



## **CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY: MINUTES**

**Date:** Wednesday, 26 September 2018

**Time:** 10.30a.m. – 13.50p.m.

**Present:** J Palmer (Mayor)

G Bull – Huntingdonshire District Council, S Count - Cambridgeshire County Council, L Herbert – Cambridge City Council, J Holdich – Peterborough City Council, C Roberts - East Cambridgeshire District Council, C Seaton – Fenland District Council, and B Smith – South Cambridgeshire District Council

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

### **225. ANNOUNCEMENTS, APOLOGIES AND DECLARATIONS OF INTEREST**

The Mayor introduced and welcomed Aamir Khalid who had been elected Chair of the Business Board at its meeting on 24 September 2018. Apologies were received from Councillor K Reynolds. Councillor Count declared a conflict of interest in relation to Minute No. 241, and explained that he would be acting in his capacity as Leader of Cambridgeshire County Council rather than Combined Authority Portfolio Holder for Investment and Finance in relation to this item.

### **226. MINUTES – 25 JULY 2018**

The minutes of the meeting on 25 July 2018 were agreed as a correct record and signed by the Mayor.

### **227. PETITIONS**

No petitions were received.

### **228. PUBLIC QUESTIONS**

The Mayor invited Councillors Mike Sargeant and Dave Baigent to address the Board. *(The questions and the responses are published at the following link: [Cambridgeshire and Peterborough Combined Authority meeting 26/09/2018](#) and attached at **Appendix A**).*

In addition to his written response to Councillor Sargeant, the Mayor reported that together with a number of members of the Board, he was not aware of the Cambridgeshire and Peterborough Housing Board. He explained that the profit clawback would be reinvested by the Board to create a rolling fund for the next thirty years. In a supplementary, Councillor Sargeant reiterated concerns that the Devolution Deal was being ignored, as the funding was not being targeted at the areas with the most significant affordability challenges. He was of the view that it ignored the Business Case agreed by the Authority in March 2017, which set out the need for affordable housing in the south area. He was also concerned that Housing Associations were being ignored, the Business Community had expressed disquiet, and the progress of the Greater Cambridge Partnership had been delayed. The Mayor reminded Councillor Sargeant that the Combined Authority had been established to represent the interests of Cambridgeshire and Peterborough. He explained that every Leader had affordability and housing issues in their area.

In addition to his written response to Councillor Baigent, the Mayor highlighted the importance of changing the portfolio system given the continuity problem in relation to Leaders. He stressed the importance of establishing a democratic system which would work more efficiently. The chairs of the committees would be by de facto the portfolio holder. In a supplementary, Councillor Baigent highlighted the lack of gender balance and whether all members engaged in the business of the Combined Authority would be equal. The Mayor reported that all members of the Combined Authority had been asked to express a preference regarding which committee they wished to be appointed to, and had received their first preference.

## **229. FORWARD PLAN**

The Board noted the draft Forward Plan of Executive Decisions, which listed decisions up to 29 May 2019, dated to be published on 1 October 2018.

In response to a query from Councillor Count, it was noted that an item on Kings Dyke would be included on the agenda for 31 October 2018. Councillor Herbert queried why the Eastern Agri-Growth Initiative and the Wisbech Access Study had been moved from the agenda plan for the September meeting. The Legal Counsel and Monitoring Officer reminded the Board that she had written to Leaders to explain that the Department for Business, Energy and Industrial Strategy had informed the Authority of the need to participate in its formal approval process for funding. Both items would be rescheduled once the funding had been approved.

It was resolved unanimously to:

approve the draft forward plan of Executive Decisions dated to be published on 1 October 2018.

## **230. MEMBERSHIP OF THE COMBINED AUTHORITY AND COMMITTEES - AMENDMENTS**

The Board was advised of amendments to its substitute membership notified by Cambridge City Council and amendments to the membership of the Overview and Scrutiny Committee.

It was resolved unanimously to:

- a) note the appointment by Cambridge City Council of Councillor Anna Smith as its substitute member on the Combined Authority Board for the remainder of the municipal year 2018/2019.
- b) note the appointment by Cambridge City Council of Councillor Dave Baigent as one of its substitute members on the Overview and Scrutiny Committee for the remainder of the municipal year 2018/2019.
- c) note the appointment by Peterborough City Council of Councillor June Stokes as one of its members on the Overview and Scrutiny Committee for the remainder of the municipal year 2018/19.

## **231. REVIEW OF CONSTITUTION – COMMITTEES AND OTHER RELATED MATTERS**

The Board was reminded that it had agreed to establish three committees at its last meeting. It was therefore invited to consider proposed amendments to the constitution to take account of this decision. Attention was drawn to Appendix 2 detailing the members nominated to portfolio responsibilities and committees. It was noted that the committees would meet once every two months with a six month review of the committee process to be brought back to the Board in March 2019. The Overview and Scrutiny Committee would retain its right to call in these executive committee decisions.

Councillor Herbert expressed disappointment at the change in arrangements from the originally agreed portfolio system. He was concerned that the collective and team based approach of the Board was being jeopardised particularly as three members of the Board had no portfolio. He was also concerned about the arrangements for call-in as it required three members to call-in a decision of a committee, which meant that all political parties needed to be involved. He therefore called for a lower threshold for call-in, and in the interests of transparency, he also called for public speaking at committees.

Councillor Smith was concerned that she had not been given sufficient time to analyse new changes to the Constitution since it had been previously circulated to Leaders informally. She queried the difference between the Mayor previously allocating portfolios and membership of committees to now nominating. She also queried what would happen if the Board rejected the Mayor's nomination. The Legal Counsel and Monitoring Officer explained that there was technically no difference in the wording. However, it had been amended following questions raised by local authorities. She explained that the Mayor nominated to the positions which had to be approved by the Board but the Mayor retained the power of veto. If the Board rejected the Mayor's nomination an alternative nomination would be required.

Councillor Smith queried the accountability of the new committees. The Board was informed that until the review, the committees would have no policy or budget powers. Members were reminded that the call-in provision had been retained for these committees. Councillor Smith queried the reasons for the discrepancy in call-in deadlines of three and five days. It was noted that if the Board called-in a decision of a committee, the Overview and Scrutiny call-in would be suspended.

Councillor Smith was concerned about the new delegation to the Chief Executive to take decisions up to £500k subject to any decisions being reported to the next Board meeting. The Legal Counsel and Monitoring Officer explained that under the previous Constitution the Chief Executive had been given unlimited powers in order to avoid

delaying essential decisions. It was noted that £500k reflected the key decision level, which would remain with Members and be subject to call-in.

Jess Bawden queried the status of observers at the committees. Councillor Count proposed that observers should receive an open invite to all three committees to enable them to attend for items of interest. Councillor Holdich proposed further that they should notify the relevant Chair if they wished to attend and speak.

It was resolved by a majority:

- a) to approve the amendments to the constitution as set out in Appendix 1 of the report.
- b) to note and agree the Mayor's nominations to portfolios and the membership of the committees including the Chairs of committees as set out in Appendix 2.
- c) that the Overview & Scrutiny Committee be advised of the amendments to the constitution to include the Overview & Scrutiny Committee's rights to call in these executive committee decisions.
- d) that a 6 month review of the committee process be undertaken and brought back to the Combined Authority Board in March 2019.

## **232. AUDIT AND GOVERNANCE COMMITTEE – ANNUAL REPORT AND CONSTITUTION REVIEW**

The Board was asked to note the Audit and Governance Committee Annual Report. Members were informed that the Chairman of the Committee, John Pye, had been unable to attend the meeting. The Board was also asked to request the Chief Finance Officer for the Business Board update the Audit and Governance Committee's Terms of Reference to reflect its role in regard to the Business Board for approval by a future meeting of the Board upon the recommendations of the committee.

It was resolved unanimously to:

- a) note the Audit and Governance Committee Annual Report and provide any feedback to the Committee.
- b) request that the Chief Finance Officer for the Business Board update the Audit and Governance Committee's Terms of Reference to reflect their role in regard to the Business Board for approval by a future meeting of the Board upon the recommendations of the committee.

## **233. OVERVIEW AND SCRUTINY COMMITTEE - RECOMMENDATIONS**

Councillor Nethsingha, Chair of the Overview and Scrutiny Committee, presented a report following a meeting of the Committee in July, proposing a public questions scheme for the Committee, and requesting a budget be allocated for the Overview and Scrutiny Committee to help support its future work programme.

It was resolved unanimously to:

- a) agree that the Overview and Scrutiny Committee adopt a public question scheme as outlined in Appendix 2 of the report and that the constitution be amended accordingly.
- b) agree that an annual budget of £20k be available in the Combined Authority budget to support the work of the Overview and Scrutiny Committee; funds to be allocated subject to specific work programmes.

## **234. GOVERNMENT REVIEW OF LEPS – STRENGTHENED LOCAL ENTERPRISE PARTNERSHIPS**

The Mayor congratulated Aamir Khalid on his election as the Chair of the new Business Board, which had replaced the Local Enterprise Partnership (LEP) for the area. The Government had launched a review of LEPs across the UK on 24 July 2018 with a requirement to respond to the question of geography by 28 September 2018, and separately on governance and performance matters by 31 October 2018. The Board was therefore asked to agree the draft response from the Business Board on the question of geography. Attention was drawn to the background to the review and key issues. The Business Board had agreed to submit a proposal to Government for the boundary of the Business Board to be coterminous with the Combined Authority Boundary. It had also noted the deadlines and changes as set out in the Strengthened LEPs paper and that a report would be brought back to the Board addressing these requirements.

Councillor Herbert welcomed the proposal for a coterminous boundary between the LEP area and the Combined Authority area. He highlighted the need to account clearly for funding. He felt that LEPs had been unnecessarily secretive in the past and welcomed the proposal to publish Business Board documents in accordance with the Board's Transparency Rules. He stressed the need for the annual public meeting to be a large event involving the public and business. Councillor Count also welcomed the proposal for coterminosity, which was a signal to both government and the Authority's neighbours of new ways of working. He acknowledged the need to work across borders.

Councillor Herbert expressed disappointment that the Authority had not taken the opportunity for greater gender balance by only appointing one woman out of the nine members. The Mayor reported that two of the ten shortlisted candidates had been female and one had made the Board. Councillor Count reminded the Board that the majority of the Leaders were supported by female Chief Executives. He acknowledged the need for more women but they needed to be the best person for the job. Councillor Smith stressed the need for an active approach to be taken to address the gender balance both on the Combined Authority and the Business Board.

Councillor Holdich explained that authorities north of Peterborough, such as Rutland, had an effect on what the Authority did. The Mayor reported that he had spoken to every Leader on the LEP area with an offer to be an associate member of the Business Board. It was noted that no authority had taken up this offer. The commitment to funding taken on by the LEP in relation to Rutland and West Suffolk would be upheld. He reported that the Board would work with its neighbours to the benefit of the entire area. The Interim Director of Business Skills reported that the Chief Executive of Rutland was in discussions with another LEP.

It was resolved unanimously to:

- a) acting as the Accountable Body agree the draft response to Government from the Business Board as set out in Appendix A.
- b) agree the position on a coterminous boundary between the Local Enterprise Partnership area and Combined Authority area for submission to the Government.
- c) agree that any final insubstantial amendments that were required prior to submission of the response to Government.

## **235. APPOINTMENT OF INTERIM CHIEF FINANCE OFFICERS (S73)**

*The Mayor asked Karl Fenlon to leave the meeting for the duration of this item.*

Councillor Count, Portfolio Holder Investment and Finance, reported on the process which had led to the appointment of Karl Fenlon as Interim Chief Finance Officer. The process had been robust involving an Employment Committee sub panel comprising the Mayor, Deputy Mayor, Chief Executive and the Portfolio Holder Investment and Finance. He reported that he was happy to recommend the appointment of Mr Fenlon to this post.

The Mayor invited the Chair of the Overview and Scrutiny Committee, Councillor Nethsingha, to ask a question on behalf of the Committee. She reported that the Committee had concerns around the constant changing of interim staff appointments and wanted assurance that the appointment process for permanent staff was being set up so that in future the mistakes made during recent appointments were rectified. The Mayor reported that he shared concerns regarding interim appointments, which was why the Authority was conducting review of its operation and staffing to ensure it was 'fit for purpose' to take forward the delivery of its priorities. He added that a number of permanent staff had already been appointed.

Councillor Smith queried whether Mr Fenlon had already been appointed given that some reports were in his name. She was also unclear as to whether Mr Fenlon had local government finance experience, and was aware that his job description had already changed to include HR, Legal and Governance. The Legal Counsel and Monitoring Officer reported that the Chief Executive had the power within the Constitution to appoint someone to deal with finance. Members had been involved in the appointment process given the seniority of the appointment. The Board then had to appoint one of its senior managers to be Section 73 officer as set out in the report. Councillor Count reported that he would have been content to have answered any questions of clarification before the meeting.

Councillor Count drew attention to the reference made by Overview and Scrutiny to mistakes made during recent appointments. He explained that the previous interim Chief Finance Officer had decided for personal reasons to leave the authority. Unfortunately, there had been insufficient time to recruit a permanent replacement. Changes in circumstances did not therefore mean that there had been mistakes.

Councillor Herbert in welcoming the appointment of Mr Fenlon queried his start date and current responsibilities. The Legal Counsel and Monitoring Officer reported that he had been appointed over the summer, and that she would provide the Board with the exact date after the meeting. It was noted that the current responsibilities of this role would depend on whether the Board agreed the recommendations for the interim

arrangements for Chief Executive. Following that decision, the interim arrangements including responsibilities and reporting arrangements would then be circulated to all members of the Board as quickly as possible. Councillor Herbert expressed concern that not all members of the Authority were being kept informed of changes to senior management. In response, the Mayor confirmed that all Members had been consulted at both Leaders meetings and Informal Cabinet.

It was resolved unanimously to:

appoint Karl Fenlon as interim s73 Chief Finance Officer to the Combined Authority

## **236. INTERIM ARRANGEMENTS FOR CHIEF EXECUTIVE**

*The Mayor asked John Hill and Kim Sawyer to leave the meeting for the duration of this item.*

The Board was asked to consider interim management arrangements following the resignation of Martin Whiteley, Chief Executive, Cambridgeshire and Peterborough Combined Authority (CPCA). The Mayor reported that following the resignation, he had convened a meeting of Combined Authority Leaders in private to consider the next steps. At that meeting, the recommendations proposed in the report had been agreed by a majority, as well as a review of the operation and staffing of the CPCA.

The Mayor invited the Chair of the Overview and Scrutiny Committee, Councillor Nethsingha, to ask a question on behalf of the Committee. She explained that the Committee had serious concerns about employment processes in relation to the Chief Executive and permanent staff. She reported that mistakes had been made in relation to the appointment of a permanent member of staff and not the Interim Chief Finance Officer. She reported that the Committee had requested more clarity around the Chief Executive Officer interim arrangements; in particular how the responsibilities would be shared between the two members of staff and whether they would be part time or full time roles. The Committee was unclear how joint Chief Executives would be held accountable.

Councillor Herbert reported that the events leading up to the resignation of the current Chief Executive had occurred around 20 August 2018. However, some Members of the Board had only been made aware of this via twitter reports by the Cambridgeshire Times. He was concerned that the process of change had not been explained properly to the Board particularly as it had been reported to the Overview and Scrutiny Committee that there had been a deal. In his view, it was therefore not fair to say that the Board had been part of this process. He drew attention to two concerns relating to the fact that only the Combined Authority could dismiss or undertake disciplinary action against a Head of Service.

Councillor Herbert reminded the Board that he had written to them on 2 September 2018 proposing a better alternative for a single Interim Chief Executive, preferably an external candidate to provide a fresh start. He felt that the appointment of two Interim Chief Executives was open to considerable risk. He was concerned that the report did not set out the roles of the two Interim Chief Executives who had already started work. In his view, the Mayor had taken action before any discussion with Leaders.

Councillor Smith proposed an amendment, seconded by Councillor Herbert, to delete the recommendation (i) and replace with the following:

That the Combined Authority undertakes a recruitment exercise to recruit a single Interim Chief Executive with relevant knowledge and experience to assume the full range of responsibilities relating to the post. This will include ensuring the provision of effective support to all of the constituent members of the Combined Authority. The process should consist of open external competition to ensure access to as wider pool of suitably qualified candidates as possible.

Councillor Smith stressed the need to address public confidence in the Combined Authority. There had been concern about people coming and going at an unacceptable regular basis, which destabilised the organisation affecting public and Board confidence. She was concerned about the lack of clarity regarding shared responsibilities and the cost of appointing two Interim Chief Executives. She drew attention to the scale of the job representing seven authorities, it was her view that the Authority needed a candidate of outstanding calibre. There was also an opportunity for the Authority to grow its own as the external Interim Chief Executive might end up in the permanent post.

Councillor Count reported that he could not support the amendment. He drew attention to the size of the job carried out by his Chief Executive who covered an area the same as the Combined Authority. She was managing budgets and staff which far outweighed the Combined Authority. He reminded the Board that the Combined Authority was a fledgling organisation which had seen massive change, including taking on the LEP, so it therefore needed to be flexible. He acknowledged that there were too many interims so a review of the operation and staffing was necessary following the reduction in the size of the LEP to the Business Board. He was of the view that going out to a recruitment company to recruit a single Chief Executive with no knowledge of the area or the Combined Authority was not as cost effective or timely as the recommendation in the report with the proposal for a review. He reminded the Board that these arrangements had been discussed at an informal session involving all Members. The Board therefore needed to take rapid measures such as a review of the organisation in order for a new structure to be presented for consideration.

In endorsing the comments made by Councillor Count, Councillor Roberts drew attention to the need to continue business at pace. He commented that people moved on in all the best organisations. The Combined Authority was trying to do something different so could not waste months by going out to recruit an external interim Chief Executive when there was a capable resource in house, and at the same time it could also go out to recruit permanent staff.

Councillor Herbert reminded Members that the Board was where decisions were made not informal meetings. He reported that proposals had been considered before they were discussed with the Board. In his view, he felt that an Interim Chief Executive could be recruited within a week or month. He stressed the need to clarify the different roles to be carried out by two Interim Chief Executives and how long it would take to have permanent Chief Executive. In summing up, Councillor Smith reported that this proposal did not propose what was best for residents and staff to deliver the best outcomes in the long run.

On being put to the vote, the amendment was lost.

Councillor Herbert reiterated that he was not clear of the focus of the two roles. The Mayor highlighted the importance of continuity which would be provided by the Legal Counsel and Monitoring Officer. It was felt that taking the time out to appoint an Interim Chief Executive would only delay the appointment of a Chief Executive. It was noted that John Hill had been asked to assist given his experience of the organisation and restructuring. The Mayor acknowledged the importance of having this debate in public

given the speculation and misinformation following the sudden resignation of the previous Chief Executive.

It was resolved by a majority to:

- (i) appoint Kim Sawyer, Legal Counsel and Monitoring Officer, CPCA and John Hill, Chief Executive, East Cambridgeshire District Council as interim Chief Executives of the CPCA until 31st March 2019 (or until the appointment of a permanent Chief Executive, whichever was the sooner).
- (ii) appoint Patrick Arran as the CPCA interim Monitoring Officer until 31st March 2019 (or until the appointment of a permanent Chief Executive, whichever was the sooner).

## **237. HOUSING STRATEGY**

The Mayor drew attention to the revised report and appendix which had been circulated on 19 September 2018. Councillor Roberts, Portfolio Holder for Housing and Chair of Housing and Communities Committee, endorsed the report which set out an innovative and bold strategy to address the shortage in housing in all tenures in the area as quickly as possible.

The Director of Housing and Development reminded the Board that the region had a strong growing economy but insufficient housing, particularly affordable housing, which was creating a significant threat to the economy. The Housing Strategy therefore set out the scope of ambition to respond to the housing challenges facing the area. The Authority was going to continue to offer substantial grant based funding, which it was hoped would motivate partners such as housing agencies, developers and providers to increase and accelerate their schemes. However, in order to make a difference to the market, there was a need to look beyond this grant and use other tools which could be flexible to deal with fluctuations in the housing economy. The Strategy therefore mapped out the toolkit opportunities, which would enable the Authority to intervene directly. This would involve investing in housing schemes where the funding would be recycled using a revolving fund providing a legacy of housing schemes up to and beyond 2022.

The Mayor invited the Chair of the Overview and Scrutiny Committee, Councillor Nethsingha, to ask a question on behalf of the Committee. She reported that the Committee would like to seek assurances that the £100m for housing was being allocated as government intended it to be under the Devolution Deal. The Committee had expressed disappointment in the standard of the report as it was felt that reference to other areas was not relevant. She also queried whether the Combined Authority was achieving additionality, as it was not clear from the report and was a continuing concern for the Committee.

The Director of Housing and Development reported that he believed the £100m for housing was being put to deliver affordable housing in the Combined Authority area. However, the Authority was offering a more diverse approach to accelerate housing by applying other tools. He also confirmed that additionality was being provided. The Mayor added that the Devolution Deal was very clear in its support of Community Land Trust Housing. A £40m revolving fund to be repaid in the future would create significantly more housing. He reminded the Board that the status quo was not providing the housing which was needed. The Authority therefore required an innovative approach to create more housing which young people could afford to live in. He was of the view that this revolving fund would create significantly more housing than

the Devolution Deal had intended. It was important to provide a better way than just giving Housing Associations millions to do the same thing.

Councillor Herbert acknowledged the importance of making the best use of the funding in relation to loans and grants. However, he felt that the negativity about Housing Associations was unfair. He highlighted the lack of clarity regarding recommendation (b) in relation to what the revolving fund would be used for. He also felt that there was a lack of thread in the report and consultant's report regarding what was affordable housing. He therefore proposed the following amendment, seconded by Councillor Smith:

*Delete recommendation (b) and replace with "Agrees the total allocation of the £100m capital grant to deliver at least 2000 homes over 5 years".*

Councillor Herbert drew attention to the Devolution Deal which made reference to at least 2000 affordable homes but no maximum. However, it did state that the Fund would be subject to a business case targeted at areas with the most significant affordability challenges, which was why the affordability assessment from March 2017, detailing that 40% and 25% of the affordability challenge was in Greater Cambridge and Peterborough respectively, had been raised. Whilst the Authority had ambitions to provide more housing, this information had been written into the Devolution Deal.

He was concerned that the report made no reference to the affordability challenges. There was reference in Section 1.3.1 of the Strategy to a map which showed three different economies and three different affordability areas. He suggested that income and affordability of homes dictated the need to stick to affordable housing and therefore one single pot. Affordable housing delivered as part of bigger schemes was the primary way this type of housing had been delivered. He had spoken to Housing Associations who had confirmed that it was difficult to get money out of the Combined Authority, and he was not aware of a single association home being funded.

He drew attention to the spending plan in Section 3.3.1 of the report, he was of the view that it was a wholly optimistic spread given the complexity of projects. He therefore asked how much had been paid to Housing Associations so far, and whether there had been homes built given the deadline of 2022. He reminded the Board that it had to know by 2019/20 that all this money had been allocated. He was seriously concerned that the Board was not focussing on core delivery. He was also concerned about negative clauses relating to clawback, which meant that a Housing Association if it made more money would have to pay it back. He highlighted the need to balance this against the possible risk to Housing Associations if house prices fell.

Councillor Smith expressed disappointment in the report. She reminded the Board that the £100m had been taken from the Homes and Communities Agency on the basis that local people could make better decisions about spending money locally. It was clear that it should be allocated on the basis of need and that need should be assessed on the basis of affordability. She was therefore concerned about the outcome of the future Gateway Review. She drew attention to Section 3.34 (d) of the report regarding the need to ensure a reasonable geographic spread of schemes where possible throughout the Combined Authority area. It stated that every part of the Combined Authority area had a need. However, she felt that this was a vacuous statement as all areas had a need but they had different sorts of need. The CPIER report showed that people working in Cambridge and Peterborough could not afford to live near their workplace, with commuting impacting on them both economically and health wise.

She drew attention to Section 4.2 of the report, she suggested that 2000 affordable homes was not a target but a minimum. When the Devolution Deal had been signed £100m had been negotiated to deliver a minimum of 2000 affordable homes. She was concerned how this could be carried out with approximately £60m. She therefore urged the Board to honour the original Devolution Deal.

The Police and Crime Commissioner (PCC) asked how the Combined Authority would be monitoring added value. He also highlighted the impact of accelerated growth on public services which were already stretched. The Mayor welcomed the assistance of the PCC in going to Government to ask for fairer funding for Cambridgeshire and Peterborough. The Director Housing and Development reported that the Authority would be recording the delivery of housing units. There would be some economic impact. The Authority would encourage spend related to these units to be targeted at local contractors where possible. There would also be the wider economic impacts referred to in the CPIER report relating to employers bringing people to the region.

Councillor Count reported that the Combined Authority was sticking to the original Devolution Deal to deliver a minimum of 2000 homes. The fact that the Authority was labelling £40m for one use and £60m for another did not mean the money was not being spent on affordable housing. He was of the view that the split provided a better use of the £100m. He reminded the Board that everyone had agreed initially to establish a revolving fund for the long term. He confirmed that the revolving fund and the grant fund were not particular to any one area. He suggested that the most important issue was to get the foundations out on the ground in order to meet the Government Gateway. At this point in time not every authority was submitting schemes which were actually eligible for grant. He reported that the worst outcome was to leave £100m in the pot and carve up it up by area for schemes which might not come forward.

Councillor Holdich reported that Peterborough City Council had been the first to submit a bid for a joint venture with Cross Keys Homes resulting in 135 homes costing not more than £1m. It was also noted that 29 houses had been purchased directly from a builder with the assistance of the Combined Authority. He suggested that it would be difficult for Peterborough City Council to spend £25m as stated in the original Business Case, which would deprive others from submitting bids.

Councillor Roberts reported that he could not accept that need was greater in one area than another. He could also not support doing what had always been done. He was not confident that Housing Associations would be able to spend the grant. In his view the displacement of people across the county meant that there was an affordability crisis across the area. It was therefore essential that the Combined Authority was more innovative.

On being put the vote, the amendment was lost.

Councillor Herbert reiterated that there needed to be a proper dialogue with Housing Associations who had lost confidence in the Authority. He queried how much had been spent so far, how many Housing Associations had signed up, how many contracts with them had not been signed, and whether this spending would ensure that all the funding was spent by the deadline.

The Director of Housing and Development reported that there were four schemes which had been considered by the Board awaiting signature. Northstowe was expected to be signed early next year, and the scheme at Paston Reserve was at risk due to an access issue. The Combined Authority was trying to help resolve issues with the other providers but some issues were outside its control. Discussions regarding affordable

housing had taken place with Housing Associations and a new scheme involving Evera Housing was scheduled to be launched in November. The Authority was therefore trying to take the opportunity to get involved with Housing Association Schemes. He reported that the Authority was currently seeing an average grant rate of £30k for 280 units, which had led to the figure of £60m for 2000 units. The projected targets at 3.3.1 in the report for grant funding and the toolbox scheme units would enable the Authority to do more with the funding and provide 2,500 units.

Councillor Smith continued to express concern that a first come first served approach did not reference need and where the funding should be best spent. She informed the Board that South Cambridgeshire District Council was not in complete control of its destiny, as other agencies in the area still had work to do. She therefore felt the Strategy penalised areas facing complex situations. She could not support a strategy which provided no explanation of what constituted reasonable or need.

The Director of Housing and Development reminded the Board that Northstowe was a significant scheme and was currently at its third phase. The Authority was in regular communication with Homes England about its process for delivering homes, and had provisionally committed a significant contribution. Councillor Smith requested an update after the meeting. In relation to South Cambridgeshire, the Authority was seeking information regarding what schemes were in the pipeline but had not received much detail. He added one scheme in the area for affordable housing was likely to come to the Board in the next few months.

Councillor Count reported that he could not understand why clawback might delay a Housing Association from coming forward. He felt that if funding awarded to housing providers on the basis of figures given by it to the Authority changed over the period of delivery, it resulted in an incentive to providers who would come to an arrangement with the Authority regarding an appropriate share. He reminded Members that in order to deliver on time the foundations needed to be in the ground by 2021/22. The Authority could only provide that money if providers met that timetable. He highlighted the fact that if there was a crash in the housing market, this process would prevent providers from mothballing schemes.

The Mayor reminded the Board that 60% of the funding was going to Housing Associations. However, the current system was not working so the Authority had to do something different. He reported that the Community Land Trust system worked well anywhere and particularly well where land was more valuable. It was at no additional cost to the tax payer and those houses were rented out at a lower rate than Association housing. However, it could mean building outside the planning environment envelope so there had to be an honest conversation with the people of Cambridgeshire, as the Authority had the ability to build more housing. He commented that the housing crisis was the biggest crisis facing the country. The £100k house, as detailed in the Strategy, would be affordable as it reflected three times the average wage of two people, and could be built using Land Value Capture.

It was resolved by a majority to:

- a) agree the approach to delivering the Housing Strategy set out in the 31Ten report in Appendix 1 of the report.
- b) agree the concept of creating a revolving fund of monies from within the £100m programme for housing investment, to run within and beyond the 5 year programme.

## **238. AFFORDABLE HOUSING PROGRAMME – CAMBRIDGE CITY COUNCIL £70m, 2018/19 BUDGET**

The Board considered a report detailing the baseline and current forecast programme expenditure and a specific request for budget approval for the financial year 2018/19 to enable payments to be made to Cambridge City Council in accordance with claims and monitoring processes. Members were reminded that this programme would deliver 500 new affordable homes. It was noted that the major item for 2018/19 was the acquisition of land at Mill Road. Members were informed that updates on programme performance would be reported to the Authority on a quarterly basis. It was noted that the claim process had been established and there was a need to maintain the broader governance processes over the life of this programme to ensure compliance with agreed Monitoring and Evaluation and Assurance Frameworks.

Councillor Herbert confirmed that the City Council was bringing forward profile spend which had been helped by acquisition of land and planning permissions. Attention was drawn to the Appendix detailing the new build programme budget at September 2018. He reported that the City Council was close to putting the foundations in at the first major site at Mill Road.

It was resolved unanimously to:

- a) note the expenditure profile for 2018/19 financial year in respect of the Cambridge City Council £70 million, as part of the Authority's £170 million Affordable Housing Programme.
- b) approve the carry forward of 2017/18 approved budget of £387,041 to 2018/19.
- c) approve 2018/19 budget provision of £14,669,959, giving a 2018/19 total budget of £15,057,000 to enable the programme to proceed.

## **239. PUBLIC SERVICE REFORM: HEALTH AND SOCIAL CARE PROPOSAL**

The Director Strategy and Planning reminded the Board that the commitment by partners to progress health and care transformation was enshrined within the Devolution Deal. He explained that there was a need to take this commitment forward given that the area's health economy was one of the most challenged in the country. He drew attention to the difficulties faced by national government in trying to make improvements in this area.

In line with its overall business model, the Combined Authority had sought specialist consultancy services to develop the proposal. The timeline for the work would involve engagement with health partners such as the Clinical Commissioning Group and the Sustainability and Transformation Plan Board to develop an evidence-based devolutionary proposition for the integration of health and care services. It was expected that a report would be presented to the Board by the end of the year with the first submission to Government in January 2019.

It was proposed to establish an independent Public Service Reform and Innovation Commission led by Andy Wood of Adnams PLC who would appoint his own members providing a good gender balance and the relevant expertise. Its first task would be to progress this project as set out in the terms of reference.

Councillor Herbert welcomed this proposal to tackle the significant challenges faced in social care and health. He queried the membership and funding of the Commission. The Director Strategy and Planning reported that the Commission's terms of reference were set out in the appendix to the report, and the budget was detailed in Section 5.1. The Mayor reported that he had invited Andy Wood to form a commission and select his own members reflecting an appropriate gender balance and relevant experience. He agreed to circulate their names when he had invited them formally once they had been selected by Andy Wood.

Jess Bawden queried how the new commission would engage with health sector partners. It was noted that the first meeting of the commission, which it was hoped could take place in the last week of October/first week of November, would involve just members of the commission. At that meeting, it would consider how it would work with partners. Jess Bawden highlighted the need to make clear reference to working with partners in the terms of reference.

Councillor Smith queried the reference in the terms of reference to the fact the Commission would be invited to broaden its inquiry and report on the wider case for reform of the public sector. She suggested that it should be focussed. The Mayor clarified that the first part of the work would be to provide a paper to Government on the devolution of health. Public sector reform would be part of this work but he explained that its remit was wider to look at Local Government provision in Cambridgeshire and Peterborough. He reminded the Board that it needed an independent report it could trust.

Councillor Count reported that it had been acknowledged nationally that the County Council was at the forefront of public sector reform with the establishment of LGSS, a shared Chief Executive, and a transformation programme.

It was resolved to:

- a) note the devolution deal commitment to, and the economic and administrative case for, taking action to implement new models of public service delivery.
- b) agree the proposal to design an innovative Cambridgeshire and Peterborough health and social care proposition based on further devolution which makes the case to Government for the further transfer of resources, decision-making and accountability relating to health and social care.
- c) agree the establishment of an independent Public Service Reform and Innovation Commission which would support, inform and challenge the development of the Cambridgeshire and Peterborough health and social care proposition.
- d) agree the commitment of up to £450,000 in 2018/19 from within the existing approved allocation for Public Sector Reform in the Medium Term Financial Plan (MTFP).

## **240. SOHAM RAIL STATION – BUDGET UPDATE**

The Board was reminded that the Combined Authority had assumed responsibility for the Soham Rail station project in June 2018, from the County Council. The Authority had already allocated £1.5m to the delivery of the current phase, and an additional £1.7m was required to continue with the completion of GRIP 3. In addition to this, a decision was sought to agree the DSA novation in principle, and delegate to the Chief

Finance Officer and Monitoring Officer, in consultation with the Chair of the Transport Committee, to agree the exact terms of the novation. Members were reminded of the background to the project, which would support opportunities for growth in the Soham area.

Councillor Herbert reported that improvements to the rail system should be at the heart of what the Authority was in business for. He was therefore looking forward to the Cambridgeshire Rail Study. He queried the benefit to the Authority of taking over this project from the County Council, and having looked at a report that was considered by East Cambridgeshire District Council where the cost was estimated at £6m queried justification for the significant increase to £21m.

Members were informed that the transfer of the project to the Combined Authority had accelerated delivery from 2023 to 2022, and officers were looking at further ways of acceleration. Discussions would need to take place with the County Council regarding the reimbursement of costs. The increase in costs related to Network Rail's costing process, which included a range of different scenarios such as closing level crossings. These additional costs had not been anticipated or factored in and ranged from £19m to £21m excluding risk.

Councillor Count reported that this project had been included in the budget even though it had not been approved by the Board, which was the same approach used by the County Council. It was therefore possible that a report regarding funding might be considered by the Combined Authority or Business Board. He reminded the Board that the County Council was no longer the Transport Authority so it was therefore appropriate that the Combined Authority took over this project.

The Mayor reported that he had been involved in the project for ten years. He explained that this report raised issues as to how infrastructure was delivered nationally. He was concerned that £10m had been spent on reports as part of the GRIP process, which was totally unacceptable. He stressed the need to pressure Government to change the way it delivered infrastructure. The actual cost was probably around £2.2m.

It was resolved unanimously to:

- a) approve a budget of £1.7m for GRIP Stage 3 for the acceleration and delivery of the Soham Rail Station.
- b) agree the DSA novation in principle and delegate to the Chief Finance Officer and Monitoring officer, in consultation with the Chair of the Transport Committee, to agree the terms of the novation.
- c) note that verbal commitments have taken place to progress this project at an accelerated pace and identify opportunities for early delivery.
- d) agree that an update will be provided to the CPCA Board, or other nominated meeting, prior to the end of GRIP Stage 3 to outline progress to date and identify the CPCA's requirements for the delivery of GRIP Stages 4 – 8.
- e) note how this work fits within the opportunities that have been identified to accelerate the transport projects; as reviewed in the July board.

## **241. BUSINESS RATE PILOT**

The Board received a report detailing the one year business rates retention pilot bid submitted to the Ministry of Housing, Communities and Local Government on 25 September 2018. It was noted that following discussions with local authority Leaders, it was proposed that all councils would be compensated for their expected business rates for the year i.e. no council would suffer detriment as a result of the pilot. It also set out how any additionally retained growth above this level would be distributed.

Councillor Smith reported that she would support the recommendations even though it had been difficult for her Cabinet to support the fact the Combined Authority was the recipient of money which had been achieved by District Councils delivering growth.

Councillor Count reported that he would rather have seen 100% given to constituent councils. He explained that authorities with social care responsibilities needed this funding in order to avoid harsh decisions for another year. He stressed the importance of a new needs assessed formula for 2021, as there needed to be a reassessment of County Council finances nationally. He reminded the Board that the County Council was the third lowest funded County Council nationally. He reported that the Combined Authority was the only such Authority without a Business Rates Pilot, which was vital for financial stability and to make a difference.

Councillor Holdich supported the comments made by Councillor Count. He highlighted the fact that Peterborough City Council's grant was disappearing at the same time it was facing an increase in Local After Children and the number of older people needing care.

It was resolved unanimously to:

- a) ratify the Cambridgeshire and Peterborough 2019-20 Business Rates pilot bid submitted to MHCLG on the 25<sup>th</sup> September 2018.

## **242. BUSINESS BOARD RECOMMENDATIONS OF THE LAST MEETING**

The Board noted the recommendations of the meeting of the Business Board held on 23 July. The Interim Director for Business and Skills also updated Members on the meeting of the Business Board held on 24 September 2018. She reported that the Board had been quorate with all members present except for Mark Dorsett. The Mayor and Councillor Roberts had represented the interests of the Board.

At this meeting, it had been agreed to appoint the Chair, Aamir Khalid, and Vice-Chair, Andy Neely, for a period of two years until 2020 (one consecutive term only). It had also been agreed that the Chair only would be a voting member of the Combined Authority Board with the Vice-Chair as his substitute. Five private sector representatives had been appointed for three years (one consecutive term only), and two public sector members had been appointed. The Business Board had agreed its terms of reference and constitutional arrangements, and its Forward Plan.

As previously considered, it had agreed to submit a proposal to Government for the boundary of the Business Board to be coterminous with the Combined Authority Boundary. It had also noted the publication of the Cambridgeshire and Peterborough Independent Economic Review (CPIER) as a major milestone in the development of the Authority's Local Industrial Strategy. It had agreed the draft Growth Prospectus 2018/19 including the provisional allocations for each programme within the Prospectus,

and received an update on growth funds. It was noted that an induction event for the Business Board would take place on 29 October.

Councillor Herbert welcomed Aamir Khalid to the meeting. He queried what action had taken place to recruit someone from the ICT Digital and Creative Sector to the Business Board. He drew attention to the fact that Mr Cuff's role in relation to Life Sciences and Healthcare related to the real estate of Granta Park. He therefore raised the need to recruit someone from the Biotech and Life Sciences Sector. The Interim Director for Business and Skills acknowledged that there was gap in relation to ICT. She raised the need for an SME representative and reported that Mr Khalid had agreed to take on this role. She explained that the Business Board would be able to consider another recruitment round including the possibility of up to five co-optees.

Councillor Herbert drew attention to the remuneration of £24k for the Chair of the Business Board. He queried when this had been decided. It was noted that an Independent Remuneration Panel was being set up to consider this issue. Councillor Seaton queried whether sufficient effort had been made to appoint someone from the logistics sector. The Mayor reported that the Chair of the Business Board would consider this issue as the Board was not limited to the number of people it could appoint.

It was resolved unanimously to:

note the Business Board recommendations of its meeting on 23 July and an update of the meeting held on 24 September 2018.

#### **243. MEMBERSHIP OF BUSINESS BOARD**

The Mayor thanked Councillors Roberts, Fitzgerald and Stanbury for their excellent work in setting up the new Business Board. The Board considered a report detailing the membership of the Business Board, following a recruitment campaign and interview process for private sector members.

It was resolved unanimously to:

- a) note the appointments of private sector members of the Business Board as set out in paragraph 2.16 of the report.
- b) note the appointment of Aamir Khalid as Chair and Andy Neely as Vice Chair of the Business Board.
- c) approve the Business Board's nomination of Aamir Khalid as a member of the Combined Authority Board to represent the Business Board and Andy Neely as his substitute member.

#### **244. CAMBRIDGESHIRE & PETERBOROUGH INDEPENDENT ECONOMIC REVIEW**

The Board was informed that the Cambridgeshire and Peterborough Independent Economic Review (CPIER) had been published on 14 September 2018. Members were reminded that this report would provide the evidence base for the Local Industrial Strategy. It was noted that a tender had been put out recently to develop this strategy and leading national experts in industrial strategy Metro Dynamics had been selected. Members were informed that every Combined Authority Director would be involved, and as such, a meeting with Metro Dynamics was scheduled on 2 October with the new Director for Business and Skills.

The Mayor invited the Chair of the Overview and Scrutiny Committee, Councillor Nethsingha, to comment on behalf of the Committee. She reported that the Committee felt that this was an excellent report and should be used and taken into account across the whole decision making of the Combined Authority and not just be used within the remit of the Business Board. The Mayor acknowledged that it would form an integral part of the work of the whole Combined Authority.

In congratulating the Authority on an outstanding document, Councillor Smith proposed an amendment, seconded by Councillor Herbert, as follows:

*Recommendation (a) delete “notes” and replace with “welcomes”.*

*Add further recommendation (c) – The Combined Authority expresses its support for all 14 recommendations contained within the CPIER report. In doing so it agrees that these recommendations will form the basis of work undertaken by the Combined Authority in the development of a tailored Local Industrial Strategy which will incorporate the development of Growth, Business Investment, Skills Development, Housing and Spatial Planning Strategies.*

Councillor Count proposed a second amendment, seconded by Councillor Holdich, as follows:

*Recommendation (a) delete “notes” and replace with “welcomes”, and all 14 recommendations contained within the CPIER report. In doing so it agrees that these recommendations will form the basis of work undertaken by the Combined Authority in the development of a tailored Local Industrial Strategy which will incorporate the development of Growth, Business Investment, Skills Development, Housing and Spatial Planning Strategies.*

Councillor Count was of the view that the Combined Authority should await and analyse responses from Government, local authorities, the public and the business community before supporting the 14 recommendations. Councillor Smith was unclear why this would prevent the Board from supporting the recommendations. Councillor Herbert acknowledged that this was an impressive report which demonstrated that growth could not be managed without social investment. He was of the view that supporting the recommendations would not prevent the Authority from adding improvements.

On being put the vote, the amendment from Councillor Smith was lost and the amendment from Councillor Count was carried.

It was resolved unanimously to:

- a) welcome the publication of the Cambridgeshire and Peterborough Independent Economic Review (CPIER) as a major milestone in the development of our Local Industrial Strategy and all 14 recommendations contained within the CPIER report. In doing so it agreed that these recommendations would form the basis of work undertaken by the Combined Authority in the development of a tailored Local Industrial Strategy which would incorporate the development of Growth, Business Investment, Skills Development, Housing and Spatial Planning Strategies.
- b) provide any initial opinions on the findings of the CPIER, in advance of the upcoming engagement sessions.

## **245. GROWTH PROSPECTUS 2018/19**

Members were reminded that the Business Board had approved the Growth Prospectus at its meeting on 24 September 2018. The provisional date for the launch would be 8 October 2018. It had also agreed provisional allocations for each programme within the Prospectus.

Councillor Herbert reminded the Board that this spend had been delayed due to changes to the LEP. He urged the Board to recognise the need to approve the funding to deliver schemes within a short timescale. The Interim Director for Business and Skills reported that Government had required the Authority to meet several criteria, which include a fully constituted Business Board, to express its offer through a Growth Prospectus, and provide an assurance framework. There were still a few areas where more work was needed. It was expected that a letter would be sent to Melanie Dawes at the Department for Communities and Local Government week beginning 1 October when all the criteria had been met.

It was resolved unanimously to:

- a) agree the draft Growth Prospectus 2018/19 and the programmes contained therein, subject to final version to be signed off by Chief Executive (Acting).
- b) agree provisional allocations for each programme within the Prospectus, subject to review and cashflow within Growth Deal and Growing Places Fund budgets.
- c) agree processes for due diligence and appraisal, subject to review; and
- d) note that applications and business cases will be brought to the Business Board for consideration and recommendation to the Combined Authority, from November 2018 onwards.

The Mayor thanked Harriet Fear, Interim Director for Business and Skills, who was leaving the Combined Authority shortly, for her work.

## **246. MOTION FROM COUNCILLOR BRIDGET SMITH**

Councillor Smith proposed a motion as set out on pages 3 and 4 of the Combined Authority agenda. She reported that her residents and the Business Sector had lost confidence in the Combined Authority. There was no confidence that actions were being carried out properly, spending was being done wisely, and that delivery was being carried out effectively and efficiently. She raised the need to commission an external organisation with suitable expertise to conduct an independent full organisational review in order to support Members, the Business Sector and stem the flow of staff. She was of the view that this could not be carried out in-house. She raised the importance of collaborative leadership to help the Combined Authority become a mature organisation.

In seconding the motion, Councillor Herbert reported that the Authority was in business to add value to what was being delivered. He was of the view that in racing to deliver the Mayor's 100 day plan several errors had been made. There was not a clear infrastructure strategy, which had resulted in the Authority jumping at projects and not receiving quality and consistent reports. He was concerned about the appointment to senior posts as highlighted in his recent letter. He therefore felt that there was a significant amount to be learnt from Manchester, London, West Midlands and the West

of England. He queried why the organisation was based in Ely when it had an office in Alconbury. He concluded that the Authority had to be an organisation which involved all Leaders contributing rather than one person making the decisions.

The Mayor acknowledged the points raised but highlighted the fact that partnership worked two ways. He felt that the Authority had turned very political since May. He was keen to confide and work closely with Leaders on shared goals and policies. However, it was important to note that the Combined Authority was not a local authority. As indicated he had brought John Hill in to undertake a review of the organisation. He reminded the Board that the public wanted to see things carried out differently. It was therefore not appropriate to spend finance on an extra review. He was confident in Mr Hill's ability to change the organisation including putting measures in place being requested by Councillors Smith and Herbert.

On being put to the vote the motion was lost.

#### **247. DATE OF NEXT MEETING**

The Combined Authority Board will meet next on Wednesday, 31 October 2018 in the Council Chamber, Peterborough City Council, Town Hall, Bridge Street, Peterborough.

Mayor

**CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY – 26 SEPTEMBER 2018**

**PUBLIC QUESTIONS**

No.	Question from:	Question to:	Question
1.	Cambridge City Councillor, Mike Sargeant	Mayor James Palmer	<p>I am very disappointed with the Housing Strategy Report that is being put to the Combined Authority Board today:</p> <ol style="list-style-type: none"> <li>1) Most importantly, it disregards the Devolution Deal agreement which says ‘the Government will provide £100m housing and infrastructure fund.....at least 2000 Affordable Homes ..... The fund would be subject to a business case, targeted at areas with the most significant affordability challenges, and would be delivered in line with the single pot assurance framework guidance and via section 31 grant agreement.’ and says instead ‘Ensuring a reasonable geographic spread of schemes where possible throughout the Combined Authority area.’ and goes on to say it will only use £60 million of the £100 million for the 2000 Affordable Houses specified in the Deal. The Devolution Deal says, ‘This devolution deal cannot be altered without the consent of all participating authorities together with Government.’ Unless you get this consent, your Housing Strategy is null and void.</li> <li>2) It has been written by consultants who don’t have local knowledge and haven’t even tried to work collaboratively with local people and organisations such as the Cambridgeshire and Peterborough Housing Board representing all Local Authorities and Housing Associations.</li> <li>3) It does not use the data on affordability and housing need that exists in the CPIER Report that was actually commissioned by the Combined Authority, data from the SHMA – Strategic Housing Market Assessment or the reports by Cambridgeshire Insight.</li> <li>4) The Board Report highlights the challenges for Housing Associations but then It is proposing grants with clawback which makes it very difficult for</li> </ol>

			<p>Housing Associations, the major provider of Affordable Homes, to avail themselves of finance from the Combined Authority.</p> <p>5) For the vast majority of people who need affordable housing in a large part of the Combined Authority area, renting is the only option while the concentration of the Report is on home ownership which is totally out of reach for so many people.</p> <p>I therefore ask the Combined Authority if it will withdraw the report and start to work collaboratively with the Local Authorities and Housing Associations in delivering the Devolution Deal which was signed by the Local Authorities and the Government to target the delivery of affordable housing to where it is most needed.</p>
	<b>Response from:</b>	<b>Response to:</b>	<b>Response</b>
	Mayor James Palmer	Cambridge City Councillor, Mike Sargeant	<p>1) The Housing Strategy does not disregard the Devolution Deal Agreement. At the first meeting of the Combined Authority in March 2017, the Board agreed the business case as required by the Deal and to which you refer. The business case had also been agreed with Government and is a publicly available document on the Combined Authority website. This Business Case set out that there is a need for additional housing throughout the Combined Authority area and therefore allocation of funding should be based upon criteria set out in the business case. The criteria for allocation of funding was not based upon geography. There are other important principles agreed by the business case. These are that the Combined Authority should support community led housing (CLT) and should only grant fund initially and should seek a means to recycle funds to ensure the affordable housing funds would not be exhausted. Gain share and land value capture was therefore very much part of the business case and rightly forms a part of this strategy. We encourage Housing Associations to bring forward schemes for grant where in conjunction with the local authorities a grant achieves additionality or acceleration of affordable housing to meet local needs. Our objective as articulated in the housing strategy is to deliver more than the 2,000 homes devolution target by using an innovative toolbox approach, which still includes traditional grants. For the avoidance of any doubt, all of the £100m will be utilised to deliver more housing and</p>

			<p>infrastructure for housing.</p> <p>2)31TEN met with representatives from various local authorities in the early stages of their work. The collaborative approach then took the form of an open presentation and discussion at two leaders strategy sessions on the 10<sup>th</sup> May and 26<sup>th</sup> June to which all council leaders were invited and the evolving strategy was presented and discussed. I understand that the Overview and Scrutiny Committee drew attention to a spelling error in the document which referred to West Sussex instead of West Suffolk. To focus on a minor typing error is to miss the important and innovative approaches that the Strategy delivers.</p> <p>3) The Report has relied upon the analysis in the interim CPIER. 31Ten have drawn attention in the report to the fact that they have relied on their analysis [pages 17 &amp;18]. Other data quoted is from national data sets (as set out in the report) and ongoing work and data from transport projects.</p> <p>4) When Housing Associations submit application for grant they also supply a financial appraisal upon which the need and request for grant is calculated and articulated. Assuming a grant is approved and proceeds, the clawback provision will ONLY come into effect if the final project outcome improves from the original financial appraisal submitted. For example, if a scheme included some market sale houses and the value of those houses goes up significantly when they are sold, then the Housing Association has received more revenue than originally predicted when applying for grant. In that situation it seems fair that a proportion of that additional value should be returned as a grant refund, to be re-invested into additional future housing schemes, rather than considered to be profit for Housing Associations.</p> <p>5) The strategy is seeking to be flexible to both the diverse geography and markets within the CPCA area, to build additional homes to tackle severe shortages and to address the issue of a large section of working people not earning enough to afford high house prices. Earning levels means that many do not qualify for traditional social housing and means that they are pushed into the private rental sector, where rents are often too high.</p>
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	<b>Question from:</b>	<b>Question to:</b>	<b>Question</b>
2.	Cambridge City Councillor, Dave Baigent	Mayor James Palmer	Constituent Councils agreed to the establishment of a Combined Authority on the basis of a number of factors. One of these was that each leader would have a portfolio. This no longer appears to be happening. Would the Mayor explain the rationale behind this change and how and to whom portfolios are now allocated?
	<b>Response from:</b>	<b>Response to:</b>	<b>Response</b>
	Mayor James Palmer	Cambridge City Councillor, Dave Baigent	<p>The Board agreed unanimously in July to move to committees.</p> <p>Each of the Committee chairs is also the portfolio holder for their committee: housing, transport and skills. We also have others who hold portfolios but are not committee chairs.</p> <p>So all members are actively engaged in the business of the Combined Authority.</p> <p>The rationale for the new committees is set out in the July Board paper. We agreed in July that the Board would be asked today to note and agree my nominations to portfolios and membership of committees.</p>