their own councils to run.
- 3) Would the new committees have a role in developing strategy in the areas they cover? The Mayor confirmed that the new committees would not have a role in developing strategy as this would remain with the Board.

Item 2.1 - Delivering the Mayoral Transport Strategy

- 1) The Committee welcomed the positive view and change of perspective on the use of buses and Park and Ride (P&R). However, they had concerns about the proposal that some P&R be temporary in their nature and that there would be no buildings and a lack of toilet provision included on these sites. The Mayor reported that these sites, including toilet provision, would need to be considered as part of the relevant planning process.
- 2) The Committee had some concerns around partnership working and that many councils' local plans relied upon the transport schemes – could there be more clarity around the relationships between the Combined Authority and their relevant partners

in these schemes? The Mayor reported that the Authority worked with all planning authorities on the Local Transport Plan which would feed into Local Plans.

Item 3.1 - Cambridgeshire and Peterborough Independent Economic Review (CPIER) Progress Update

- 1) The Committee requested that soil depletion should be taken into consideration when considering the long term outlook for agricultural industries in the north of the County. The Mayor reminded the Board that soil erosion was a fact of life in the Fens for the agricultural community. He reassured Members that every report took this fact on board.
- 2) The Committee requested that the impact of Brexit be included within the final report. The Mayor highlighted the need to await the agreement between the Government and the European Union before project modelling. Officers would consider the timeline but more clarity was needed from Westminster.

Item 3.3 – £100m Affordable Housing Programme Update

Please could the Board request that officers provide a briefing document that outlines the criteria that would be used for analysing the need for affordable housing across the Combined Authority area and the how bids were being assessed. The Mayor reminded the Board of the housing crisis in Cambridgeshire particularly facing Cambridge and Peterborough. There was also a need to clarify what actually constituted affordable housing. He commented that the current 60:40 split was not viable. The Authority was therefore looking at options to provide housing, which was actually affordable based on defined criteria. In response Councillor Sargeant drew attention to the fact that 47% had been identified as South Cambridgeshire's relative share of the estimated affordable housing need across the Combined Authority area. The Mayor reported that housing allocation across the area would be based on its own merit.

215. FORWARD PLAN

The Board noted the Forward Plan of Executive Decisions dated to be published on 24 July 2018.

In response to the questions from Overview and Scrutiny Committee, the Governance Adviser informed the Committee of the legal requirement for key decisions to be published 28 days in advance of the meeting. She explained that any decision to publish the Forward Plan on a more frequent basis would need to take this into account. She reported that officers would investigate the possibility of providing a more forward looking Forward Plan.

Councillor Herbert asked for a brief synopsis to be provided for each item, as it was not clear what some of them were about. In response to a request for more detail in relation to items 8 to 16, the Chief Executive reported, as follows:

- Eastern Agri-Growth Initiative – this programme had been running for the last three years to support the development of new and innovative ideas within the agricultural sector. The Board would be asked to support the continuation of this initiative for a further three years.
- Wisbech Access Study – the Board would be asked to ratify the funding for this study, which included rail, across the town of Wisbech.

- Housing Strategy – this would provide, in the form of a toolkit, a series of proposed interventions to stimulate housing across the area.
- Housing Programme – the Board to receive an update on the £100m Affordable Housing Programme and other accelerated programmes.
- Membership of Business Board – the Board to consider the recommendations of the Business Board in relation to its membership, as it moved forward particularly in regarding representation from the private sector.
- Growth Fund Programme (Prospectus) – this funding was available to all Local Enterprise Partnership (LEP) areas. The report would set out the current position, which included £60m to be allocated.
- Public Service Reform – The Board would receive an update on progress including the proposed principles to be applied to this programme.
- Skills Strategy – The Board to consider a definitive framework against which expenditure against strategic priorities could be judged.
- Cambridgeshire and Peterborough Independent Economic Review – Final Report – the Board would receive the final report it had commissioned including recommendations.

Councillor Smith commented that the above synopsis highlighted the importance of having an additional column in the Forward Plan with an explanation.

It was resolved unanimously to:

approve the Forward Plan of Executive Decisions dated to be published on 24 July 2018.

216. REVIEW OF CONSTITUTION – COMMITTEE STRUCTURE

The Governance Adviser introduced a report proposing a new system of decision making through the establishment of committees in three key areas of the combined authority functions: transport; housing; and skills. She advised that the development of these committees was based on the principles set out in section 2.7 of the report. It was noted that the proposals would allow the sharing of workload to committee members across the largest portfolio areas. They would also provide continuity in the delivery of key projects against the Combined Authority's assurance framework and the monitoring and evaluation framework. Members noted that the Board would retain responsibility for all strategic decision making and the committees would act within limits agreed by the Board either within the terms of reference, or when agreeing particular strategies. Subject to agreeing the recommendations, a report on the proposed amendments to the constitution would be presented to the September meeting and include voting and call in arrangements and other constitutional issues. Members were informed that it was proposed that the first meetings take place in October. It was also proposed to have a six month review of the process to be brought back in March 2019.

Councillor Smith acknowledged the aspiration set out in the report to make the process more democratic and to relieve the pressure on individuals. However, she was concerned that the proposals would create additional bureaucracy and pressure. She was also concerned as to why it was not possible to announce who would fill the positions on each committee.

Councillor Count reported that the current system did not work effectively as the workload was untenable for the Leaders of the local authorities. He explained that his Combined Authority workload was exceeding his workload as the Leader of

Cambridgeshire County Council (CCC), an authority which had a budget of approximately £600m. He acknowledged the importance of engaging Leaders at Combined Authority level, as their authorities were then comfortable with what was being said. However, Leaders were providing a high degree of attendance and scrutiny, and it was therefore important that they were not part of the minutiae and detail. He highlighted the importance of seeking representation throughout the neighbouring authorities, as it was not possible for one person to manage the workload.

He drew attention to the Transport Committee, and explained that CCC would be nominating its lead Member for Transport rather than the Leader of the Council. All the detail would then be considered at this meeting before the Board was then asked to take a strategic decision. As an example, he highlighted the dualling of the A47, he acknowledged that it was correct that the Board should make the final decision. However, all the work leading up to this should be carried out by the Transport Committee.

Councillor Count acknowledged that there had been a number of changes to portfolio holders which had resulted in the loss of some continuity. He was of the view that the members of the committees were likely to be more constant. He reminded the Board of its role to agree the portfolios, which would then be appointed to by the Mayor. He did not support the O&S Committee's request to be represented in the new structure as separate to the new committees. He reminded the Board that the role of this committee was to act as a critical friend. He was of the view that there would be a two way sharing of information by all the committees. In conclusion, he confirmed that he was willing to proceed on the basis of a review in six months' time.

Councillor Herbert raised the importance of substitution arrangements if the proposed system was going to be successful. He expressed some concerns regarding transparency and hoped that there would be good and clear reporting of which body had made a decision. He queried the level of decision and spend, which would be delegated to committees or reserved to the Board. He felt that the Cabinet system was more appropriate for the Combined Authority where it was clear that accountability fell to the Mayor and Portfolio Holders.

Councillor Holdich acknowledged that the Combined Authority had been set up using the expertise of officers within the local authorities. However, the workload was not currently manageable so it was therefore important to bring in a committee structure. He acknowledged the difficulties associated with portfolio turnover but reminded the Board that officers did meet with Portfolio Holders. He was reassured by the proposal for a review in six months' time.

Councillor Bailey reminded the Board that the Combined Authority had been established by Government with new powers, which had created an additional workload. There was considerable public interest in particular areas but little opportunity for either the public or members of other authorities to get involved in the process. She was of the view that this proposal would address this. She welcomed the involvement of people with a background and skills in the relevant area to help address the workload. She also hoped that there would be a geographic spread of representation if possible.

The Chief Executive highlighted the example of the University of Peterborough which the Combined Authority had identified as a priority for funding. It was proposed that the Skills Committee would receive progress reports and ask decisions within the funding envelope approved by the Board. The Committee would not be able to take any

decisions outside the approval or scope from the Board. However, it would be able to take a view and refer a decision for approval to the Board.

It was resolved unanimously to:

- (a) Agree the establishment of the following committees from 1 September and the terms of reference of each as set out in Appendix 1.
 - (a) Transport Committee,
 - (b) Skills Committee and
 - (c) Housing and Communities Committee.
- (b) Note and agree the portfolios as set out in Appendix 2.
- (c) Agree the timetable of meetings for the above committees (Appendix 3).
- (d) That the Monitoring Officer be authorised to amend the constitution to take account of the Board's decision and to bring a further report to the Board in September to confirm the changes to the constitution and the appointments to the committees.

217. BUSINESS BOARD RECOMMENDATIONS OF ITS MEETING ON 25 JUNE

The Board noted the recommendations of the meeting of the Business Board held on 25 June. The Interim Director for Business and Skills also updated Members on the meeting of the Business Board held on 23 July 2018, which had not been quorate; the Board had therefore noted a number items. The Business Board had considered a progress report on the Cambridgeshire and Peterborough Independent Economic Report (CPIER). It had been informed that the final report would be received on 7 September 2018. The Chief Executive added that, at the request of the Business Board, he had agreed to provide the Commission with some extra time, if necessary. It was further noted that the Business Board had considered reports on the Skills Strategy, the Adult Education Board and the Growth Programme.

In welcoming the progress made, Councillor Herbert highlighted the importance of the Business Board being a voice of independence. However, he was concerned about the decision to pay an interim allowance to the Chair of £2,000 per month pro rata. He reminded Members that the Business Board had no real power and no spending power only the opportunity to make recommendations. He was not clear that £24,000 would make a difference to senior people in the private sector; he reminded the Combined Authority that no other members were receiving a remuneration. Councillor Smith reported that she shared concerns regarding remuneration, as not all LEPs went down this route. She therefore hoped that this decision would be reviewed. Councillor Count queried whether the position of members of the Board would be respected if it was unremunerated. However, it was important to ensure value for money, which meant that the Board would need to be effective to justify any remuneration. The Interim Director for Business and Skills reported that it was the view of the Business Board that, as it was responsible for the Local Industrial Strategy, the Shadow Board view was that private sector members should receive some remuneration.

Councillor Smith requested an update on the application process for the Business Board, which was currently in shadow form. The Interim Director for Business and Skills reported that thirteen expressions of interest had been received following a recruitment exercise in June. In order to extend this process to aim to create a larger field of candidates, an analysis of the top 1000 companies based on turnover in Cambridgeshire and Peterborough had taken place. The Interim Director had then

formally written to these companies encouraging applications. Members were informed that 16 formal applications had been submitted to the selection panel. Shortlisting against a skills matrix was due to take place week beginning 23 July involving the Mayor, Deputy Mayor, Richard Tunnicliffe, the CBI's regional director for the East of England, and the two local authority members on the Business Board. Interviews would take place on 17 August 2018.

Councillor Smith queried whether the applicants provided geographic representation. The Interim Director reported that the candidates reflected a good cross section of expertise on a local, national and international level. Councillor Holdich stressed the importance of a regional spread reflecting the expertise of different firms. He was concerned that Peterborough and Fenland should not be disadvantaged. Councillor Count highlighted the importance of the Business Board thinking as a whole rather than representing different local areas, as it needed to be different from the LEP. It was therefore important to have the right people rather than geographic representation.

Councillor Herbert reported that there had been no commitment from Government regarding the line to be taken in relation to Brexit. He queried whether the Combined Authority should ask the Business Board to give it some thought in October.

Councillor Herbert reminded Members that the Government had published the Strengthened Local Enterprise Partnerships review, which proposed reforms to the leadership, governance and accountability of the LEPs, on 24 July 2018. The report proposed a number of changes relating to revised geography, transparency and gender balance. He acknowledged the short timescale but queried what the response of the Authority was likely to be. The Interim Director reported that the report proposed a 50:50 split between private and public sector representation on LEPs/Business Boards. It was noted that the ambition of the Business Board was stronger with eight business and two public sector representatives proposed. Members were informed that a 50:50 diversity split was also proposed in the LEP report. Whilst it was acknowledged that this should be the ambition of all LEPS, the Combined Authority was restricted to those people who had applied to join the Business Board.

The Chief Executive reported that the timescale set by Government to respond to this LEP review was very challenging. An exception plan would therefore be prepared and shared with the Combined Authority to identify what could be done within the timeframe. The Combined Authority would need to agree with Government what could be done, which would include sharing national prosperity plans next year.

It was resolved unanimously to:

note the Business Board Recommendations of its meeting on 25 June.

218. DELIVERING THE MAYORAL TRANSPORT STRATEGY

The Chief Executive introduced the report detailing the findings of a review of the features and timeframes for all transport corridors to ascertain their alignment with the Mayoral Interim Transport Strategy Statement (MTSS). He reported that significant progress had been made as a result of joint working between the Combined Authority and officers of the CCC and the Greater Cambridge (GCP). The review had identified some significant opportunities across the whole of the transport programmes to save money, accelerate delivery and ensure the creation, if necessary, of interim solutions to support the future direction of travel. It was important to recognise the building of a

strategic framework which would support the future, and identify the need for transport structure interventions to be transformational in nature. An incremental response to the growth of the economy needed to be avoided because that would not supply what businesses and residents required. The Authority would therefore need a bold response as set out in the interim strategic transport statement.

The review had identified that in order to progress the agenda, it was necessary to consider projects and programmes not as transport or housing initiatives, or planning issues. Instead they needed to be developed as growth corridor programmes with the challenge to the Combined Authority of bringing together multi-disciplinary teams that worked across these corridors in a coherent and joined up way to achieve a programme through those corridors. Attention was drawn to the nature of the corridors and the fact that they touched on the geography of all parts of the Authority's area. In addition, it identified the need to start to have two types of project in those corridors. Those that were already identified within existing Local Plans and those that would be dependent upon additional growth within those corridors in order to support them. The additional growth would result in a direct alignment between the funding of those corridors and the projects within them. It was essential to get the balance right between the timing of bringing forward the specifics of any particular scheme with the funding.

The Chief Executive explained that the work which had been carried out to identify stronger officer programme management arrangements moving forward and the multi-disciplinary nature of those programme management teams would put the Combined Authority in a better place to ensure that projects were delivered. The review had identified that there were opportunities to deal with the short term pressures that business and commuters faced in getting into the centre of Cambridge. There was a specific proposal regarding the creation of some temporary park and ride arrangements whilst developing the longer term aspirations of the MTSS. These temporary arrangements not only supported the longer term but they also delivered some significant savings in cost and had the potential to be delivered in a much quicker timeframe. As the Mayor indicated in his response to the question from the O&S Committee, there was still significant work to be carried out with the planning authorities on the exact design of each of those individual schemes to ensure they were appropriate for those particular routes.

The report also identified opportunities to accelerate delivery by improving the Authority's process and programme management to anticipate the decisions that were coming to the Board, and to improve therefore the decision making of national bodies. It provided the Authority with the opportunity to think about the benefits and the speed of delivery that could be achieved by having greater certainty about the funding, about managing the overlaps between schemes, about planning for procurement, and about thinking about the components that follow from certainty of funding. The Authority could therefore continue work with Government and its agencies to actually improve their processes as part of the overall package to deliver and accelerate the timeframe for every single one of its projects. In particular, there was more work to do in relation to accelerating delivery generally, and with regard to the A428 project a report would be presented to the September meeting.

In conclusion, it was noted that further work would take place with CCC and GCP officers through August and September on what other proposals might look like for creating a really robust and solid delivery mechanism for progressing these major programmes which were now being brought forward.

Councillor Herbert reported that there was no reference or recommendation in the report to progress the GCP schemes identified to support the early delivery of the CAM project. He welcomed the progress made to date but identified the importance of properly integrating the City Deal. He reported that a considerable amount of work had been carried out across the geography not just GCP schemes. He acknowledged the importance of transformation and changes to public transport. As GCP chair and a member of the Board, he was committed to further work including the A428. He stressed the need to provide more information regarding the detail behind CAM Metro, in particular corridors A to F identified in Figure A on page 51. He welcomed the opportunity for GCP to progress the routes and acknowledged the value of the joint officer group. He added that the Combined Authority and the GCP needed to address the issue of bus service funding so that usage could be extended. He thanked the Combined Authority, CCC and the GCP for providing a clearer position but stressed that there was only one opportunity to transform both in the short and long term.

Councillor Holdich reported that he welcomed the positive way forward. He stressed the importance of the CAM Metro, and the need for a member of the Business Board to have knowledge of transport. He proposed the following amendment, seconded by Councillor Count, which was carried unanimously:

That the Board confirms that the GCP schemes identified in para 2.14 (A10, A1307 and M11 Junction 11) support the early delivery of the CAM project and should be progressed, subject to recommendation 7; and that the continuing review of the A428 project be agreed and would conclude by the end of September as set out in para 2.16.

Councillor Smith acknowledged the progress which had been made since the first iteration. She hoped that in its enthusiasm to save money, the Combined Authority would not deliver sub-standard infrastructure. She drew attention to the need to be mindful of the requirements of Disability Discrimination Act, and those with greatest need to be well served by interventions. She acknowledged that the appendix set out lots of opportunities to accelerate delivery with some within the Authority's control. However, there were a number which were not within its control, and consequently she proposed an amendment to recommendation 9 to delete "can be taken" and add "will be pursued", which received unanimous support from the Board.

Councillor Count thanked officers of the Combined Authority, CCC and GCP, and Members, for the significant amount work, which had taken place to align the projects. He reminded Members that the committee structure would be a way forward of communicating with all Councillors on this work in future. He acknowledged that the Combined Authority had been frustrated at the pace of delivery. There was therefore a need to speed things up by considering different ways of approaching schemes and removing bureaucracy. He informed the Board that he had significant reservations about the speed of response of external organisations such as Network Rail.

Councillor Count raised the need for a step change to transform the current transport network. He drew attention to the fact that there were a significant number people who could not afford to drive a car. It was therefore important to provide a public transport system which people would opt to use as a first choice so that they were less reliant on the car. He welcomed accelerating delivery and acknowledged the savings to be achieved from temporary measures but also highlighted the importance of not influencing Planning Departments. He drew attention to the Ely Southern Bypass where

delivery had been accelerated and had resulted in the same cost if the scheme had been slower possibly avoiding additional engineering costs.

Councillor Bailey reported that the Authority should not apologise for being in a hurry to deliver services to residents. She acknowledged that it might not win on every project but it would win on a few, which was better than the status quo. She welcomed any proposal to bring forward work on the A10. In relation to the amendment, she suggested, which received agreement from the Board, for “will be pursued” to be changed to “are pursued”.

It was resolved unanimously to:

1. Note the relationship between the CPIER, Non-Statutory Spatial Plan 2, Local Transport Plan and Local Industrial Strategy as captured in section 2.1-2.6;
2. Agree to fully support the implementation of the transport ambitions set out in the Mayoral Interim Transport Strategy Statement (MITSS);
3. Agree that there were two types of transport project; those projects that could be delivered within existing growth plans (type 1) and those that would enable and require growth beyond current plans (type 2);
4. Agree that the projects were categorised as set out in sections 2.12 to 2.13;
5. Agree that it should develop the appropriate mechanisms necessary to secure and accelerate the delivery of growth projects;
6. Agree the measures and protocols set-out in section 2.15 to ensure all CAM projects were integrated and coordinated;
7. Agree to develop proposals with the GCP for the park & ride elements of the projects (A1307, A428, A10) in order to achieve cost savings and enable quicker delivery.
8. Note the opportunities that had been identified to accelerate the transport projects;
9. Ask officers to assess the potential delivery models to ensure the opportunities to accelerate delivery were pursued and report back to the Board in September.
10. That the Board confirms that the GCP schemes identified in para 2.14 (A10, A1307 and M11 Junction 11) support the early delivery of the CAM project and should be progressed, subject to recommendation 7; and that the continuing review of the A428 project be agreed and would conclude by the end of September as set out in para 2.16.

In conclusion, the Mayor thanked the CA, CCC and GCP officers and members of the CA and GCP. He reported that the current infrastructure was inadequate for the population. He highlighted the danger of not recognising growth and putting inadequate infrastructure in to support growth. There was a housing crisis in the County, which required world class infrastructure to help address the problem. He commented that short term solutions would not deliver growth and he was delighted that delivery would be accelerated.

219. CAMBRIDGESHIRE AND PETERBOROUGH INDEPENDENT ECONOMIC REVIEW (CPIER) PROGRESS UPDATE

The Board received a report detailing an update on activity since May towards the final CPIER report due to be published on 7 September. Attention was drawn to the thirteen key questions identified by the Commission. Leaders had discussed what should be included in the Combined Authority's response, which were highlighted in the points set out in Section 2.6 of the report. The Commission had then launched a further round of open public consultation which had received a further 45 submissions. In total over 100 responses had been received alongside the specific research that had been commissioned.

The Business Board when considering this item had acknowledged that the report provided the evidence base and strength to support the Combined Authority going forward with its growth agenda. It had also acknowledged the strength of the three economy approach. It was noted that the final tranche of funding towards the completion of the CPIER had been approved. Members were reminded that the final report would form the basis of the Local Industrial Strategy. The Authority would be tendering for an organisation to support this work, which would start before the report was published in September.

Councillor Bull welcomed this good piece work. In response to a question regarding the map considered at the Leaders and Chief Executives strategy workshop, it was noted that no change had needed to be made as the CPIER had the correct map in its interim report.

Councillor Count reported that the true value of the report would be known when the recommendations were published. He informed the Board that CCC had submitted a response. In relation to demographic trend data, he reported that the Government had not recognised the scale of growth and population in the County. He hoped that this report would enable it to understand the scale of growth in order to provide sufficient funding to deliver services. Cambridgeshire was the fastest growing county with the fastest growing cities of Cambridge and Peterborough, the County Council was the third lowest funded council and Huntingdonshire was the fastest growing District Council. Productivity was currently double gross value added which was not good enough on its own. It was therefore important to increase productivity by importing knowledge and skills, which had to be reflected in the report. It was important to bear in mind that productivity was linked to social outcomes. He therefore hoped that there would be a focus on these two areas in the report.

The Interim Director for Business and Skills reported that the Leaders were scheduled to meet with the Commission on 4 September 2018. It was hoped that Leaders could receive a report under embargo in advance.

It was resolved unanimously to:

- (a) Note recent progress towards the completion of the Review;
- (b) Note the response made by the Combined Authority to inform the final Review, alongside those responses made directly by constituent partners;
- (c) Note the views and recommendations of the Business Board (to be reported orally at the meeting);

- (d) Note the final tranche of funding provided to complete the Review, in preparation for the development of the Local Industrial Strategy.

220. £70M CAMBRIDGE CITY DEVOLUTION HOUSING PROGRAMME

The Board received an update on the Cambridge City Devolution Housing Programme for the last three months. Attention was drawn to two significant areas of progress relating to a start on site at Mill Road, and the planning permission for over 240 homes (mostly affordable) at a site on Cromwell Road. It was noted that there were potentially over 500 affordable units in the pipeline. It was hoped that there would be more as not every scheme achieved delivery. Payments by the Combined Authority to the City Council would take place on a quarterly basis in line with the reporting process. Requests against the 18/19 budget had been appended to the report and officers were currently processing the first quarter application.

Councillor Herbert drew attention to pages 76 and 77 of the report detailing the programme. He reminded the Board that there was a housing crisis in Cambridge where over half the people wanted housing but could not afford to buy. He reported that 131 homes had been built and 111 were subject to planning permission. The City Council was therefore half way towards its target.

It was resolved unanimously to:

- (a) Note the progress in the past 3 months of the programme.
- (b) Note the forward pipeline
- (c) Note the need to approve additional 2018/19 budget provision to fund the projected pipeline.

The Mayor congratulated the City Council on its work so far. He reminded the Board that there was no one size solution in relation to affordable housing.

221. £100 AFFORDABLE HOUSING PROGRAMME UPDATE

The Board received an update on £100m affordable housing programme. It was noted that a total allocation of £9.075m of grant funding for schemes had been approved to deliver 273 affordable homes across the Combined Authority area. Attention was drawn to the table on page 85 detailing progress. It was expected that delivery of the programme would take the shape of an 'S' curve so progress needed to be accelerated over the next 12 months. Beyond that there was a healthy number in the pipeline which needed to be moved to conversion. The Housing Strategy toolkit was linked to this report to encourage people to bring forward schemes in the pipeline.

Councillor Smith raised the need to accelerate the delivery of the schemes which had received over £9m of grant funding and was pleased to hear action was in place to make this happen; she commented that the scale of delivery was not impressive.

She drew attention to section 5.9 listing the 'potential sight' of schemes that totalled just over 3,000 affordable units. She reiterated the issue raised by O&S Committee in relation to the criteria that would be used for analysing the need for affordable housing across the Combined Authority area and the how bids would be assessed. She was concerned that the Combined Authority was under pressure to spend based on delivery

rather than where housing was most needed. She reminded the Board of a business case, presented as Appendix A, which had been approved at its meeting on 20 March 2017 confirming the following provision for affordable housing: 47% South Cambridgeshire; 24% Peterborough; 15% Huntingdonshire; and 7% East Cambridgeshire and Fenland. She stressed that it should not be first come first served but instead should be based on the business case.

The Director of Housing and Development drew attention to the number of schemes in the pipeline. He informed the Board that parties were asked to apply for grants using the Homes and Communities Agency Development Appraisal Tool. Officers would consider whether the application was appropriate against set criteria, which included identifying need. However, he acknowledged that there was a pressure to accelerate the programme so officers would look positively on schemes unless there were concerns. He also acknowledged that there needed to be alignment to the work reported to the Board in March 2017.

Councillor Count asked for the report to be circulated to the Board to enable it to understand its status, as he was not aware that he had agreed to a prescribed level or voted for a grant scheme. He reminded the Board that affordable housing was needed throughout the county with a particular need in Cambridge City and South Cambridgeshire. He stressed the importance of identifying early wins where planning permission was already in place. He hoped that the Authority would be overwhelmed with applications so it could approved everything which passed the relevant test. He welcomed the proposal to review the Housing Strategy, and the need to encourage loans to enable the funding to be recycled. In conclusion, he stated that any formal decisions connected with the Mayor could not have occurred until after his election in May. He therefore asked the Monitoring Officer to consider the recommendations of the report to see whether they were still binding on the Board.

The Mayor stressed the importance of getting schemes put forward which the Authority could invest in. He reported that he was in complete agreement with Councillor Count regarding the need to loan money as this provided additionality. He stressed that the Authority should not give money to developers who had overspend on land.

It was resolved unanimously to:

- (a) Note the progress of the quick wins and housing scheme approvals agreed by the Board in March 2018.
- (b) Note the forward pipeline of affordable housing schemes, including emerging strategic sites.
- (c) Agree to receive further progress reports on a quarterly basis.

222. SKILLS STRATEGY: WORK READINESS AND CAREERS PROMOTION PILOT (REFERRAL FROM THE BUSINESS BOARD)

The Board received a report detailing progress on the Authority's Skills Strategy, and an outline of an innovative programme designed to prepare school pupils for the workplace, promote vocational and STEM related career pathways. Councillor Holdich, Portfolio Holder for Skills and Employment, reported that this pilot proposal had been out to the Business Board. Attention was drawn to the outcomes of the proposal detailed in Section 3 of the report.

The Mayor welcomed the proposal, as he was concerned about the way education was set out and that young people were not getting opportunities. He believed that this pilot was the right way forward and he could not wait to receive the results.

It was resolved unanimously to:

- a) Note the proposal for the creation of a work readiness and careers promotion pilot;
- b) Approve in principle the allocation of grant funding to a limit of £350,000 over three years to fund the pilot;
- c) Authorise the Chief Executive, in consultation with Chief Finance Officer, Director of Skills and the Portfolio Holder Fiscal to request the development of a full business case by the scheme promoters. The draw-down of funds to be dependent on passing appropriate value for money tests;
- d) Delegate to the Director of Skills to agree and approve a relevant funding agreement and programme reporting and delivery arrangements.

223. DEVOLUTION OF THE ADULT EDUCATION BUDGET READINESS CONDITIONS AND NEXT STEPS TO IMPLEMENTATION (REFERRAL FROM THE BUSINESS BOARD)

The Board received an update on the progress of the devolution of the Adult Education Budget (AEB) following the transfer of the function to the Combined Authority. The report set out the next steps to the devolution process for implementation in April 2019 and sought approval to the draft Cambridgeshire and Peterborough Combined Authority AEB Skills Plan and to the interim governance arrangements processed to engage industry into the delivery of AEB. It also included the functions required to provide resource and capacity to manage the programme post 2019.

Attention was drawn to the evidence checklist attached at Appendix 1 which had been submitted to the Department for Education in May 2018. The AEB Skills Plan coupled with a letter from the Chief Executive indicated that the Combined Authority was ready to take over the exercise of statutory functions in 2019. The AEB Skills Plan was subordinate to the Skills Strategy and would focus on the key priorities, policies and objectives of delivering the AEB Programme. It identified an important and prominent role for the Business Board in the devolution of the AEB budget. It would provide an opportunity for local industry to shape and influence local skills needs. Attention was drawn to the resourcing of the AEB Programme 2019 onwards.

The Portfolio Holder for Employment and Skills raised the need to engage and include the education community. Councillor Count informed the Board that the devolution of this budget would be a way of proving to government that the Authority could handle devolved powers. He welcomed the delivery of skills under this plan as one coherent whole, and in particular the delivery of skills locally rather than nationally.

It was resolved unanimously to:

- (a) Note the Readiness Conditions for the Adult Education Budget (AEB) submitted to the Department for Education on the 18th May 2018 as set out in Appendix 1 and the next steps for the devolution process;

- (b) Comment on and approve the Cambridgeshire and Peterborough Combined Authority AEB Skills Plan, including the policies and actions set out in the plan (Appendix 2);
- (c) Agree that the Business Board take on the role of the Skills Board reporting into the Combined Authority's proposed Skills Committee, and the terms of reference set out in 4.2 of the plan be included in the Business Board's terms of reference;
- (d) Agree in principle that it is the Cambridgeshire and Peterborough Combined Authority's intention to fund ongoing system costs (including staffing) of AEB devolution from 2019 by allocating up to 4.9% of programme money for this purpose.
- (e) Note the amount of funding allocation and the mechanisms are yet to be determined until a full costing business case is developed and agreed by the Board at a future meeting.

224. DATE OF NEXT MEETING

The Combined Authority Board will meet next on Wednesday, 26 September 2018 in Kreis Viersen, Shire Hall, Cambridge CB3 0AP

Mayor

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY – 25TH JULY 2018

PUBLIC QUESTIONS

No.	Question from:	Question to:	Question
1.	Cambridge City Councillor Mike Sargeant	Mayor James Palmer	How much of the estimated £4bn CAM Metro costs will be raised from Land Value Capture and how much will be raised from investors? Figure A in Appendix A Accelerating Delivery of the Board papers indicates a programme with deliveries in the 2020s. To achieve these ambitious targets, when will funding have to be signed off and in place?
	Response from:	Response to:	Response
	Mayor James Palmer	Cambridge City Councillor Mike Sargeant	Land Value Capture will be a significant contributor to the Metro, currently all funding discussions involve Land Value Capture as well as tax incremental financing and development profits. We are currently in discussions with investors and Government and our target delivery dates will determine when funding will be signed off.