CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

Wednesday, 28 March 2018

10:30a.m. – 12:30p.m.

Peterborough City Council, Town Hall, Bridge Street, Peterborough, PE1 1HF

AGENDA

Open to Public and Press

Number	Agenda Item	Mayor/ Lead Member/ Chief Officer	Papers	Pages
	Part 1 – Governance Items			
1.1	Apologies and Declarations of Interests	Mayor	oral	-
1.2	Minutes – 28 February 2018	Mayor	yes	4-12
1.3	Petitions	Mayor	oral	-
1.4	Public Questions	Mayor	oral	-
1.5	Forward Plan	Mayor	yes	To follow

	Part 2 – Key Decision			
2.1	Cambridgeshire and Peterborough Strategic Spatial Framework (non-statutory)	Portfolio Holder for Strategic Planning & Mayor	yes	13-45
2.2	Transport Delivery 2018/19	Portfolio Holder for Transport & Infrastructure	yes	46-60
2.3	Digital Connectivity Infrastructure: Improving Mobile Coverage and increasing the full fibre footprint across Cambridgeshire and Peterborough	Portfolio Holder for Transport & Infrastructure	Yes	61-74
2.4	University of Peterborough – Interim Accommodation Options	Portfolio Holder for Employment and Skills	yes	75-149
2.5	£70m Cambridge City Devolution Housing Programme	Mayor	yes	150-192
2.6	£100m Affordable Housing Programme *Appendices A,B,C and D are exempt from publication by virtue of Category 3 within Schedule 12A of the Local Government Act 1972*	Mayor	yes	193-203
2.7	East Cambridgeshire Strategic Community Land Trust (CLT) Programme – Provision of Loan Facility *Appendices 1 and 2 are exempt from publication by virtue of Category 3 within Schedule 12A of the Local Government Act 1972*	Mayor	yes	204-208
2.8	The Business Board and Business Transfer Agreement (from the Greater Cambridge Greater Peterborough Local Enterprise Partnership)	Deputy Mayor	yes	209-245

	Part 3 – Non Key Decisions			
3.1	Market Town Masterplans for Growth	Portfolio Holder for Deputy Mayor (Statutory)	yes	246-252
	Part 5 – Date of next meeting			
5.1	Date: Wednesday, 30 May 2018 Fenland District Council, Fenland Hall, County Road, March PE15 8NQ	Mayor	oral	-

The Combined Authority currently comprises the following members:

Mayor: J Palmer
Councillors: G Bull, S Count, L Herbert, J Holdich, C Roberts, C Seaton and P Topping

Substitute members: Councillors A Bailey, M Cornwell, W Fitzgerald, R Fuller, R Hickford, K Price & N Wright

Observers: J Ablewhite (Police and Crime Commissioner), J Bawden (Clinical Commissioning Group), and Councillor K Reynolds (Chairman - Cambridgeshire and Peterborough Fire Authority)

The Combined Authority is committed to open government and members of the public are welcome to attend Committee meetings. It supports the principle of transparency and encourages filming, recording and taking photographs at meetings that are open to the public. It also welcomes the use of social networking and micro-blogging websites (such as Twitter and Facebook) to communicate with people about what is happening, as it happens.

Public speaking on the agenda items above is encouraged. Speakers must register their wish to speak by making a request in writing to the Democratic Services Manager (Michelle Rowe) no later than 12.00 noon three working days before the day of the meeting. The request must include the name, address and contact details of the person wishing to speak, together with the full text of the question to be asked.

For more information about this meeting, please contact Michelle Rowe at the Cambridgeshire County Council's Democratic Services on Cambridge (01223) 699180 or by email at michelle.rowe@cambridgeshire.gov.uk

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

Agenda Item No: 1.2

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY: MINUTES

Date: Wednesday, 28th February 2018

Time: 10.30a.m. – 11.25a.m.

Present: J Palmer (Mayor)

G Bull – Huntingdonshire District Council, L Herbert – Cambridge City Council, R Hickford (substituting for S Count – Cambridgeshire County Council), C Roberts – East Cambridgeshire District Council, C Seaton – Fenland District Council, and P Topping – South Cambridgeshire District Council

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

144. APOLOGIES AND DECLARATIONS OF INTERESTS

Apologies received from Councillors S Count and J Holdich, and J Ablewhite and J Bawden.

145. MINUTES – 14TH FEBRUARY 2018

The minutes of the meeting held on 14th February 2018 were agreed as a correct record and signed by the Mayor subject to the deletion of "Huntingdonshire" on the first page, third sentence, of the Mayor's announcement.

146. PETITIONS

No petitions were received.

147. PUBLIC QUESTIONS

The Mayor invited Councillors Kevin Price and Terry Hayward to address the Board. *(The questions and the response to the second question are published at the following link: Cambridgeshire and Peterborough Combined Authority meeting 28/02/2018 and attached at **Appendix A**).*

In introducing his question, Councillor Price reported that the Mayor had accepted an invitation to see the work carried out by officers in Cambridge City in relation to rough sleeping and homelessness. He drew attention to his second question, commenting

that he had been very put out by the Mayor's comments regarding an individual local authority on national television.
In response, the Mayor reported that homelessness was not acceptable in the 21st century in the United Kingdom particularly in the wealthiest cities and districts. The issue was of particular concern to the Mayor and he was proud of the work which had taken place in East Cambridgeshire District Council when he had been Leader. He acknowledged that everyone on the Combined Authority was working hard to get people off the streets, and it was important that they worked together. He thanked Jimmy's Nightshelter and Street Aid for their hard work and, in particular, for identifying a further 30 additional places.

The Mayor reminded the Board that the local MP for Cambridge had been the one to make a political point on national television, which he had felt the need to qualify at the time. Dealing with homelessness was the responsibility of local councils and the Mayor welcomed the opportunity to visit them to see what they were doing. He highlighted the fact that more could be achieved by working together. As Mayor, he reported that he would do all that he could to get people off the streets.

In introducing his question, Councillor Hayward reported that he would have raised it at the Overview and Scrutiny Committee if it had not been cancelled. He thanked the Mayor for writing to the Secretary of State regarding the A1. He drew attention to a recent consultation document "Proposals for the creation of a Major Road Network – Consultation" and queried whether the Combined Authority intended to respond and, in particular, whether it would make representations regarding the failure to mention level crossings.

The Mayor reported that he had accepted an invitation from Councillor Bull to undertake a tour of projects in Huntingdonshire. He informed the Board that he had met with Jim O'Sullivan from Highways England to discuss improvements on the A1 and A428, and he would continue to lobby for all parts of Cambridgeshire including level crossings. Improvements to the A428 were scheduled and he would make sure they did not slip. The situation regarding the A1 was more complicated as it needed re-routing. He reported that he personally favoured it being re-routed east of Biggleswade and Sandy and west of St Neots but that the decision would lie with Highways England.

The Mayor reported that the Combined Authority was considering the Major Road Network consultation document and would be submitting a formal response. The Interim Transport and Infrastructure Director added that he had reviewed the consultation document and noted that it focused on key local roads. As the route of the level crossing did not meet the criteria set out in this document it was very unlikely that it could secure future funding from this source.

148. FORWARD PLAN

The Board noted the Forward Plan of Executive Decisions dated to be published on 26 February 2018. The Mayor reported that there would be no meeting in April, unless an urgent decision was required, due to the elections taking place in May.

It was resolved unanimously to approve the Forward Plan of Executive Decisions dated to be published on 26 February 2018.

149. MEMBERSHIP OF THE COMBINED AUTHORITY AND COMMITTEES - AMENDMENTS

The Board was advised of amendments to its membership and committees which had been notified by Fenland District Council. The District Council had appointed Councillor Chris Seaton to replace Councillor John Clark as its Member on the Combined Authority with Councillor Mike Cornwell appointed as substitute. Councillors Chris Boden and Anne Hay had been appointed to the Overview and Scrutiny Committee and Audit Committee respectively. Members were reminded that the Monitoring Officer had delegated authority to accept changes to membership of committees notified by constituent councils.

It was resolved unanimously to:

(a) note the appointment of Councillor Chris Seaton made by Fenland District Council to replace Councillor John Clark as its Member to the Combined Authority for the remainder of the municipal year 2017/2018 and Councillor Mike Cornwell as substitute.

(b) note the changes in membership of the Overview and Scrutiny Committee and the Audit and Governance Committee made by Fenland District Council – Councillor Chris Boden appointed to the former and Councillor Anne Hay to the latter.

150. CAMBRIDGESHIRE & PETERBOROUGH 2030 PROSPECTUS

The Mayor informed the Board that following publication of the draft prospectus on the website he had received a number of comments about the document. He reminded Members that Leaders had raised comments at a recent meeting. It was important to note that the prospectus was still draft. He was therefore proposing to withdraw the report and bring it back to a future meeting.

It was resolved unanimously to agree to withdraw this report and bring it back to a future meeting.

151. A10 CORRIDOR – KEY FINDINGS AND NEXT STEPS

The Mayor drew attention to the fact that the representative from Peterborough City Council had been unable to make the meeting due to the inclement weather. He therefore proposed, with the agreement of the Board, to amend recommendation b), as follows, in order to address the voting arrangements which required that representative to be present:

Delete recommendation b) and replace with

(b) agree to delegate authority to the Chief Executive to approve this spend and update the Board at the March meeting.

The Mayor reported on the next steps in improving the A10 corridor, which were needed to bring forward 6,500, 3,000 and 1,500 new homes in Waterbeach, Ely and Littleport respectively. He drew attention to the fact that 55% of journeys using this route south went from east to west rather than to Cambridge. Whilst there was regular public transport, rail passengers were often required to stand between Ely and Cambridge. The Combined Authority therefore needed to take significant action in order to address the worsening congestion on the A10.

At the request of the Mayor, the Interim Director of Transport and Infrastructure outlined the six transport mitigation packages identified by the feasibility study. He reported that, in considering the study's recommendations, the Combined Authority did have questions. It was noted that this included the phasing and whether or not junction improvements would provide value for money if a dualling solution was accelerated. The study, understandably, had also not been able to take account of the findings from the mass transit study. It was therefore proposed to develop the Strategic Outline Business Case and to commence the procurement of the Options Appraisal Report. The Board would be asked to approve the contract being made at a future meeting before an appointment was made.

The Portfolio Holder for Strategic Planning highlighted the importance of the A10 from both a Cambridge and east/west perspective. He underlined the value of the links with the Cam Metro and stressed the cost benefit ratio of modal shift. He reported that it was important to enable traffic to move east to west to access the A14 as not all traffic wanted to come into Cambridge. He therefore stressed the need to have a high quality public transport offer north of the Milton interchange. He reminded the Board that the Greater Cambridge Partnership was committed to bringing forward easier opportunities. The development of Waterbeach would require rail improvements and a public transport offer. The A10 improvements would take place before the Cam Metro so there was therefore an opportunity to provide high quality transport before then, which could include a whole function roundabout to take traffic off, as well as dualling.

The Portfolio Holder for New Homes and Communities reported that the A10 was an unsafe and inefficient road in desperate need of attention. He drew attention to Section 2.20 which summed up the scale of the work needed, which was not a small undertaking. He highlighted the radical nature of the proposals in relation to parking constraints and the investment in public transport. He stressed the importance of convincing people of the benefit of public transport. Many villages along the A10 had experienced rat-running. If the A10 proposals were to be fully supported by these settlements, they had to be convinced that their transport requirements had been addressed. It was important that this proposal was future proofed and ran parallel with the Cam Metro. He reported that he had pressed the County Council who had undertaken this work for a critical path in order to see progress. It was important that this was addressed before money was invested in a Business Case, as both the Combined Authority and the Treasury needed to judge its effectiveness.

It was resolved unanimously to

(a) note the findings of the Cambridge to Ely Transport Feasibility Study and the strong case for dualling the A10.

(b) agree to delegate authority to the Chief Executive to approve this spend and update the Board at the March meeting.

(c) delegate authority to the Director of Transport to award the contract for the development of the Strategic Outline Business Case.

(d) authorise the Director of Transport to commence procurement for the Options Appraisal Report subject to approval of the contract being made at a future meeting of the Board before an appointment was made.

152. SENIOR STAFFING STRUCTURE – COMBINED AUTHORITY AND LOCAL ENTERPRISE PARTNERSHIP

The Chief Executive reminded the Board that it had agreed to share a Chief Executive with a new Local Enterprise Partnership (LEP), and that the Combined Authority should become the employer of a single staffing team. The Board received a report detailing the senior staffing structure which would be able to support both the Board and its work programme, and the new Business Board and the activities required of the new LEP. Members were reminded of the key functions of the Combined Authority which had been used as a framework to develop the proposed senior staffing structure. The Chief Executive also reminded the Board that it was not a delivery organisation and would continue to rely on public and private sector partners.
There were five Directors proposed and attention was drawn to the core area of focus for each Director. It was noted that, if approved, a meeting of the Employment Committee would be called to approve the job descriptions and salary grades and to recruit into the roles and agree the full staffing structure. The Chief Executive added that the full costs of the posts and the new organisation would be brought to the Employment Committee in the first instance. The costs would be met from a combination of funding made available to the Combined Authority through the "single pot". The core funding for the LEP would be used to fund the Business and Skills Director post and other roles in this Directorate. The Mayoral Capacity Fund would be used to finance specific roles associated with the delivery of major programmes.

In welcoming the proposals which provided strong strategic leadership, one Member highlighted the pressure at Director level associated with commissioning. He raised the risk that people being commissioned would not tell the Combined Authority the whole story. The Authority therefore need resources for monitoring as the public expected it to deliver. He hoped that the Director posts, particularly the post relating to housing, would be full-time, as the Authority needed a top housing professional to maximise the £100m allocated for housing. He also drew the need for a number of posts under the Infrastructure Director to be full-time. In noting that the Strategy and Planning Director would be a full-time post funded from the Mayor Capacity Fund, he stressed the need for the Assistant Director Planning to also be full-time in order to attract the best person. He was of the view that there was no value in a two-year placement if the Authority wanted to meet its long term ambition. He hoped that the Employment Committee would support the proposals.

The Chief Executive acknowledged the importance of providing assurance back to the Board and, as such, it was proposed to appoint a Programme Manager who would provide in depth assurance regarding the appropriate use of funding, the way it delivered, and the need to deliver of time. He also acknowledged the need for the roles identified by the Member to be full-time in order to meet a substantial and growing agenda.

It was resolved unanimously to:

(a) Approve the proposals in respect of the senior officer structure as set out in the report;

(b) approve the following posts creating the Chief Officer structure of the Combined Authority:

1)Legal Counsel
2)Director of Infrastructure
3)Director of Business and Skills

4)Director of Strategy and Planning
5)Director of Finance

(c) Note the intention to agree the job descriptions, salary grades for the posts and to proceed to recruit to the posts through the Employment Committee.

153. HIGHWAYS AND TRANSPORT CAPITAL GRANTS – SUPPLEMENTARY ALLOCATIONS

The Interim Director of Transport and Infrastructure reported that the Authority had been granted additional funds totalling £974,047 from the Pothole Action Fund. It was proposed to allocate this funding on a formula basis to Cambridgeshire County Council and Peterborough City Council in line with the Department for Transport (DoT) formula. It was noted that this funding was in addition to the £1,395,000 previously paid to the Authority. Members were informed that this funding would be used prevent the formation of potholes as well as for repair.

It was resolved unanimously to consult the Combined Authority Board regarding the Mayor's intention to allocate Pothole Action Fund grants totalling £974,047 to Cambridgeshire County Council and Peterborough City Council in line with the Department for Transport formula as set out in the table below.

Constituent Council	Allocation £'s
Peterborough City Council	£167,536
Cambridgeshire County Council	£806,511
Total	£974,047

154. STATUTORY INSTRUMENT FOR BORROWING

Members received an update on the development of the Statutory Instrument which would enable the Combined Authority to borrow as specified in regulations under Section 23(5) of the Local Government Act 2003. The Board was reminded of the announcement in the Autumn Statement 2016 that the government would give mayoral combined authorities new powers to borrow. The Section 151 officer had been informed by government of approval of the Cambridgeshire and Peterborough Combined Authority Agreement and Debt Cap to 2019-20, which was based on the Authority's submitted financial plans, and had asked the Section 151 Officer to reply with consent to the agreement coming into effect. It was noted that a Statutory Instrument to allow borrowing required the consent of all constituent authorities by 2 March 2018. However, it did not require constituent councils to underwrite any borrowing of the Combined Authority. It was noted that whilst the Authority had no existing debt or any immediate borrowing requirement, significant investment would be needed for major infrastructure works from financial year 2020/21.

It was resolved unanimously to:

(1) note the agreement of the Interim Chief Finance Officer (s.151 officer) to the Cambridgeshire and Peterborough Combined Authority Agreement and Debt Cap to 2019-20.

(2) agree to a Statutory Instrument permitting the Combined Authority to extend its borrowing powers on condition that the Statutory Instrument did not require constituent councils to underwrite any borrowing of the Combined Authority

(3) note that the Combined Authority would be requesting consent from its constituent councils to the making of the Statutory Instrument.

155. GREATER SOUTH EAST LOCAL ENERGY HUB (THE 'HUB')

The Portfolio Holder Strategic Planning highlighted significant issues regarding the supply of energy with the electricity grid at breaking point. It was noted that the high tech sector was a major energy load. If the Combined Authority was going to encourage business to invest, it needed to assist in the improvement of the network. The Authority had the opportunity to establish and pioneer one of only five Local Energy Hubs in England, and it would be the accountable body for the Greater South East Local Energy Hub. A grant would be awarded in advance for two years, and be used to staff a new team of eight to manage the Hub. In order to be successful, projects needed to be rolled out rapidly to address the major obstacles to increasing energy capacity.

The Portfolio Holder Strategic Planning proposed an amendment to recommendation (a) to reflect the fact that the Combined Authority would be holding funds for this project with immediate effect. The Board agreed to add "with immediate effect" to recommendation (a).

The Mayor welcomed the exciting proposal from the Portfolio Holder and the involvement of the Combined Authority which was key in making sure the County's energy needs were covered for the next 40 years.

It was resolved unanimously to:

(a) Agree that with immediate effect the Combined Authority becomes the Accountable Body for the Greater South East Local Energy Hub.

(b) Authorise the Chief Executive to employ staff as required to meet the administrative and technical requirements of administering the Greater South East Local Energy Hub.

(c) Note the consent of the LEPs and their local authorities within the Greater South East Local Energy Hub area to the Combined Authority acting as the Accountable Body on its behalf.

156. DATE OF NEXT MEETING

It was resolved to note the date of the next meeting – Wednesday, 28 March 2018, Peterborough City Council, Town Hall, Bridge Street, Peterborough, PE1 1HF

Mayor

Appendix A

PUBLIC QUESTIONS

No.	Question from:	Question to:	Question
1.	Councillor Kevin Price Councillor for King's Hedges Deputy Leader & Executive Councillor for Housing Cambridge City Council	Mayor James Palmer	I wrote to you on 29th January 2018 and extended an invitation to you to come to Cambridge and see for yourself what the City Council does to alleviate homelessness in Cambridge. This was as a direct result of your comments on the BBC programme The Big Questions. There has been no response to date. The letter details the many different strands of work from officers and our partner agencies in relation to rough sleeping and homelessness as well as the delivery of new council homes in Cambridge by the Council of which to date there have been over 240 since 2015. 1. Will you be accepting our invitation to see the excellent work done by our officers and partners? 2. What steps will you take to ensure you are better informed before commenting on any aspects of the work done by any of the constituent local authorities in the Combined Authority?
	Response from:	**Response to:**	**Response**
	Mayor James Palmer	Councillor Kevin Price Councillor for King's Hedges Deputy Leader & Executive Councillor for Housing Cambridge City Council	See minutes for Mayor's response.

No.	Question from:	Question to:	Question
2.	Councillor Terry Hayward Buckden Ward, Huntingdonshire District Council Vice Chairman Combined Authority Overview and Scrutiny Committee	Mayor James Palmer	I have read with interest the proposed Prospectus published at Item 2.1 and am disturbed and disappointed that no mention is made of possible solutions to the current difficulties on the A1 and Main Line level crossings in the South West of the County. At his first presentation to the Overview and Scrutiny Committee last year the Mayor assured us that this area would not be neglected. Can the Mayor please detail what work he intends to do to ensure the future update to the A1, especially where it passes St Neots and the villages between there and Huntingdon and what efforts he intends to make to solve the current and future difficulties experienced by drivers at the Offord/Buckden railway level crossing?
	Response from:	**Response to:**	**Response**
	Mayor James Palmer	Councillor Terry Hayward Buckden Ward, Huntingdonshire District Council Vice Chairman Combined Authority Overview and Scrutiny Committee	The projects and interventions described in this Board paper represent only a small sample of the work being progressed by the Combined Authority. The Combined Authority is committed to investing in all areas, including Huntingdonshire. Funding has already been committed for St Neots Masterplan and transport studies on the A141 around Huntingdon and a third river crossing. Whilst the A1 is not expressly mentioned, Highways England is currently undertaking a strategic study of the A1 between the M25 and Peterborough and we will be lobbying to ensure the best outcomes for Cambridgeshire and Peterborough. The Mayor has already written to Jesse Norman, the Roads Minister, on this issue following a meeting with Cllr Hayward. We are seeking clarity from Highways England on the precise phasing of the study. We recognise the difficulties caused by the level crossing at Buckden/Offord but are not in a position to fund all projects. However, our list of funded projects is reviewed periodically.

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	**AGENDA ITEM No: 2.1**
28 MARCH 2018	**PUBLIC REPORT**

CAMBRIDGESHIRE AND PETERBOROUGH STRATEGIC SPATIAL FRAMEWORK (NON STATUTORY)

1.0 PURPOSE

1.1. The Cambridgeshire and Peterborough Strategic Spatial Framework brings together the current growth ambitions of the area, and how we – as the Combined Authority – can support local jobs and housing growth ambitions. The Framework allows us to clearly articulate the positive impact the Combined Authority can have towards making these plans become a reality.

1.2. The devolution deal is centred around achieving ambitious levels of growth across Cambridgeshire and Peterborough for the benefit of all our communities – namely over 100,000 new homes and 90,000 new jobs by 2036. This non-statutory document:

- Sets out how the Combined Authority will support the implementation of development strategies in Local Plans to 2036, so that jobs and homes ambitions are met
- Scopes the opportunities for longer-term strategic planning between the Combined Authority and Planning Authorities from 2036 to 2050 including through ongoing stakeholder engagement
- Signals that Cambridgeshire and Peterborough's authorities are working collaboratively and strategically to achieve growth – in line with the direction set out in Government's current planning reforms

1.3. This report asks that the Board approve this version of the Framework, and agree proposals to bring a report scoping the next phase of the Framework's development to its June meeting.

DECISION REQUIRED	
Lead Member:	**Cllr Lewis Herbert, Portfolio Holder for Strategic Planning**
Lead Officer:	**Dan Thorp, Interim Assistant Director**
Forward Plan Ref: 2018/006	**Key Decision: Yes**
	Voting arrangements
The Combined Authority Board is recommended to: (a) Approve this first phase of the Cambridgeshire and Peterborough Strategic Spatial Framework (Non Statutory)	(a) Unanimous consent of the constituent council members
(b) Note the intention of the Portfolio Holder for Strategic Planning to bring a report to the Board in June scoping proposals for the status, approach and resources needed to deliver the next phase of the Framework to 2050.	(b) Simple majority of all members
The Mayor is recommended to (c) exercise his general power of competence to publish the Cambridgeshire and Peterborough Strategic Spatial Framework following a vote of unanimous consent	(c) The Mayor to make decision at the meeting (The Mayor can exercise his general power of competence to publish the Cambridgeshire and Peterborough Strategic Spatial Framework following a vote of unanimous consent)

2.0 BACKGROUND

2.1. The devolution deal between all Cambridgeshire and Peterborough Authorities and Government established that the Combined Authority will:

"Create a non-statutory spatial framework, which will act as a framework for planning across the Combined Authority area, and for the future development of Local Plans."

2.2. In July last year the Board approved a paper setting out how this would be undertaken in two phases:

- Phase 1: would set out the existing development strategy from adopted and emerging local plans (to 2031/36), including strategic development sites/locations and dependent strategic infrastructure. This phase should not undermine the statutory local plans already in preparation.
- Phase 2: the first phase will act as a baseline for developing a strategic spatial approach in Phase 2 for growth beyond 2031/36 (probably to 2050).

2.3. This report brings forward Phase 1 of the Framework in line with this approach requested by the Board.

2.4. Cambridgeshire and Peterborough is committed to deliver over 100,000 new homes and 90,000 new jobs by 2036 and the core purpose of this Framework is to set out how the Combined Authority will work with Local Authorities and other partners to support that to happen.

Adding Value through this Framework

2.5. In order to develop this Framework, the Portfolio Holder for Strategic Planning has brought together a project team with representatives from; the Cambridgeshire and Peterborough Public Service Board (CPSB), Chief Planning Officers (CPOs), and Planning Policy Forum (PPF). Specific forums have also been established to feed into the project; Leaders and Chief Officers, Planning Portfolio Holders Workshops, Neighbouring Authorities, and wider Stakeholders. There have been a wide range of useful contributions and input from this engagement, but the overriding theme has been that we have an opportunity to develop a new approach that adds real value to the way that growth is planned in our area.

2.6. This first version of the Framework therefore has been drafted to outline very clearly the range of areas where the Combined Authority can and will add value to the current system. These are included in full in the Framework set out in Appendix 1, with some headlines drawn out in this report below.

Supporting the delivery of Strategic Sites and Locations

2.7. As shown in the map below, over 60% of the 100,000 new homes our area must deliver are made up of strategic sites of 1,000 homes or above. Of these, there are 9 sites which total 3000 or more greater homes, and which therefore represent the most significant strategic locations for the Combined Authority area.

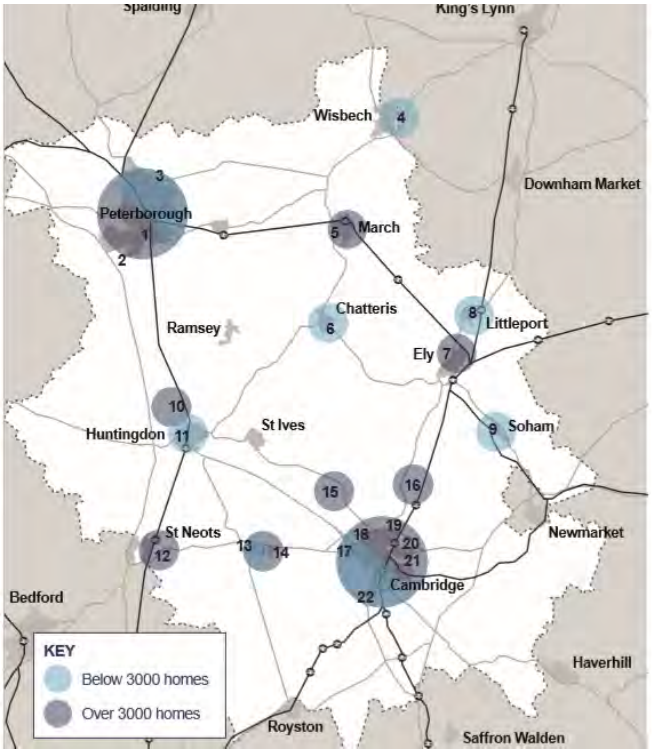

FIGURE 4: STRATEGIC DEVELOPMENT SITES IN EXISTING LOCAL PLANS

Site	Indicative number of homes	Timescale
1) Hampton urban extension	3,632	By 2036
2) Great Haddon urban extension	5,300	By 2036
3) Norwood	2,300	By 2036
4) Wisbech	2,300 (550 in King's Lynn & West Norfolk)	By 2031
5) March	3,100	By 2031
6) Chatteris	1,400	By 2031
7) Ely (north)	3,000	By 2031
8) Littleport	1,850	By 2036
9) Soham	2,100	By 2036
10) Alconbury Weald	5,000	By 2036
11) Ermine Street (south), Huntingdon	1,050	By 2036
12) St Neots East (Wintringham Park and Loves Farm 2)	WP: 2,800 LF2: 1,020	By 2036
13) Cambourne West	1,655 / 935	By 2031 Post 2031
14) Bourn Airfield New Village	1,360 / 2,140	By 2031 Post 2031
15) Northstowe	3,203 / 6,784	By 2031 Post 2031
16) Waterbeach New Town	2,300 / 6,700	By 2031 Post 2031
17) Cambridge North-West (University site)	2,927	By 2031
18) NIAB (Darwin Green)	2,377 / 250	By 2031 Post 2031
19) Cambridge Northern Fringe East (APP)	Potential for 7,600	Unknown
20) Cambridge East (north of Newmarket Road)	1,300	By 2031
21) Cambridge East (north of Cherry Hinton)	1,257	By 2031
22) Cambridge Southern Fringe		
Trumpington Meadows Glebe Farm, Clay Farm & Bell School	637 996	By 2031 By 2031

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2.8. The Combined Authority can play a number of roles in supporting Local Authorities in the delivery of strategic sites where challenges are encountered through investment in strategic infrastructure, the work of the Land Commission, the housing programme, and a range of other measures.

2.9. The Framework makes clear that the Combined Authority will work with Local Authorities and other partners to understand what is required to deliver these sites, and where Combined Authority input adds value. For example, the Combined Authority last year led the development of the £193m bid to the Housing Infrastructure Fund to accelerate the delivery of up to 7,600 homes at the Cambridge Northern Fringe East site.

2.10. The development of the Transport Delivery Programme 2019/20 list set out as Agenda Item 2.2 of this Board meeting will continue to be aligned with the delivery of our strategic sites, and further linked in time through the development of the next Local Transport Plan to sit alongside this Framework.

Inclusive growth

2.11. It is a strategic ambition of the Combined Authority that all our communities are healthy, thriving and prosperous. There is an important strategic spatial aspect to achieving this inclusive growth, and the Framework seeks to establish how the Combined Authority will work alongside partners to deliver growth that brings access and opportunity to areas suffering from inequality.

2.12. The Framework provides an overview of the deprivation and inequality challenges facing Cambridgeshire and Peterborough, defines those areas that are most deprived, and sets out how the Combined Authority will undertake a

review of the Cambridgeshire Quality Charter for Growth to underpin principles for good development.

2.13. The Cambridgeshire and Peterborough Independent Economic Review (CPIER) will also play an important role in the implementation of inclusive growth strategies – and the next phase of this Strategic Spatial Framework will incorporate the findings of the CPIER in its considerations of future growth needs.

Scoping Opportunities for Phase 2 – Longer-term Strategic Spatial Planning 2036-2050

2.14. Section 6 of the Framework sets out what have been identified from the engagement with stakeholders to date as key opportunities for the development of the second phase of this Framework. In line with the approach agreed by the Board in July last year, this will set out how the Combined Authority will work alongside Planning Authorities to inform the next phase of growth beyond 2036. The process for doing this is described later in this report in paragraphs 2.19 – 2.21, and the current version of the Framework simply highlights opportunities through some potential "building blocks" of a vision for future growth;

- Embracing positively the need to build new homes, create jobs, and improve infrastructure – offering attractive homes, jobs and a high quality of life in a range of distinctive communities
- Accommodate growth by providing new homes in sustainable locations, close to main centres of employment and along key dedicated public transport routes
- Contribute towards the Combined Authority's 2030 ambition to become the UK's capital of innovation and productivity
- Support the educational attainment and skills needed to realise the area's economic potential
- Benefit from integrated transport networks, including being served by frequent and high quality public transport
- Work with neighbouring authorities, Government, and other partners to develop strategic connections between areas
- Be an exemplar of low carbon living, efficient use of resources, sustainable development and green infrastructure
- Be outstanding in the conservation and enhancement of our urban, rural, and historic environment
- Be well prepared for the impact of environmental change and well adapts to it effects

Government's Housing Reforms

2.15. In the White Paper; *Fixing Our Broken Housing Market* Government consulted upon a range of reforms to improve the performance of the housing market nationally and boost the supply of new homes. These have been developed as revised planning policy and guidance, published in early March for consultation.

The Combined Authority has welcomed specific proposals for reform, for example the principle of a standard methodology for assessing housing need.

2.16. Government also proposes the introduction of a Statement of Common Ground to ensure that "infrastructure and public services are planned to meet the needs of the wider area; to ensure that the combined impact on the environment is sustainable; to ensure that housing requirement that simply cannot be met in a particular area is met elsewhere, and where appropriate, to ensure that new settlements and garden villages are planned for properly."

2.17. By producing this first version of the Strategic Spatial Framework before these national planning reforms are finalised the Combined Authority is signalling that our partners are being proactive in working together towards the Government's aims and will be well placed to implement them quickly as and when they occur.

2.18. **It is recommended that the Board approve this first version of the Cambridgeshire and Peterborough Strategic Spatial Framework (Non Statutory)**

Next Steps

2.19. As referenced in paragraph 2.2 the Board agreed in July last year that this Framework would be produced in two phases, the second phase of which would look beyond the current set of Local Plans out to 2050. Through the project governance and the specific forums which have been established to gain stakeholder input into this work a wide range of opportunities and issues have been identified to inform the next stage of work.

2.20. At the same time, since July as the project has progressed, there have been significant developments which have an implication for the next phase of work, such as the Government reforms to the planning system, and the announcement of proposals from the National Infrastructure Commission (and Government) in *Partnering for Prosperity: a new deal for the Cambridge – Milton Keynes – Oxford Arc.*

2.21. Also of importance for the future development of this Framework will be the findings of the Cambridgeshire and Peterborough Independent Economic Review in Summer 2018, which the Combined Authority has commissioned in order to provide expert advice on the area's future growth potential to inform the development of the Local Industrial Strategy.

2.22. In order to continue the engagement established so far, to seek feedback from partners on the current Framework, and to properly assess options for Phase 2 in the light of national developments – **it is recommended that the Board ask the Portfolio Holder to bring a report to the Board in June scoping proposals for the status, approach and resources needed to deliver the next phase of the Framework out to 2050.**

3.0 FINANCIAL IMPLICATIONS

3.1. A budget of up to £150k was approved by the Board in July 2017 to support the necessary work to develop the first part of the Non-Statutory Spatial Plan for Cambridgeshire and Peterborough

3.2. There are no further financial implications to bring to the Board's attention at this time.

4.0 LEGAL IMPLICATIONS

4.1. The Cambridgeshire and Peterborough Combined Authority Order 2017 enables the Mayor to exercise his general power of competence to prepare and publish a statement representing the strategy for spatial development of the area.

4.2. Before the Mayor exercises his power to publish the strategy for spatial development he must have the unanimous consent of the members of the constituent councils of the Combined Authority Board.

4.3 The Mayor's statement of spatial planning for the area does not form part of the local development framework, introduced by the Planning and Compulsory Purchase Act 2004, and which is the responsibility of the district councils. The Mayor's strategy for spatial planning is intended to set out a strategic view of development across the wider combined authority area.

4.3. Whilst it is for the decision maker to determine in each planning case, it is the Combined Authority's view that this March 2018 version of the Strategic Spatial Framework will be afforded very limited, if any, weight.
.

5.0 SIGNIFICANT IMPLICATIONS

5.1. An Equality Impact Assessment has been undertaken for this Framework and no disproportionate negative impacts have been assessed. The Assessment recognises the positive impact on disadvantaged communities proposed through the focus on "inclusive growth" put forward in the Framework.

6.0 APPENDICES

6.1. Appendix 1 – The Cambridgeshire and Peterborough Strategic Spatial Framework (Non Statutory).

Source Documents	**Location**

Planning for the right homes in the right places (DCLG)	https://www.gov.uk/government/consultations/planning-for-the-right-homes-in-the-right-places-consultation-proposals
Partnering for Prosperity: a new deal for the Cambridge – Milton Keynes – Oxford Arc (NIC)	https://www.nic.org.uk/our-work/growth-corridor/
Equality Impact Assessment (EIA).	

CAMBRIDGESHIRE AND PETERBOROUGH STRATEGIC SPATIAL FRAMEWORK (NON STATUTORY)

TOWARDS A SUSTAINABLE GROWTH STRATEGY TO 2050

CAMBRIDGESHIRE
& PETERBOROUGH
COMBINED AUTHORITY

CAMBRIDGESHIRE AND PETERBOROUGH
STRATEGIC SPATIAL FRAMEWORK (NON STATUTORY)

FOREWORD

We are so fortunate to live and work somewhere that is home to successful and distinctive cities, market towns and rural communities. We are surrounded by beautiful natural assets and some of the best agricultural land in the country. Our growth is amongst the fastest in the country, reflecting our economic strengths, the impressive diversity of our jobs and skills base, and the quality of life that attract people here.

But several parts of our area are not thriving, economic opportunities and quality of life there are not what they should be, and it is vital that strategic planning focuses on ensuring that all parts gain a share of our prosperity, with inclusive growth that is spread and rebalanced across our geography. There is clear evidence here on disadvantage that must be addressed both in strategic planning and in better targeted education and skills spend and "soft infrastructure" investment, so all areas enjoy the same opportunities.

The Devolution Deal for Cambridgeshire and Peterborough, which we signed with the Government in March 2017, provides the base for greater sub-regional and local decision making and leadership in how we influence and shape our area's future growth and prosperity, and meet the expectations of our residents.

The publication of Phase One of our Strategic Spatial Framework for Cambridgeshire and Peterborough is an important first milestone in achieving that ambition, meshing with our infrastructure investments, robust Local Plans and the pace of investment and development already well underway. We would like to thank the wide range of partners and stakeholders that have helped to develop this with us over recent months.

It is central to the Combined Authority to work with and through our constituent councils and partner organisations, to address the opportunities and challenges for our area, to build on our strengths, but to use investment and influence to improve the lives of everyone. It is also key in being clear to Government and national agencies what the gaps are that we need their help to fill and how utilities need to make their contribution too.

This Strategic Spatial Framework Phase One defines our immediate priorities for sustainable growth and includes wider actions we are taking and will take to support the sustainable delivery of over 100,000 quality new homes and more than 90,000 additional jobs in Combined Authority plans and Local Plans.

It signposts how our area might grow in the longer term, including how we can take a more inclusive approach by using strategic planning to rebalance and share growth, create housing that people or all income levels and needs can afford, and promote future development in historically disadvantaged areas. It does many other things too, including planning a comprehensively high bar on the quality of future growth and the recognition that the character of our environment and communities are strengths we cherish as part of our ever-changing area.

The Combined Authority will engage with its partners and other stakeholders over coming months to develop the second half of our Strategic Spatial Framework, Phase Two by December 2018. This will set out a longer-term growth strategy to 2050, beyond current Local Plans and be the opportunity for teamwork taking account of the latest evidence on the future, and engage the contributions key partners will make to meet our area's future needs and ambitions, as well as make full use of Government policy and support and future changes to strategic planning and national investment.

We commend this document to you and look forward to working with our partners and stakeholders to make a real difference to the lives of people living and working in every part of Cambridgeshire and Peterborough.

If you have any comments on the document, please email contactus@cambridgeshirepeterborough-ca.gov.uk

James Palmer
Mayor of Cambridgeshire & Peterborough

Cllr Lewis Herbert
Portfolio Holder for Strategic Planning

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INTRODUCTION

Devolution has brought major new opportunities for the future of Cambridgeshire and Peterborough. More responsibility and funding now rests with local leaders and the Mayor - through the Cambridgeshire and Peterborough Combined Authority - to shape and deliver future growth for the benefit of all our communities.

Collectively that means delivering

more than

90,000 new jobs

and over

100,000 new homes

by 2036, and helping establish the area's future growth needs and ambitions beyond that to 2050.

Cambridgeshire and Peterborough Combined Authority strategic area

THE CAMBRIDGESHIRE AND PETERBOROUGH AUTHORITIES HAVE AGREED WITH GOVERNMENT TO CREATE A NON-STATUTORY SPATIAL FRAMEWORK TO SUPPORT DELIVERY OF THIS GROWTH.

This is the first phase of the strategic spatial framework. This document has three main functions:

Setting out how the Combined Authority will support the implementation of development strategies in Local Plans to 2036 - so that the jobs and homes targets are met.

Defining the Combined Authority's ambitions and indicating opportunities for the development of the spatial framework, which will look beyond the current Local Plans to help establish the next phase of growth of Cambridgeshire and Peterborough to 2050.

Signalling how Cambridgeshire and Peterborough authorities are working collaboratively and strategically to achieve growth - in line with the direction of Government's planning reforms to fix our broken housing market.

THIS IS NOT A TRADITIONAL PLANNING DOCUMENT BUT IS AN OPPORTUNITY TO INNOVATE, TO DEVELOP A NEW APPROACH THAT ENHANCES THE PLANNING SYSTEM TO BETTER DELIVER OUR FUTURE GROWTH AND PROSPERITY.

The framework will be developed during 2018 to set out a longer-term growth strategy to 2050. This will take account of the latest evidence to support the area's needs and ambitions, as well as relevant changes to Government policy. It will be aligned closely with other relevant strategies for Cambridgeshire and Peterborough and will provide strategic guidance for the development of future local plans.

SECTION 1
ABOUT CAMBRIDGESHIRE AND PETERBOROUGH

BACKGROUND

Cambridgeshire and Peterborough has a national and international profile and influence, focused on the knowledge-based economy and a world class university in Greater Cambridge, complemented by research and manufacturing strengths in Peterborough and the market towns.

Its cities and towns include some of the finest historic buildings in the world, while there is ready access to the countryside and high quality landscapes, with strategic transport connections including to London.

Its attractiveness as a place to live and work is reflected by its continued population growth: Cambridge and Peterborough have consistently been in the top five fastest growing cities in the UK in recent years[1].

1 Most recently reported by the Centre for Cities in Cities Outlook 2017, Table 1.

INEQUALITY

But it is also an area of great diversity and, like many places that are outwardly successful, there are downsides too. There is a clear geographical pattern to deprivation in Cambridgeshire and Peterborough, which reflects different local economies.

More deprived areas cluster to the north and within Cambridge and Peterborough themselves (indeed, Cambridge is ranked as the least equal city in the UK based on income and wealth[1]). Peterborough and Fenland each contain areas that are among the 10% most deprived nationally[2].

1 Centre for Cities in Cities Outlook 2018, Table 13: Gini coefficient.

2 CLG, 2015. Indices of Multiple Deprivation

BUSINESS

There are 41,650 businesses across Cambridgeshire and Peterborough with just under 35,000 of these, or over 80%, being micro businesses with nine or fewer employees. Some 195 businesses qualify as 'large', with 250 or more employees[1]. At the time of the 2011 census, Cambridgeshire and Peterborough had just over 400,000 employed residents[2].

Some 70,000 people commute into the area for work while nearly 60,000 Cambridgeshire and Peterborough residents commute outside the area[3]. The majority of jobs are in education; health; professional, scientific and technical; retail; and business administration and support services.

However, local economies exist across the area and different sectors have more or less significance within particular places.

1 ONS Business Counts 2017.

2 406,414 employed residents (Census 2011).

3 69,756 in-commuters and 57,108 out-commuters (Census 2011).

POPULATION

The population of Cambridgeshire and Peterborough in 2016 was just under 850,000, with 496,000 jobs across the area[1]. With planned housing growth the population is expected to increase to over a million people by 2036[2].

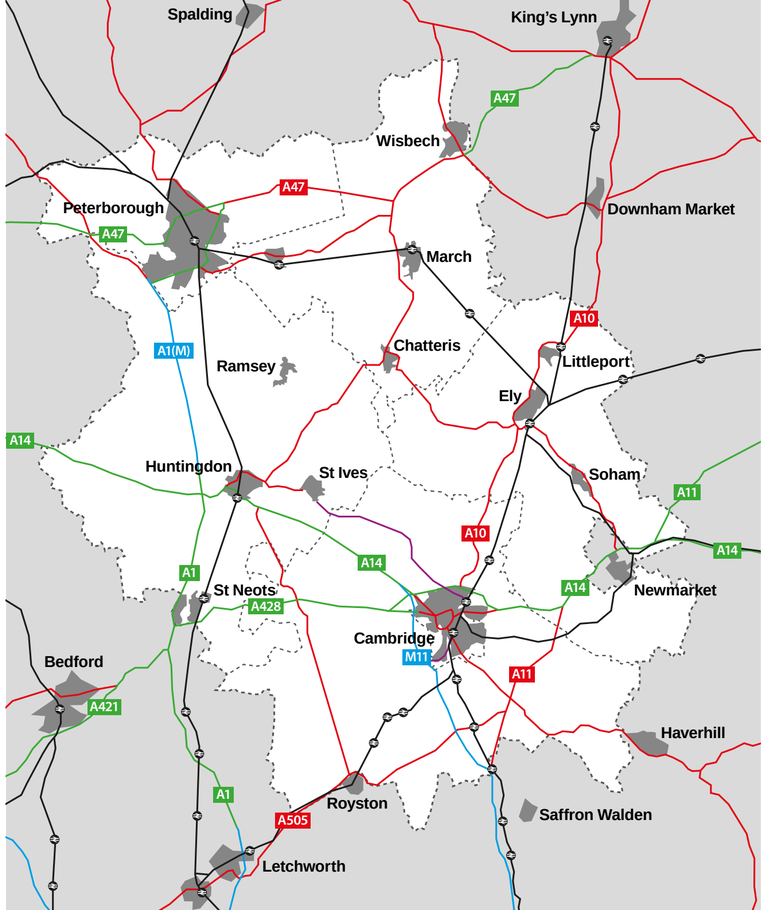
The majority of the existing population live in the thirteen main settlements within the area: the cities of Peterborough, Cambridge and Ely; and the market towns of Whittlesey, Wisbech, March, Chatteris, Littleport, Soham, Ramsey, St Ives, St Neots and Huntingdon.

With an area of 338,960 hectares[3], around 12% of Cambridgeshire and Peterborough is developed. The rural areas outside the main settlements include many villages and small communities, while agricultural production is significant for the area.

1 ONS 2016 mid-year estimates.

2 Forecast population at 2036 is 1,044,030 - Cambridgeshire County Council Research Group's 2015-based population forecasts.

3 Census 2011.



ECONOMY

Peterborough has a diverse economy, including engineering and manufacturing; agriculture, food and drink; digital and creative industries; the energy sector and financial services. The city has a high concentration of companies engaged in environment-related activities, while its locational advantage close to strategic transport routes attracts logistics companies.

Cambridge's economic success is accelerated by the "Cambridge Phenomenon", a cluster of knowledge-based industries with a global profile located in the city and its surrounds. There are now around 1,000 technology and biotechnology companies in the cluster, 1,400 when providers of services and support organizations are included[1].

The establishment of these industries and their development over time is inextricably linked with the education and research capabilities of the University of Cambridge. The strength of this relationship is particularly well illustrated by the fact that Cambridge is the leading UK city for publication of patent applications. Indeed, in 2016 Cambridge-based organisations and individuals published more patents than the total of the next three highest-performing cities[2].

Tourism is an important part of the local economy with an estimated 4.5 million people visiting Cambridge each year.

1 Cambridge Phenomenon website.

2 Centre for Cities in Cities Outlook 2018, Table 5.

MARKET TOWNS

A number of the market towns, including Huntingdon, St Neots and Ely, look to the Cambridge economy and services, although they continue to develop and strengthen their own local economies, retail and service offers.

To the north there is a stronger relationship between places such as Ramsey and Whittlesey with Peterborough, while Wisbech is closer to King's Lynn in Norfolk.

The market towns have traditionally acted as service centres for nearby smaller settlements, providing retail, health and education as well as employment opportunities.

AFFORDABLE HOUSING

There are significant differences in house prices and rent levels across the area. To the south focused on Cambridge, houses are amongst the least affordable in the UK.

Cambridge has an affordability ratio of 12.97, significantly higher than the national average of 7.72[1]. Significant affordability challenges are also prevalent throughout Cambridgeshire and Peterborough.

Devolution has enabled £170m investment to fund extra affordable rent housing and shared ownership, including council housing in Cambridge.

1 ONS, Ratio of house price to workplace-based earnings (lower quartile and median) 2016. Released 17 March 2017.

TRANSPORT

The area is served to varying degrees by strategic and local transport routes. A number of key routes suffer severe congestion at peak times, particularly those connected to Cambridge, as well as parts of Peterborough and some of the market towns.

The long-term capacity challenges of the A14 are being addressed by the current improvements works, due to be completed in 2020. The strategic rail network includes the East Coast Main Line, West Anglia and other lines providing links to London, Birmingham, Ipswich, Liverpool and Norwich. Recent years have seen a significant increase in rail patronage.

LIVING STANDARDS

Parts of the area have amongst the best quality of life in the country based on employment, health and life expectancy, crime rates, and happiness and satisfaction[1].

But there are significant disparities. For example, both Peterborough and Fenland are amongst some of the worst areas nationally for the number of premature deaths[2].

1 Both East and South Cambridgeshire Districts have featured in the top ten areas with the best quality of life by a range of measures in recent annual surveys by the Halifax Building Society.

2 Peterborough is 249th and Fenland is 250th out of a total of 324 local authority areas. Longer Lives: 2017 Annual Update, Public Health England.

NATURAL ENVIRONMENT

The area contains a diverse range of natural environments, the potential constraints and limits of which upon growth will need to be properly addressed and managed. The Ouse and Nene Washes are of international importance for wildfowl and migratory birds, whilst low-lying fenland areas provide unique landscapes.

Significant new and expanded habitat and greenspace creation includes the award-winning Great Fen and Wicken Fen.

Flood risk is an important issue for parts of the strategic area, particularly low-lying land to the north. Strategic scale flood risk and water management infrastructure directly protect homes, infrastructure, land, businesses and jobs for people afforded protection by them.

Conversely, being located in the East of England, much of the area suffers from severe water stress with longer-term supply implications for homes and businesses.

CONNECTIONS

Many of the surrounding districts outside Cambridgeshire and Peterborough have strong functional links with it. Peterborough has close ties with Lincolnshire and Rutland to the north and Northamptonshire to the west. West Suffolk is part of the Cambridge Housing Market Area, with Newmarket and Haverhill in particular having a strong relationship with Cambridge. The same is true of Royston in Hertfordshire and Saffron Walden in Essex.

There are a number of strategic transport corridors that are critical to the area's economic success and growth, notably the A14 providing strategic links to the east coast ports and the midlands; the M11 forming the spine of the London-Stansted-Cambridge corridor; the A11 and A47 to Norwich; and the A428 to the west of Cambridge, connecting with Bedford and Milton Keynes.

CAMBRIDGE - MK - OXFORD

In addition, the Government has announced its vision for the Cambridge, Milton Keynes and Oxford corridor to stimulate economic growth in the national interest. This includes investment in new and upgraded road and rail infrastructure and a corridor-wide ambition for one million new homes by 2050[1].

1 Helping the Cambridge, Milton Keynes and Oxford corridor reach its potential. HM Government, November 2017.

SECTION 2
OUR STRATEGIC SPATIAL ISSUES

STRATEGIC SPATIAL ISSUES

The Mayor and the Combined Authority have established a bold vision for the future of Cambridgeshire and Peterborough to be "the leading place in the world to learn, live and work". This will be achieved through five big ambitions:

BECOMING THE UK'S CAPITAL OF INNOVATION AND PRODUCTIVITY.

HEALTHY, THRIVING AND PROSPEROUS COMMUNITIES.

ACCESS TO A GOOD JOB WITHIN EASY REACH OF HOME.

A WORKFORCE FOR THE MODERN WORLD FOUNDED ON INVESTMENT IN SKILLS AND EDUCATION.

ENVIRONMENTALLY SUSTAINABLE.

STRATEGIC PRIORITIES

The Combined Authority has, therefore, a significant role in addressing issues that are critical for the future of not only Cambridgeshire and Peterborough, but the UK as a whole.

A number of the strategic priorities agreed with government through the Devolution Deal, and reflected in the ambitions above, have spatial implications. In particular, there is a need for a clear understanding of the levels and type of development to meet high-level ambitions for substantial economic growth and, critically, how this growth will be delivered.

Some priorities are predicated on the potential for growth beyond the current levels established through adopted and emerging statutory plans – specifically the target to deliver a doubling of economic outputs, which has been given further impetus by government's announcements on the strategic growth corridor from Cambridge to Oxford.

Other priorities focus on more effective delivery of existing plans, particularly planned housing and jobs growth, and supporting infrastructure.

A key purpose of this first version of the Combined Authority's Strategic Spatial Framework is to focus on actions and interventions to address the effective implementation of existing plans to 2036.

The Combined Authority has built on the priorities agreed with government to ensure that a comprehensive approach is taken to delivering truly sustainable development.

In particular, it is essential that the benefits of growth are inclusive and integrated across the whole of Cambridgeshire and Peterborough, particularly benefitting the most deprived parts. Accordingly, section 4 of this framework addresses 'Inclusive Growth'.

The Combined Authority recognises the importance of ensuring that environmental issues are considered fully alongside economic and social priorities, in accordance with the principle of net environmental gain.

This includes addressing strategic water issues (flood risk and supply), green infrastructure[1], open spaces and biodiversity, pollution, clean energy and climate resilience in line with the climate risks outlined in the UK's Climate Change Risk Assessment[2].

Finally, quality must be built into all growth outcomes, in terms of the built environment and provision of services and infrastructure to serve existing and new communities.

For example, this will include reference to Government's A Green Future: Our 25 year plan to improve the environment highlighting the economic, social and health benefits of investing in natural capital.

1 *Green infrastructure is the sub-regional network of protected sites, nature reserves, green spaces and greenway linkages, providing multi-functional uses such as wildlife habitat, recreation, and flood protection.*

2 *HM Government (2017). UK Climate Change Risk Assessment 2017.*

Against this background, the strategic spatial issues that have a direct bearing on Cambridgeshire and Peterborough's prosperity and growth are set out in the table below.

2030 AMBITIONS	RELATED ISSUES TO BE ADDRESSED
Becoming the UK's capital of innovation and productivity	**Housing** – achieving accelerated rates of house building, including working with developers and the construction industry to restore the skills base and supply chains which were affected by the economic downturn; and to ensure an appropriate mix of housing, particularly affordable housing to meet the area's social and economic needs.
Healthy, thriving and prosperous communities	**Transport** - ensuring that planning for and investment in strategic transport infrastructure is prioritised appropriately so that growth and regeneration is properly serviced and the effects of congestion on productivity are addressed.
Access to a good job within easy reach of home	**Broadband** – bringing superfast broadband access to 99% of premises across Cambridgeshire and Peterborough by the end of 2020[1].
A workforce for the modern world founded on investment in skills and education	**Inclusive growth** – recognising the need to build on and enhance the competitiveness and success of existing sectors and places, whilst ensuring all residents can benefit from growth.
Environmentally sustainable.	**Quality** – maintaining and enhancing the quality of life and natural and built heritage of the area, including the historic environment.
	Environment – addressing environmental issues that have a key influence on achieving sustainable development and outcomes, including water, biodiversity and green space, and climate resilience.

1 The target established through the Connecting Cambridgeshire initiative.

SECTION 3
SUPPORTING DELIVERY OF THE DEVELOPMENT STRATEGY IN LOCAL PLANS TO 2036

DEVOLUTION DEAL

The Devolution Deal between the Combined Authority and government provides for the transfer of significant resources and powers for infrastructure, housing, economic development, employment and skills, that will impact positively on the lives of residents by helping create more jobs, improving the skills and employment prospects of residents and boosting the productivity of Cambridgeshire and Peterborough. These resources and powers include:

£170 million

to deliver new homes over a five-year period, focused on affordable rented and shared ownership housing.

£20 million

a year funding over 30 years for investment to boost growth.

Strategic highways powers,

including preparation of a Local Transport Plan.

Responsibility for a strategic review

of 16+ skills provision in the area.

CURRENT LOCAL PLANS

All the Cambridgeshire and Peterborough local authorities have adopted Local Plans, with reviews to keep them up to date currently underway in Cambridge, South Cambridgeshire, Peterborough, East Cambridgeshire and Huntingdonshire. - all of which should be adopted in 2018 or early 2019.

Collectively, the plans include targets for more than 90,000 additional jobs and over 100,000 new homes by 2036[1].

A brief summary of the current Local Plan for each city and district council is included below.

This provides the context for the actions and objectives that follow, setting out how the Combined Authority will support the implementation of the local plans to help meet Cambridgeshire and Peterborough's 2030 Ambitions.

CAMBRIDGE AND SOUTH CAMBRIDGESHIRE

The development strategy set out in the emerging Cambridge and South Cambridgeshire Local Plans to 2031 follows a sequential approach to development.

This sequence maximises use of land within and on the edge of Cambridge compatible with protecting the Green Belt setting of the historic city and then in new settlements linked to Cambridge by sustainable transport corridors and finally a limited amount of development in the larger and more sustainable villages.

Together the plans provide for 33,500 new homes and 44,000 additional jobs.

EAST CAMBRIDGESHIRE

The East Cambridgeshire Local Plan (adopted 2015) seeks to provide 11,500 homes and 9,200 jobs during the plan period 2011- 2031.

Through sustainable growth it seeks to take advantage of the economic vitality of the Cambridge sub-region, whilst retaining its distinct identity as a predominantly rural area. Growth is focussed at its three market towns of Ely, Soham and Littleport.

The plan aims to respond to local needs as much as possible, including firm support for 'community led development', especially in the form of Community Land Trust schemes.

Other notable policies include its support for the horse racing industry, with East Cambridgeshire being home to the famous Newmarket July Racecourse, as well as policies protecting what's special about the area, such as the many national and international biodiversity sites. A Review of the plan is well underway, broadly following the principles of the current plan, with adoption due later in 2018.

1 Plans that are adopted or have been submitted for examination.

FENLAND

The Fenland Local Plan (adopted May 2014) is pro-growth and seeks to provide 11,000 homes and 7,200 jobs during the plan period to 2031.

Through sustainable growth it seeks to tackle and address current health inequalities, community deprivation, lack of affordable housing, infrastructure deficit and low skills and educational attainment.

The focus of development is on the four market towns with March (4,200) and Wisbech (3,550) being the major contributors.

Except for very large allocations in the form of urban extensions on the edge of market towns, the plan uses a criteria-based approach to assess new proposals in all settlements.

In moving away from traditional planning which allocates most sites it seeks to encourage development in a more flexible, case by case way to provide growth.

HUNTINGDONSHIRE

The Huntingdonshire Local Plan 2036 will deliver at least 20,100 homes and approximately 14,400 additional jobs between 2011 and 2036.

Huntingdonshire is part of the thriving Cambridge Sub-Region and the distribution of growth will be primarily to four spatial planning areas around the towns of Huntingdon, St. Neots, St. Ives and Ramsey.

The strategy also supports a thriving rural economy, providing opportunities for communities to achieve local development aspirations while protecting the character of existing settlements and intrinsic beauty of the open countryside.

The development strategy has been shaped by the fundamental principles of sustainability, aiming to achieve a balance between social, economic and environmental priorities.

Following the designation of the Strategic Expansion Location of Alconbury Weald which included a designated enterprise zone and up to 5,000 houses and associated infrastructure, two further expansion locations are proposed offering further opportunities to deliver new sustainable communities and inward investment in Huntingdonshire.

It is anticipated that the Huntingdonshire Local Plan 2036: Proposed Submission 2017 will be adopted in Autumn 2019.

PETERBOROUGH

The Peterborough Development Plan is comprised of a number of Local Plans adopted from 2011 onwards. Collectively, they seek a 'bigger and better Peterborough', with around 25,000 homes (2009-2026) and over 200 hectares of employment land provided for.

The spatial strategy heavily focusses growth in and around Peterborough itself, with a limited amount of growth identified for the small scale villages which surround the city.

Over the years, a key challenge has been protecting and enhancing the city's fine historic core (including its cathedral), whilst embracing rapid growth arising since the day the city was nominated as a New Town.

A Review of the development plan is well underway, with adoption of a single Local Plan due in late 2018.

THE UK'S CAPITAL OF INNOVATION AND PRODUCTIVITY

The Combined Authority's aim is that economic output will double over the next 25 years. Underpinned by a strong economic and productivity plan GVA will increase from £22bn to over £40bn[1].

Cambridgeshire and Peterborough has a range of economic strengths, which provide a solid foundation for further growth. It has the highest productivity and employment rate of the UK mayoral combined authorities[2], while Cambridge has the highest skilled workforce of any UK city[3].

1 *Cambridgeshire and Peterborough Devolution Deal. March 2017.*

2 *ONS, Combined Authority Economic Indicators, March 2017.*

3 *Centre for Cities in Cities Outlook 2018, Table 10*

PRINCIPLES

The Combined Authority will support the local planning authorities in creating the right conditions for current jobs targets to be met. In doing so it will apply the following principles:

- Over the longer term, develop an overarching spatial planning response to the area's economic needs, with greater collaboration across the area to facilitate complementary and sustainable patterns of strategic employment locations.
- Ensure that investment in strategic infrastructure demonstrably supports economic growth, including for the most deprived communities within the area (see section 4, 'Inclusive Growth').
- Support development proposals for businesses in identified priority sectors in Local Plans and economic strategies, including building on the established innovative clusters of research and development, environmental goods and services, advanced manufacturing, and other knowledge-based industries.
- Support regeneration projects in priority areas, such as the most deprived parts of Cambridgeshire and Peterborough (as defined in section 4).
- Support the creation, expansion and enhancement of education establishments, including for further education and universities.
- Prioritise delivery of high quality housing, including affordable housing, to support jobs growth, reduce affordability pressures and tackle affordable housing need.
- Protect and enhance the quality of the natural and built environment to ensure the area remains attractive for its quality of life, and therefore as a location for business - applying a natural capital and ecosystem services approach.

STRATEGIC EMPLOYMENT LOCATIONS

Most of the strategic development locations identified in Local Plans provide for employment as part of a mix of uses. Of these, a number are designated as Enterprise Zones.

It is envisaged that the zone at Alconbury Weald will accommodate around 8,000 new jobs by 2036, with an emphasis on technology and innovation, advanced manufacturing and engineering, incubator space for start-up businesses and grow-on space for small and medium-sized businesses.

Alconbury's location between Cambridge and Peterborough will help to enhance the economic linkages between the complementary business clusters in and around the two cities.

The Cambridge Compass Enterprise Zone comprises a number of existing, new and expanding employment locations: Lancaster Way, Ely; Cambourne Business Park; Cambridge Research Park, Waterbeach; the new town of Northstowe; and Haverhill Research Park in Suffolk.

The Combined Authority supports the successful delivery of strategic employment locations, including the designated Enterprise Zones. The additional jobs provided at these and other locations will make an important contribution to the overall target in Local Plans and the Combined Authority's economic growth ambitions. The Authority will, therefore, use its investment decisions, influence and practical support to help achieve these outcomes.

Strategic Spatial Objective 1:

The Combined Authority will work with the local planning authorities and new Business Board to ensure the effective delivery of the strategic employment locations identified in Local Plans and economic strategies, including the designated Alconbury and Cambridge Compass Enterprise Zones.

MARKET TOWNS

The Market Towns Masterplan for Growth initiative, piloted in St Neots in 2017, is an integrated investment and regeneration programme for education and skills, commercial and industrial development and supporting infrastructure. Its aim is to stimulate economic growth and create employment opportunities in market towns. The initiative will be rolled out to other market towns in the area beginning in 2018.

Strategic Spatial Objective 2:

Beginning in 2018 the Combined Authority will roll out the Market Towns Masterplan for Growth initiative to other market towns with the support of local authorities. These will complement proposals set out in Local Plans.

HEALTHY, THRIVING AND PROSPEROUS COMMUNITIES

Cambridgeshire and Peterborough can only continue to succeed if our existing, growing and new communities are places that people really want to call home.

A significant percentage of Cambridgeshire and Peterborough's growth is projected to consist of in-migration, a sign of the area's economic strengths and attractiveness to those seeking work[1].

As a result, adopted, submitted, or about tobe submitted Local Plans include allocations and allowances for over 100,000 new homes to 2036.

Cambridge and Peterborough are both in the top ten cities nationally for housing growth[2]. However, latest figures indicate planning permissions for 28,507 new homes in Cambridgeshire but only 3,236 (11%) under construction[3]; while for Peterborough there were over 8,188 permitted new homes where construction had not started[4].

1 *For example, around 84% of population growth in adopted and emerging plans in Cambridgeshire is derived from economic migration rather than natural change through births and deaths (Cambridgeshire and Peterborough Memorandum of Cooperation, 2013).*

2 *Centre for Cities in Cities Outlook 2018, Table 14.*

3 *Research and Monitoring figures, Business Intelligence, Cambridgeshire County Council.*

4 *Annual Monitoring Report 2017, Peterborough City Council.*

A major challenge remains, therefore, how to ensure timely construction of these outstanding permissions and meet the overall local plan targets within the expected timescales. The reasons for this degree of challenge are varied and complex, and are not unique to Cambridgeshire and Peterborough.

The structure of the housebuilding industry, its delivery models and degree of competition are national issues that have been raised by government in planning reforms proposed under the White Paper, Fixing our Broken Housing Market.

However, through its Devolution Deal with government the Combined Authority has the opportunity to look at ways to accelerate housing delivery, whether it is through forward-funding of infrastructure, supporting skills in the construction sector or facilitating more effective ways of working between the local planning authorities and other partners.

In tandem with this, the Combined Authority will work with partners to ensure that important policy objectives are met. With regard to housing this includes building more affordable homes as a key element of achieving growth that is economically and socially inclusive.

Working with the local planning authorities the Combined Authority has identified a number of areas where intervention and support will help enable more effective housing delivery and achievement of policy objectives.

STRATEGIC SITES

The current development strategy in adopted and emerging Local Plans includes proposals for expansion of the area's cities and towns, as well as an unprecedented number of new settlements.

These strategic sites[1] will provide over 74,000 new homes[2], making a significant contribution to the overall housing target. As such, their successful implementation is critical to meeting the area's growth needs.

Figure 4 below sets out, in broad terms, the strategic sites. However, it should be noted that the figures in the table are, to the best of the Combined Authority's knowledge, accurate and up to date, though if any discrepancy does arise, the figures below do not in any way override policy set out in Local Plans for the area.

In addition to these allocated sites, the Devolution Deal with government refers to a potential new settlement in Fenland based on garden town principles; and a new Community Land Trust Scheme at Kennett in East Cambridgeshire.

The Combined Authority will consider, where necessary, how best it can support the delivery of these and other development sites, including addressing systemic or infrastructure challenges and using investment, influencing opportunities and other practical support as necessary.

1 For the purposes of this framework, sites or groups of sites in close proximity which will provide 1,000 or more homes included in adopted plans or draft plans which have been submitted for examination.

2 This is the total indicative figure including, in some cases, anticipated housing completions before and after the end of the current local plan period.

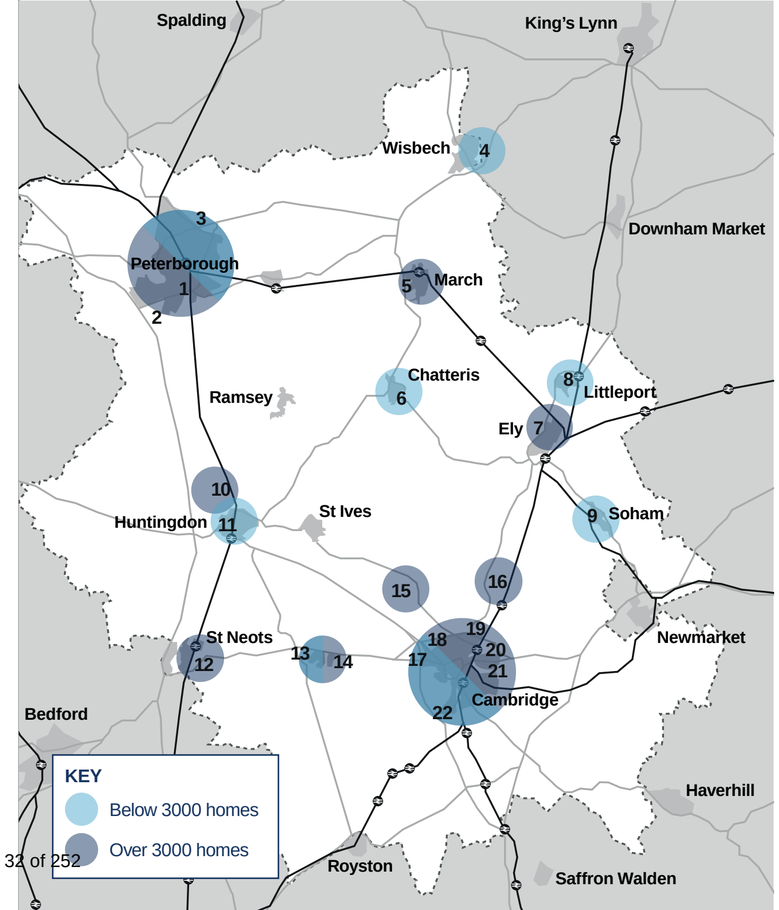


FIGURE 4: STRATEGIC DEVELOPMENT SITES IN EXISTING LOCAL PLANS

Site	Indicative number of homes	Timescale
1) Hampton urban extension	3,632	By 2036
2) Great Haddon urban extension	5,300	By 2036
3) Norwood	2,300	By 2036
4) Wisbech	2,300 (550 in King's Lynn & West Norfolk)	By 2031
5) March	3,100	By 2031
6) Chatteris	1,400	By 2031
7) Ely (north)	3,000	By 2031
8) Littleport	1,850	By 2036
9) Soham	2,100	By 2036
10) Alconbury Weald	5,000	By 2036
11) Ermine Street (south), Huntingdon	1,050	By 2036
12) St Neots East (Wintringham Park and Loves Farm 2)	WP: 2,800 LF2: 1,020	By 2036
13) Cambourne West	1,655 / 935	By 2031 Post 2031
14) Bourn Airfield New Village	1,360 / 2,140	By 2031 Post 2031
15) Northstowe	3,203 / 6,784	By 2031 Post 2031
16) Waterbeach New Town	2,300 / 6,700	By 2031 Post 2031
17) Cambridge North-West (University site)	2,927	By 2031
18) NIAB (Darwin Green)	2,377 / 250	By 2031 Post 2031
19) Cambridge Northern Fringe East (APP)	Potential for 7,600	Unknown
20) Cambridge East (north of Newmarket Road)	1,300	By 2031
21) Cambridge East (north of Cherry Hinton)	1,257	By 2031
22) Cambridge Southern Fringe		
Trumpington Meadows Glebe Farm, Clay Farm & Bell School	637 996	By 2031 By 2031

LAND COMMISSION

A Land Commission has been established to bring forward land that will contribute to meeting the area's growth needs. One of its key aims will be to identify specific challenges that are holding back the supply of private and public land for key strategic development sites in local plans.

The Commission will work with partners to bring forward solutions to overcome these barriers, including for sites where complex multiple ownership issues exist and land assembly solutions are needed.

With regard to the potential development locations outlined in the Devolution Deal, the Combined Authority will work with partners on feasibility[1], assessing infrastructure needs and deliverability.

However, it will be for the local planning authorities to assess these and other sites that might come forward through the relevant statutory planning processes.

Strategic Spatial Objective 3:

The Combined Authority will work with the local planning authorities, developers, Homes England and other agencies to ensure the effective delivery of the strategic housing sites identified in Local Plans.

This will include through its investment decisions, affordable housing investment, the work of the Land Commission and other practical support where the Combined Authority can assist local authorities or facilitate other external inputs.

UTILITIES

Provision of gas, electricity, digital connectivity and communications, water supply, as well as managing waste water, is fundamental to the functioning of new buildings and places.

Legislation governs the provision of these essential utilities, while regulators oversee business planning and practices in the interests of consumers.

CHALLENGES

Despite national policy and the mutual interests involved in creating an effective environment for utilities planning and provision, significant challenges persist in achieving the desired outcomes.

These include:

- A lack of co-ordination in spatial and business planning cycles.
- Different time periods covered by the respective plans of local authorities and utilities providers.
- The fact that different utilities are governed by specific legislative provisions and regulation, with a lack of effective engagement between organisations.
- In certain areas market failure prevents services being available in a timely manner to meet business and consumer needs.

1 For example, £6.5m funding has been provided for feasibility work on the Wisbech Garden Town project.

These challenges have led to delays in some development coming forward at strategic development locations, or uncertainty about the timing of the necessary investment in infrastructure.

These include the need for grid reinforcement to provide more capacity to the Cambridge southern cluster, which covers a number of development sites, including expansion of the Cambridge Biomedical Campus.

In that case the necessary infrastructure upgrades should have been understood and implemented much earlier in the development process.

Another example involves the need for a new water recycling facility to serve the new town at Waterbeach.

While scoping work has been undertaken and the need for infrastructure identified, the timing of investment is uncertain.

MORE EFFECTIVE

Against this background, the Combined Authority's aim, working with partners, is to establish more effective engagement and communication with the relevant utilities providers to identify, understand and act upon relevant planning and growth issues.

This includes:

- Building a greater understanding between organisations of aims, objectives, funding and regulatory requirements.
- Building a shared evidence base to better understand the scale, volume and nature of the infrastructure needed to support current and future growth strategies.
- Ensuring that the strategic spatial planning and delivery of utilities infrastructure is aligned and co-ordinated as far as possible with the utilities providers' business investment and infrastructure plans.

To address these issues the Combined Authority intends to develop a Memorandum of Understanding between the Combined Authority, the constituent local planning authorities and the key utilities providers.

The MoU will define more effective ways of partnership working between organisations, setting out a commitment to share knowledge and information and engage proactively in the infrastructure planning work undertaken by both local planning authorities and the utilities providers, to ensure the more timely delivery of the infrastructure required to support the development strategy.

Strategic Spatial Objective 4:

Working with the local authorities and energy, water and digital utilities providers, the Combined Authority will develop a Memorandum of Understanding that will set out new, agreed ways of working to achieve more timely and effective delivery of utilities infrastructure.

VIABILITY

The Combined Authority recognises that pursuing sustainable development requires careful attention to viability. Infrastructure planning and the delivery of mixed tenure housing is central to the plan-making process and creation of successful new communities.

The primary model to deliver affordable housing is through S106 agreements attached to planning permissions. More frequently authorities in the Combined Authority area are seeing viability assessments used to justify the reduction from the Local Authority policy position in the quantum of affordable housing and it is evident that while there are principles in common, the approach to viability can vary across the area.

This presents a real challenge to ensure the delivery of genuinely affordable housing, including affordable rented properties, in our region. In order to tackle the common challenge of delivering both infrastructure and affordable housing, and to ensure a consistent approach across the Combined Authority Area, it is proposed that a single viability approach is developed.

This will also give developers certainty of what is expected and can therefore be reflected in the consideration of land allocations and negotiations with willing landowners.

Strategic Spatial Objective 5:

Through the development of this Strategic Spatial Framework the Combined Authority will support Local Planning Authorities in their viability discussions with developers to ensure a consistent and fair approach is adopted.

AFFORDABLE HOUSING

The Government has provided £170 million additional funding for at least 2,500 new affordable homes, in recognition of the high levels of growth and exceptional housing market conditions across the area.

A programme for delivering this new housing is in development and will be reflected in the Combined Authority's first Housing Strategy.

The Authority will work closely with partners including planning authorities, housing authorities, developers and Community Land Trusts to ensure an integrated and effective approach to providing these new homes.

HEALTH AND CARE

The Combined Authority recognises the need for a more co-ordinated and proactive approach to providing health and care services.

The levels of planned growth to 2036 provide the opportunity to engage more effectively on public health issues and ensure that the necessary services and facilities are provided for new and growing communities.

Strategic Spatial Objective 6:

The Combined Authority will work with the local authorities, housing partners, and health and care organisations, and other partners to ensure the effective delivery of health-related infrastructure and services where the need for this arises from planned growth.

ACCESS TO A GOOD JOB WITHIN EASY REACH OF HOME

Better connecting the whole of Cambridgeshire and Peterborough has the potential to reduce congestion and journey times, provide greater travel choice, as well as providing access to new or expanding growth locations.

CURRENT CHALLENGES

Travel demand is expected to grow by 28% in Cambridge and 30% in Peterborough to 2031[1]. Further growth will, therefore, need to be accompanied by investment in necessary infrastructure improvements.

Some of our main transport corridors are:

- The A14, which is strategically significant in connecting the east coast ports to the midlands and beyond, as well as for the delivery of strategic developments at Northstowe and Alconbury Weald. Major improvements to address capacity constraints are underway with completion expected in 2020.
- The A428, which has seen a 43% increase in traffic since 2001. The stretch between the A1 and A1198 is the only section of the strategic east-west route between Cambridge and Milton Keynes that is single carriageway. Highways England have consulted on dual carriageway options; if consented the scheme is expected to commence in 2020 and provide additional road capacity, reduce congestion and delays and facilitate more reliable journey times.
- The A47 is the most important east-west route in the north of the area, carrying up to 42,000 vehicles a day around Peterborough and 22,000 vehicles a day on the single carriageway stretch around Wisbech. Significant levels of growth on the route at Wisbech and King's Lynn require improvements to this strategic route.
- The A10 is a strategic north-south route with significant capacity constraints. It serves Cambridge, the proposed new town at Waterbeach and significant growth north of Ely and at King's Lynn.

There has been strong growth in rail travel in recent years. Consequently, enhanced frequency of trains and greater track and carrying capacity is needed, including enhanced frequency between Cambridge and Peterborough and London, increased track capacity at Ely and in the Cambridge area, and improved frequencies on cross-country routes.

Road and rail challenges facing our area are also compounded by issues around public transport infrastructure, with many communities suffering from poor accessibility to public transport. A strategic approach needs to be taken to address this across the Combined Authority area.

The lack of high speed fibre-optic broadband access has been a constraint in recent years on economic growth, particularly in rural areas.

1 Modelled forecasts informed by growth and Department for Transport TEMPRO data.

ADDRESSING THE CHALLENGES

In early recognition of these challenges, the Combined Authority has commissioned a number of possible strategic transport projects which it believes have the potential to deliver significant benefit to the area.

These typically cover a large geography and have been identified as:

- A10 upgrade
- Strategic rail study
- M11 extension
- A47 dualling
- A505 corridor study
- Oxford to Cambridge Expressway
- East-West rail
- Huntingdonshire third river crossing
- Wisbech Rail Connectivity and Wisbech Garden Town
- Ely North rail junction improvements
- Mass Rapid Transit

The outputs of these studies will be considered as part of the Authority's on-going work to address strategic transport and infrastructure solutions. In tandem with this the Authority has developed a programme of transport studies and projects.

The intention is that this approach will develop into a long-term investment programme that will enable improved connectivity and as a key enabler for job creation, economic and housing growth.

In September 2017 the Combined Authority adopted the first version of the Cambridgeshire and Peterborough Local Transport Plan (LTP).

A more comprehensive, longer-term LTP will be produced during 2018 and 2019, alongside the development of the spatial framework.

At the core of this relationship will be the need for the LTP to guide the investment in transport infrastructure that is needed to meet the area's growth ambitions.

Strategic Spatial Objective 7:

The Combined Authority will develop and maintain a long-term investment programme of infrastructure projects, including projects it seeks national support to deliver.

It will work with the highway authorities and national agencies to ensure timely and effective interventions to deliver strategic transport solutions.

This includes investment in strategic infrastructure; facilitating grant bids; feasibility studies and business case development; and working with government for timely delivery of committed infrastructure projects.

GOVERNMENT INVESTMENT

The Government has announced investment in strategic transport infrastructure to support its ambitions for the Cambridge, Milton Keynes and Oxford corridor. In its vision for the corridor[1] the Government:

- Commits to developing an Expressway of high-quality east-west roads between Oxford and Cambridge, key elements of which will be built in the second Roads Investment Strategy period, from 2020 to 2025.
- Will establish an independent East West Rail Company, which will seek opportunities to accelerate delivery of the central section of East West rail between Bedford and Cambridge, with the aim for passenger services to begin by the mid-2020s.
- Announces match-funding of up to £5 million of contributions for the development of plans for a Cambridge South station, with possible construction from the early 2020s.
- Is commissioning Network Rail to report by summer 2018 on rail growth in Cambridgeshire up to 2043.

This investment is welcomed by the Combined Authority and it will work proactively with government, local authorities, business and other partners in the corridor to ensure these infrastructure projects and related growth are delivered.

1 Helping the Cambridge, Milton Keynes and Oxford corridor reach its potential. HM Government, November 2017.

LAND VALUE CAPTURE

The Mayor of Cambridgeshire and Peterborough is clear that addressing disparities in wealth and opportunities will only be achieved through bold and imaginative thinking.

This includes innovative approaches to funding in support of the infrastructure that existing and new communities need. Land Value Capture is a mechanism that has the potential, if designed in the right way, to unlock major infrastructure schemes of significant public benefit that otherwise would have had a prohibitive cost.

There are a wide range of options and tools under the banner of Land Value Capture and these will be carefully explored by the Combined Authority to understand the most appropriate application for our area.

Strategic Spatial Objective 8:

Through the development of this Strategic Spatial Framework, the Combined Authority will explore and put forward proposals for Land Value Capture mechanisms to unlock otherwise unachievable development with the aim of spreading wealth and opportunity more widely.

DIGITAL CONNECTIVITY

Connecting Cambridgeshire is an ambitious programme which is improving Cambridgeshire and Peterborough's broadband, mobile and Wi-Fi coverage, whilst supporting online skills, business growth and technological innovation to meet future digital challenges.

This is a coordinated approach to drive economic growth, help rural communities to thrive, improve health and well-being, and make it easier for people to get online and access public services.

The Connecting Cambridgeshire partnership is led by Cambridgeshire County Council, working with local councils in Cambridgeshire and Peterborough, BT, the Government's Broadband Delivery programme (BDUK) and partners in business, health and education to achieve its aim of becoming the best connected area in the country.

The programme has successfully completed the first phase of the superfast fibre broadband rollout and announced follow-on phases to reach as many homes and businesses as possible across Cambridgeshire and Peterborough by 2020.

The Combined Authority will support this important initiative as a major element of its aim of enhanced digital connectivity.

ENVIRONMENTALLY SUSTAINABLE

There is now strong evidence for the benefits that the natural environment creates for people and places. It provides many key services for sustainable growth, including water quality, improved air quality, flood management, pollination, climate change mitigation and adaptation.

The physical characteristics of Cambridgeshire and Peterborough make the area vulnerable to climate change impacts. Water resources are particularly scarce with rainfall only around a third of the UK average. If, as predicted, summers become progressively warmer and drier, the large agricultural sector in the area may see an overall decrease in crop yields[1].

Rivers and groundwater resources in much of the area are heavily utilised for public water supply, agriculture and other industry. Many of the rivers are over-licensed and this causes pressure on the natural environment.

This highlights the importance of ensuring future water supplies to business and domestic users are considered in advance of further planned growth.

The Environment Agency estimates that 34.5% of the area is at high risk of flooding in the absence of flood defences. Increased incidences of heavy rainfall will make flood risk more likely, while rising sea levels may also contribute to flood risk, particularly affecting low-lying parts to the north of Cambridgeshire and eastern Peterborough[1].

Although much of the area is below sea level, significant flood and drainage infrastructure that has evolved since the 1600s has enabled the area to grow and prosper. The Combined Authority will need to work with all organisations involved in flood risk management to identify the need and ensure the delivery of strategic flood and drainage infrastructure in the future.

Heat in the built environment is also a priority risk for action identified in the UK Climate Change Risk Assessment, with hotter summers predicted to lead to an increase in heat related deaths[1].

New development should be designed in a way that minimises the impact of our changing climate through the integration of green and blue infrastructure and through ensuring that the risk of overheating is designed out of our buildings in ways that do not increase reliance on energy and carbon intensive means of cooling.

Strategic Spatial Objective 9:

Through the development of this Strategic Spatial Framework, the Combined Authority will work with the Environment Agency, water companies, local planning authorities and other delivery agencies to assess the need for and delivery of infrastructure to address future environmental sustainability. Including responding to our changing climate, both in terms of mitigation and adaptation.

1 Climate Change & Environment Strategy. Cambridgeshire County Council, 2008; Climate Change Strategy. Peterborough City Council, 2007. Climate Change Strategy 2016-2021. Cambridge City Council, 2016.

1 For further information see www.gov.uk/government/organisations/environment-agency and search for flood risk maps.

1 Committee on Climate Change (2016). UK Climate Change Risk Assessment 2017. Synthesis Report: Priorities for the next five years.

There are significant parts of the area with poor access to high quality greenspace where people can exercise and enjoy the environment thereby improving physical and mental health, which in turn will reduce health expenditure and improve personal well-being and labour productivity.

Existing wildlife sites are also under considerable pressure as a result of greater use by the public for recreational purposes and by development. With additional population growth and people's needs to visit and enjoy the natural environment, these impacts are expected to worsen.

Investment in strategic green infrastructure[1] can address these issues, whilst helping to establish the county as a high quality environment in which to live and work.

The Greater Cambridgeshire Local Nature Partnership (LNP) is an important organisation for the Combined Authority to work with to address these issues.

It brings together the local authorities with a range of partner organisations which are key to the stewardship and enhancement of the natural environment.

The LNP's vision is to work to achieve a high quality natural environment in Cambridgeshire and Peterborough that will benefit business, communities and individuals.

A high level review of the current green infrastructure strategies is being led by the LNP. It is also promoting the concept of net gain in natural capital and biodiversity, which offers a means for ensuring that all development contributes towards an enhanced natural environment that meets future strategic needs, and provides multiple benefits for our economy and local people.

Strategic Spatial Objective 10:

The Combined Authority will work with One Defra, the Local Nature Partnership, and local planning authorities to ensure that the updated green infrastructure strategies for the area and natural capital and biodiversity principles are reflected appropriately in the development of the Strategic Spatial Framework. This will include a particular focus on strategically important sites and sites with valued public access opportunities.

1 Green infrastructure is the sub-regional network of protected sites, nature reserves, green spaces and greenway linkages, providing multi-functional uses such as wildlife habitat, recreation, and flood protection.

SECTION 4
INCLUSIVE GROWTH

Doing more to ensure that all our communities are healthy, thriving and prosperous places is at the heart of the Combined Authority's ambitions.

The Combined Authority will, therefore, promote policies and approaches that positively support inclusion and fairness of opportunity.

'Inclusive Growth' seeks to address assumptions that the benefits of growth will 'trickle down' to the most deprived communities. The alternative is to take a more proactive approach to identifying opportunities through growth that will benefit lower income households.

This requires a holistic approach that ranges across access to labour markets, social mobility, learning and skills, health and wellbeing, and provision of infrastructure and services.

Addressing these issues often requires long-term solutions that cannot be addressed by spatial planning alone. However, identifying those areas that are in greatest need of intervention and support enables a place-based focus to the issues, including how growth can be used as an effective tool to address some aspects of deprivation and inequality of opportunity.

Current model
Grow now, redistribute later

Our current model assumes a 'grow now, redistribute later' approach to tackling inequalities.

This has created a divided society, with many people feeling left behind from our economy.

This compounds the UK's poor productivity problem, holding down real wages and living standards.

A new model is needed

New model
Inclusive growth

Where investment in social infrastucture is an integral driver of growth.

Where as many people as possible can contribute to and benefit from a new kind of growth.

We call this **Inclusive Growth.**

UNDERSTANDING DEPRIVATION IN CAMBRIDGESHIRE AND PETERBOROUGH

The factors that contribute to disadvantage for local communities are well-documented[1]; these include:

- A narrow and relatively low economic base dominated by declining or slow growth sectors.
- Low economic participation and lower than average incomes.
- An uncompetitive skills base with too few people with entry level qualifications (NVQ2) and too few with higher level qualifications (NVQ4).
- Underperforming market towns or local centres and a lack of quality employment space.
- Relatively poor transport infrastructure.
- High housing costs.

1 For example, as set out in the Fenland Neighbourhood Planning Vision. AECOM, October 2010.

Understanding and tackling deprivation relies upon an understanding of each and every place that makes up Cambridgeshire and Peterborough.

The characteristics of local communities which are significant in understanding deprivation are poverty thresholds, income and benefits levels, and the extent of multiple deprivation[1].

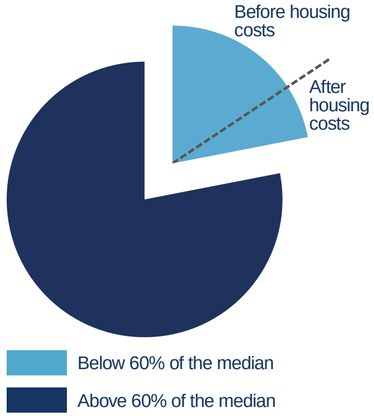
The spatial implications of different levels of household incomes across the area can be seen in the map below, with the darker green reflecting those on the lowest incomes.

Other characteristics can also highlight the nature of inclusivity or exclusion, for example the map to the right shows the differences in participation of young people in higher education across Cambridgeshire and Peterborough.

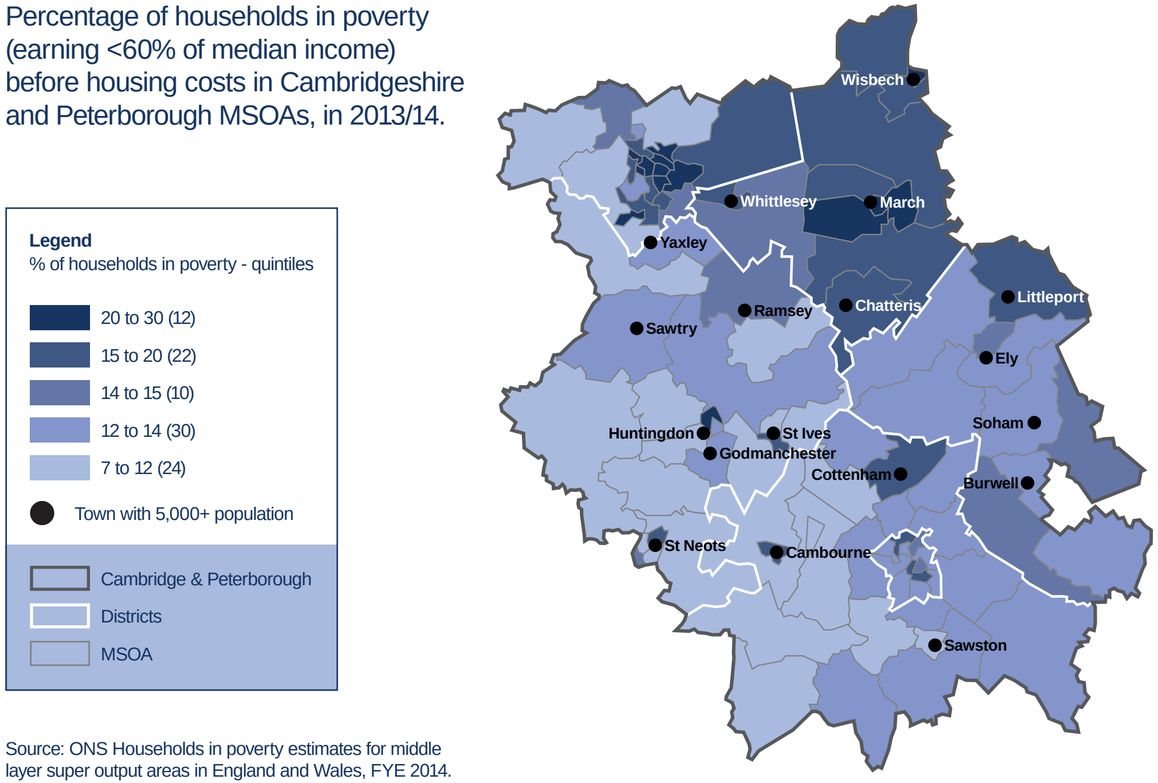
1 Indices of Multiple Deprivation or IMD 2015. The Indices are based on 37 separate indicators which are combined (using appropriate weighting) to form a general picture of the spread of multiple deprivation at a small area level.

HOUSING COSTS

Of particular resonance for certain parts of Cambridgeshire and Peterborough is the impact that housing costs places on the levels of deprivation that are experienced. Nationally this impact is significant, which is played out in particular around Cambridge.

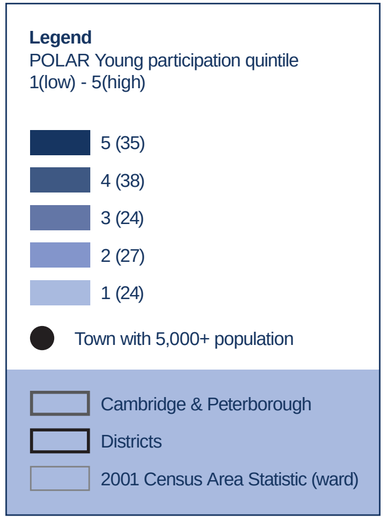


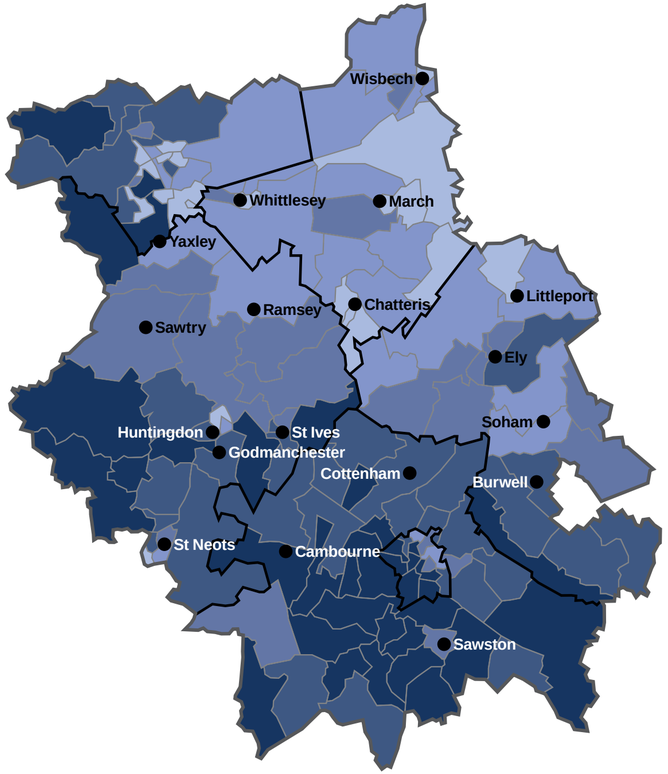
Percentage of households in poverty (earning <60% of median income) before housing costs in Cambridgeshire and Peterborough MSOAs, in 2013/14.



Source: ONS Households in poverty estimates for middle layer super output areas in England and Wales, FYE 2014.

Participation of Local Areas (POLAR) quintile rating for the participation by young people in higher education, Cambridgeshire & Peterborough in 2012.



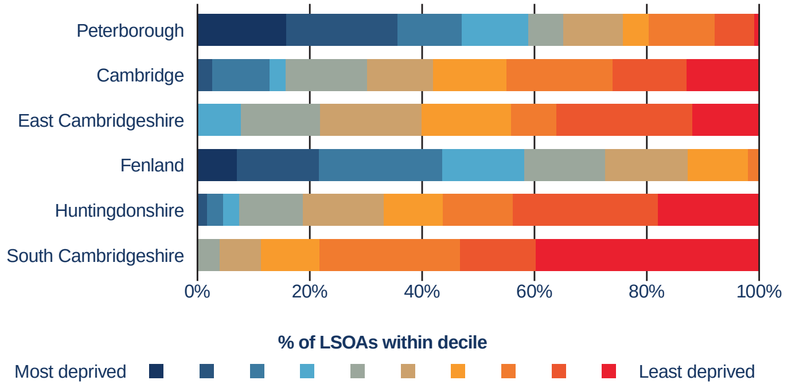


Source: Higher Education Funding Council for England: POLAR3 dataset 2012 (most recent)

MULTIPLE DEPRIVATION

The figure below visualises the district outcomes from the Indices of Multiple Deprivation (IMD) 2015. Fenland and Peterborough have a similar spread of deprived areas (coloured dark blue), followed by Cambridge and to a lesser extent, Huntingdonshire and East Cambridgeshire. South Cambridgeshire is the least deprived district.

DECILE FROM IMD 2015



A DNA chart depicting the percentage of LSOAs per district. This allows a comparison of the spread of multiple deprivation between districts.

Taking these measures collectively the main areas (by size of population[1]) of deprivation and disadvantage in Cambridgeshire and Peterborough are:

- Central and north-east areas of Peterborough.
- North and eastern areas of Cambridge.
- Northern Fenland (centred on Wisbech).
- The Oxmoor area of Huntingdon.

1 *Based on the top 15 most deprived MSOA, populations are: 79,496 in Peterborough, 35,999 in Cambridge, 24,350 in Fenland and 8,877 in the Oxmoor area of Huntingdon.*

ADDRESSING DEPRIVATION

For the purposes of this framework, it is important to understand where the Combined Authority's and its partners' actions can have a direct or indirect influence on addressing deprivation.

The most obvious issues in this regard relate to improvements in education, skills and training; provision of good quality, affordable housing; provision of employment space and opportunities through regeneration and growth; and connectivity through transport infrastructure, public transport services and high-speed broadband.

It is important to recognise the significance that 'soft infrastructure' also plays – the delivery of high quality schools at all age levels through to 16 to 19 year education, community infrastructure and facilities, and good public services also play a key role in tackling disadvantage and particularly in communities not sharing in overall property levels. That is why the following strategic spatial objectives (11 & 12) reference the need to make investments that tackle deprivation, whatever form of infrastructure that be, and in ensuring that 'community' and 'cohesion' are integral in the design and delivery of new communities, and maximise the benefit from wider CA infrastucture delivery.

Furthermore, the quality of local environments and particularly provision of greenspace can have positive benefits for physical and mental health and wellbeing. Initiatives set out elsewhere in this framework will address a number of these issues, for example investment in affordable housing across the area and the work of the Connecting Cambridgeshire broadband programme.

The Combined Authority will, however, ensure that its investment decisions are informed by the need to address inequalities and tackle deprivation.

It has signalled this intent through recent strategic investment decisions, including:

- Developing the funding and business case for bringing forward a new university for Peterborough.
- Providing £6.5m funding for further feasibility work on the Wisbech Garden Town project.
- Funding studies to look into the feasibility of reopening the Wisbech to March rail line.
- Undertaking a strategic bus review across Cambridgeshire and Peterborough.
- Establishing a £7.2m "Health and Care Sector Progression Academy" in areas of deprivation.

The work of the Independent Economic Commission during 2017 and 2018 will provide a focal point for how economic growth can support greater equality.

Also, the Market Towns Masterplan initiative, piloted in St Neots, provides the opportunity for place-based initiatives to address economic and social disadvantage.

The market towns initiative will be rolled out to other towns in the area beginning in 2018.

Strategic Spatial Objective 11:

With regard to the spatial priorities identified in this plan, the Combined Authority will take a positive view of, and prioritise, investment that tackles deprivation and which increases sustainable, inclusive growth in disadvantaged areas of Cambridgeshire and Peterborough.

QUALITY CHARTER FOR GROWTH

The Cambridgeshire Quality Charter for Growth, developed by Cambridgeshire local authorities and partners, sets out the key principles that should form the basis of all new development[1].

It has proved a valuable tool for improving the quality of development outcomes throughout Cambridgeshire when its input has been sought. The Quality Charter is founded on the concept of four 'Cs':

- **Community** - Places where people live out of choice and not necessity, creating healthy communities with a good quality of life.
- **Climate** - Places that anticipate climate change in ways that enhance the desirability of the development and minimise environmental impact.
- **Connectivity** - Places that are well-connected enable easy access for all to jobs and services using sustainable modes.
- **Character** - Places with distinctive neighbourhoods and where people create 'pride of place'.

1 The Charter can be found here: http://urbed.coop/projects/quality-charter-growth-cambridgeshire.

The Combined Authority fully endorses these core principles of good development, not least because they reflect its own vision and spatial priorities for growth.

The Authority wishes, therefore, to ensure that the Quality Charter principles are embedded in new development across the area; and that there is a more explicit recognition of the need for growth to be inclusive.

Accordingly, the Authority is committed to reviewing the Charter to extend across Cambridgeshire and Peterborough.

The revised Charter will include a fifth 'C', Cohesion, to demonstrate how the existing principles will encompass inclusive growth.

Strategic Spatial Objective 12:

The Combined Authority will undertake a review of the Cambridgeshire Quality Charter for Growth so that it covers the whole of Cambridgeshire and Peterborough and addresses more fully the principles of cohesion and inclusive growth. It will seek the support of the local planning authorities to adopt the charter as guidance to inform current development and as an integral part of future local plans.

The issues and measures set out in this section will be reviewed as part of the development of this framework. In particular, further consideration will be given to how spatial planning can best address deprivation as part of a comprehensive strategy for inclusive growth.

SECTION 5
WIDER SPATIAL CONTEXT AND WORKING WITH NEIGHBOURING AREAS

Cambridgeshire and Peterborough is bounded by county, district and unitary areas, each with its own unique characteristics. These include authorities in Lincolnshire, Norfolk, Suffolk, Essex, Hertfordshire, Bedfordshire and Northamptonshire.

More specifically, Peterborough has functional links with Lincolnshire and Rutland to the north, while a number of the market towns to the south and east, including Haverhill, Saffron Walden and Royston, have functional connections with Cambridge.

Strategic corridors are of particular importance in terms of connectivity and economic growth.

Many of these corridors are experiencing high growth and capacity constraints; but they also provide opportunities for establishing and growing economic connections between areas, including complementary approaches to growth sectors and clusters.

STRATEGIC CORRIDORS

Strategic corridors are of particular importance in terms of connectivity and economic growth. These include the A14, M11, A10, A11, A47 and A428; with other important connections provided by the A505 and A1307, and the West Anglia and East Coast rail lines.

Many of these corridors are experiencing high growth and capacity constraints; but they also provide opportunities for establishing and growing economic connections between areas, including complementary approaches to growth sectors and clusters.

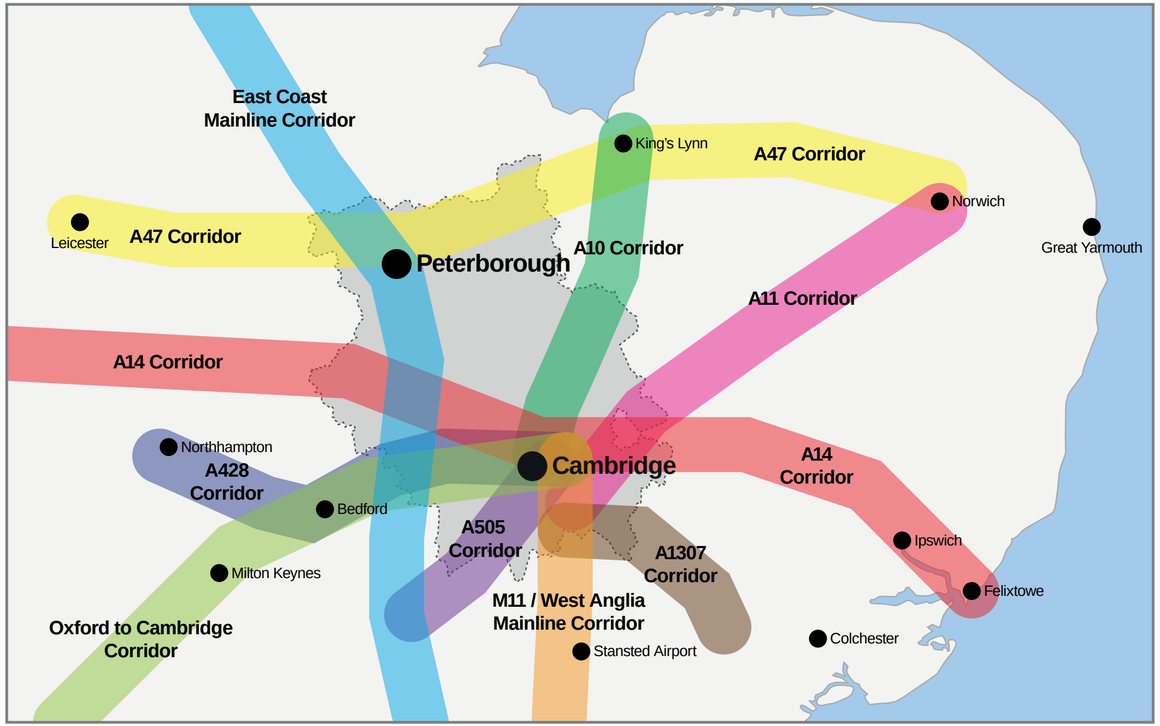
For example, the London Stansted Cambridge corridor is a strategic economic area with strong inter-connections through clusters of industries, supply chains and commuting patterns.

Industries range from high-tech digital and biomedical to logistical, resource recovery and food manufacturing. The area of over two million people is linked by the West Anglia rail line, the M11 and A10.

Other examples include the A11 corridor with opportunities for greater interaction between the agri-tech research at Norwich Research Park and the Cambridge biotech cluster.

Government support for the economic growth of the Cambridge, Milton Keynes and Oxford corridor through investment in strategic infrastructure and a collaborative approach provides significant opportunities for Cambridgeshire and Peterborough and its surrounding areas.

STRATEGIC CORRIDORS



HOUSING MARKET AREAS

The functional relationship between Cambridgeshire and Peterborough and its neighbouring areas is also recognised through Housing Market Areas (HMA).

Peterborough's HMA stretches north to encompass parts of Lincolnshire, whilst Cambridge's looks to the east and includes West Suffolk.

The Combined Authority, working with partners, will consider how these existing relationships can be developed, including better defining functional economic areas to inform the development of this framework.

KEY

- Combined Authority Area
- Peterborough & Cambridge Housing Market Areas
- Housing Market Areas

STRATEGIC PARTNERSHIPS

Strategic partnerships between local authorities and joint planning arrangements are being developed in neighbouring areas to Cambridgeshire and Peterborough in response to national objectives for additional homes, jobs and enhanced infrastructure.

The Norfolk local authorities have published a Strategic Planning Framework for the county. This includes recognition of the relationships with Cambridgeshire and Peterborough, particularly through strategic corridors.

As well as referring to the A11 corridor, the framework notes that the A47, directly or indirectly, affects all Norfolk's districts, parts of Suffolk, Cambridgeshire and Peterborough. The current limitations of the A47 act as a brake on economic growth, hindering investment, and adding to business and commuter costs.

Improvements to the road will unlock jobs, increase GVA and attract additional private investment along its full length. The Combined Authority will work actively with neighbouring authorities to achieve these objectives.

In 2013 the Suffolk authorities and partners published the Suffolk Growth Strategy, and this has been updated through the recent publication of the new Economic Strategy for Norfolk & Suffolk. These documents set out economic growth opportunities for the county and the need for supporting infrastructure.

The Suffolk authorities and partners are now considering their strategic approach to delivering these opportunities and securing the investment required to provide for their long-term growth and infrastructure needs."

To the south of Cambridgeshire, the North Essex authorities have prepared a joint strategic section of their Local Plans in order to plan comprehensively for the future of area.

This includes a commitment to meet the sub-region's housing, jobs and infrastructure requirements, including through the planning and delivery of three new Garden Communities at Colchester Braintree Borders, Tendring Colchester Borders and West of Braintree.

As part of its vision for the Cambridge, Milton Keynes and Oxford corridor the government has asked the local authorities in the corridor and the Combined Authority to propose how they will work together to ensure that planning for business and housing is coordinated with the delivery of strategic and local infrastructure.

These and other strategic initiatives provide an important opportunity for the Combined Authority and its constituent local authorities to work proactively with neighbouring areas.

Strategic Spatial Objective 13:

The Combined Authority will work with neighbouring authorities through their strategic partnerships and national initiatives to ensure a complementary, integrated approach to growth and to optimise investment opportunities to achieve mutually beneficial outcomes.

SECTION 6
NEXT STEPS: OPPORTUNITIES FOR DEVELOPING THE STRATEGIC SPATIAL FRAMEWORK TO 2050

A key aim for the Cambridgeshire and Peterborough Combined Authority is that economic output will double over the next 25 years, with an uplift in GVA from £22bn to over £40bn[1].

This is an ambitious target that will require a clear strategy, significant investment and an effective market response to ensure it is met. It will also require testing against the ability of the natural environment to accommodate this degree of growth. The Combined Authority has established an Independent Economic Commission, chaired by Dame Kate Barker, to advise on the baseline conditions and necessary measures to drive forward the achievement of this level of economic output.

Working through the Commission and with the new Business Board, government and other partners, during 2018 the Authority will develop a Local Industrial Strategy that will set out a comprehensive approach to how it would be possible to realise the agreed economic growth levels. This will be an important part of the evidence to inform the next version of this spatial framework, which will be developed during 2018.

1 Cambridgeshire and Peterborough Devolution Deal. March 2017.

Alongside this economic evidence, it is equally important to understand the demographic implications of future growth. Government proposals for a standard methodology for assessing housing need[1] are expected to be finalised and included in national guidance during 2018.

This, together with the necessary economic and environmental evidence, will be central to understanding the area's future growth needs and ambitions in terms of additional jobs, infrastructure and homes.

The Combined Authority is developing a range of other strategies which have a bearing on future growth outcomes. These include Housing and Investment strategies and a long-term Local Transport Plan.

It is particularly important that the spatial framework is developed alongside these plans and strategies to ensure a coherent and well-evidenced approach to future growth.

1 Planning for the right homes in the right places: consultation proposals. Department for Communities and Local Government, September 2017.

Working in partnership to secure sustainable growth outcomes will be critical to meeting the Combined Authority's ambitions. This includes through national initiatives such as the Cambridge, Milton Keynes and Oxford growth corridor and other strategic initiatives with neighbouring authorities.

This Phase 1 Cambridgeshire and Peterborough Strategic Spatial Framework provides a strong basis for delivering planned growth and moving to a longer-term development strategy for the area.

BUILDING BLOCKS

The Combined Authority wishes to engage with its key partners and stakeholders in developing the strategic spatial framework to provide a longer term development strategy to 2050.

Set out below are some of the key principles for the area's future growth that could provide the building blocks for a spatial vision to 2050. These have been developed based upon engagement with stakeholders on the opportunities for the development of the framework to 2050, and will be subject to further engagement and discussion in the next phase of work.

- **Embrace positively the need to build new homes, create jobs, and improve infrastructure – offering attractive homes, jobs and a high quality of life in a range of distinctive communities.** The benefits of meeting the Combined Authority's ambitious economic growth target over this period will be apparent across the whole area, with a particular focus on improvements for the most deprived communities.

- **Accommodate growth by providing new homes in sustainable locations, such as close to main centres of employment and potentially along key dedicated public transport routes.** This will result in the development and enhancement of balanced and mixed communities with new homes of different sizes, types and affordability, as well as provision for specific groups, including older people and people with disabilities. All development will reflect high quality architectural and urban design. The necessary infrastructure and community facilities and services will be provided as an integral element of new development.

- **Be acknowledged as a world-leader in innovation, new technologies, and knowledge-based business and research**, yet more diverse in its economy across the area, including the expansion of appropriate-scale manufacturing and low carbon technologies, within and close to the main urban areas and at existing and new Enterprise Zones.

- **Support the educational attainment and skills needed to realise the area's economic potential.** In particular, the established and new universities in Cambridge and Peterborough will have maintained and enhanced their reputations at national and international level as providers of high quality education and training.

- **Benefit from integrated transport networks, including being served by frequent high quality public transport.** There will be improved accessibility from homes to jobs and services by sustainable means, access to high quality routes for cycling and walking and good links to the countryside.

- **Work with neighbouring authorities, Government, and other partners to develop strategic connections between areas.** Through complementary economic and industrial strategies and approaches; and provision of new strategic infrastructure and improvements to existing strategic transport corridors.

- **Be an exemplar of low carbon living, efficient use of resources, sustainable development and green infrastructure.** Founded on Peterborough's eco-cluster and environment capital aspirations, Cambridge's clean-tech cluster, the development of planned urban extensions and new settlements, and the sustainable expansion of market towns and district centres with close links to village communities.

- **Be outstanding in the conservation and enhancement of its urban, rural and historic environment.** Including vibrant city centres, attractive market towns, spacious fen landscapes, river valleys and a high degree of biodiversity.

- **Be well prepared for the impact of environmental change and well adapted to its effects.** Through identifying the impact of growth and climate change on the area's natural capital, and so that investment in green and blue infrastructure, flood and water management, and water and energy efficiency seek to result in a net gain in natural capital.

CAMBRIDGESHIRE
& PETERBOROUGH
COMBINED AUTHORITY

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CAMBRIDGE
CITY COUNCIL

East
Cambridgeshire
District Council

Fenland
CAMBRIDGESHIRE
Fenland District Council

Huntingdonshire
DISTRICT COUNCIL

Cambridgeshire
County Council

South
Cambridgeshire
District Council

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	AGENDA ITEM No: 2.2
28 MARCH 2018	PUBLIC REPORT

TRANSPORT DELIVERY 2018/19

1.0 PURPOSE

1.1. Transport has a vital role to play in helping the region fulfil its economic potential. The Combined Authority has set out its ambitious transport plans for the area and is making progress across a range of projects, including many high profile strategic schemes such as the A10 Upgrade and the Cambridgeshire Autonomous Metro.

1.2. The Combined Authority area has seen significant infrastructure investment in recent years. This is set to continue with ongoing investment from the Combined Authority and from a number of other organisations.

1.3. In its role as the strategic transport authority for the area, the Combined Authority has a key role in ensuring that the development and delivery of these important transport schemes are co-ordinated so that the best possible outcomes are achieved for the people of Cambridgeshire and Peterborough.

1.4. The purpose of this paper is to:

a) Identify the key transport interventions that are being promoted, developed and delivered across the Combined Authority area
b) Provide an overview of the transport interventions currently being funded by the Combined Authority
c) Seek approval for the Combined Authority's ongoing pipeline of transport schemes for 2018/19 and beyond.
d) Agree to delegate responsibility and funding to our delivery partners.

1.5. The pipeline of schemes proposed within this paper builds upon the Priority Transport Schemes approved by the Board in October 2017.

DECISION REQUIRED	
Lead Member:	**James Palmer, Mayor**
Lead Officer:	**Keith McWilliams, Transport & Infrastructure Director**
Forward Plan Ref: KD2018/014 *(previously titled Transport Delivery 2019/20)*	**Key Decision: Yes**

The Combined Authority Board is recommended to:	**Voting arrangements**
a) Agree a total budget allocation of £18.305m, comprising £16.13m in 2018/19 and £2.18m in 2019/20 for the rolling programme of priority transport and infrastructure schemes	(a) Two thirds majority of the constituent councils to include Cambridgeshire County Council and Peterborough City Council
b) Note the £6.65m funding secured from the National Productivity Investment Funding for 2018/19 which is included within the total budget allocation	(b) For noting – no vote required
c) Agree the pipeline of projects set out in the multi-year transport programme.	(c) Simple majority of all voting members
d) Authorise the Chief Executive to delegate responsibility and budget for the production of feasibility studies, business case or designs for each of the projects within the multi-year transport programme to a delivery partner, provided that all such studies, business cases and designs are to be reported back to the Combined Authority Board for approval	(d) Simple majority of all voting members

2.0 BACKGROUND

Context

2.1. The Combined Authority has set out a bold vision for the Cambridgeshire and Peterborough area:

a) Doubling the size of the local economy

b) Accelerating house building rates to meet local and UK need
c) Delivering outstanding and much needed connectivity in terms of transport and digital links
d) Providing the UK's most technically skilled workforce
e) Transforming public service delivery to be much more seamless and responsive to local need
f) Growing international recognition for our knowledge based economy
g) Improving the quality of life by tackling areas of deprivation

2.2. Supporting the above objectives are a number of inter-related strategies covering skills, economic investment, spatial planning, housing and transport.

2.3. Transport is a key component, influencing and being influenced by the aforementioned strategies. It will play a critical role in meeting these objectives through:

a) Increasing network capacity (both road and rail)
b) Improving connectivity, particularly around access to employment and housing
c) Unlocking new developments
d) Improving journey time and/or journey time reliability
e) Providing greater mode choices such as walking and cycling, private car and public transport

2.4. The Combined Authority has identified a number of strategic projects which it believes will provide transformational benefits for the area. Equally, there are other organisations who are making vital transport and infrastructure contributions to the Combined Authority area. These include organisations ranging from Highways England, Network Rail and the East-West Rail organisation, to more local bodies such the highway authorities, district councils and the Greater Cambridge Partnership. Whilst the Combined Authority welcomes these contributions it is important that a strategic overview is retained to ensure that these interventions align with wider transport, housing and economic strategies. This paper provides a first step in trying to understand the quantum of these wider transport investments.

2.5. The Combined Authority also recognises that the development of a wider, multi-year pipeline of transport schemes can also contribute towards its objectives. The benefits of such a pipeline include:

- Providing a steady flow of transport improvements over the short, medium and long term including potential strategic projects of the future
- Providing greater opportunity to consider local issues and spread investment around the Combined Authority area
- Early investment in the development of schemes which places the Combined Authority in a strong position to bid for and secure additional funding as alternative sources become available. Similarly, it helps to position projects for potential future private sector investment
- Providing confidence to the market and enabling accelerated delivery by providing delivery partners with visibility of future work

2.6. Initially much of this work will, by necessity, be in exploring the feasibility of such schemes and developing business cases. These are essential steps in delivering these projects over the short, medium and longer term.

2.7. In October 2017 a methodology was set out for prioritising investment. This was based on the criteria set out below. The full scoring matrix is provided within Appendix B. This methodology has been retained for this approval period but it is anticipated that it will be reviewed and revised as the next Local Transport Plan develops.

Case	Criteria
Strategic	• Reduce congestion • Unlock housing and jobs
Economic	• Scale of impact • Value for money
Financial	• Other funding sources / contributors
Management	• Delivery certainty • Project risks • Stakeholder support

2.8. The following sections set out the wide range of key projects currently at various stages of development and delivery within the area, regardless of the organisations involved. These are also set out spatially within the map, which can be found at the following link (http://cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/county-projects-map.pdf).

Strategic Transport Projects

2.9. The Combined Authority has identified a number of strategic transport projects which it believes have the potential to deliver significant benefits to the area. These are typically large and complex projects that cover a large geography both in terms of project extents and the benefits generated. These projects have been identified as:

1. Mass, Rapid Transit
2. A10 Upgrade
3. M11 Extension
4. A47 Dualling
5. East-West Rail
6. Wisbech Garden Town
7. Oxford to Cambridge Expressway
8. A505 Corridor Study
9. Strategic Rail Study
10. Ely North Junction Improvements

2.10. Over the past year, the Combined Authority Board has approved funding to progress the Mass Rapid Transit (Cambridge Autonomous Metro), the A10 Upgrade, the M11 Extension, the A47 Dualling, Wisbech Garden Town and a Strategic Rail Study. All have made progress with the Mass Rapid Transit and

the A10 Upgrade now moving to their next phase of development. In the case of the Mass Rapid Transit, this next phase will also explore at high level the viability of extending the proposal to other areas of the Combined Authority.

2.11. Equally, there are other projects such as East-West Rail and the Oxford to Cambridgeshire Expressway which are being developed by the East-West Rail organisation and Highways England, respectively. In both cases the Combined Authority is a key stakeholder, ensuring the area's interests are represented.

2.12. The A14 Cambridge to Huntingdon Upgrade is one of the largest highway improvements currently underway within the UK and will clearly provide significant benefits to the local area and the wider region. This has been excluded from the above list simply because construction is already underway.

Other Combined Authority Transport Priorities

2.13. In October 2017 a paper was brought before the Board setting out a wider pipeline of transport schemes. This was to ensure that there is a steady flow transport interventions that are effectively planned and considered over current and future Mayoral cycles. This longer-term approach was considered vital to building confidence; developing and positioning projects for future public sector funding or private sector investment; and enabling accelerated delivery by providing delivery partners with visibility of future work. As a result, the Board approved funding of £4.53m with a further indicative investment of £52.28m to 2020/21.

2.14. This pipeline of schemes has since been refined and is set out in Appendix A. **For simplicity, the following table sets out those schemes which secured funding in October 2017 and those for which funding is being requested as part of this paper**. (Note that there are some minor variations to the figures shown for October 2017 due to a reduced funding requirement for the Cambridgeshire Rail Capacity Study).

Project	Work Proposed	Funding		Lead	Delivery Partner
		Oct 17	Mar 18		
Cambridgeshire Rail Capacity Study	Feasibility	0.05	0	CA	NwR
Cambridge South Station	Options appraisal / business case	1.75	0	CA	NwR
Soham Station	Options appraisal / business case	0.25	1.5	CA	NwR
Regeneration of Fenland Railway Stations - March, Manea and Whittlesea Station	Design	0.5	2	FDC	FDC

A505 Corridor Study	Feasibility	0.15	0.85	CA	CCC
A10 Foxton Level Crossing	Feasibility	0	2[$]	CCC	CCC
A14 Junctions Improvement feasibility Study	Feasibility	0.15	0	ECDC	ECDC
A142 Capacity Study	Feasibility	0.15	0	ECDC	ECDC
A47 Junction 18 improvements	Construction	0	3.85[#]	PCC	PCC
A605 Whittlesey Access Phase 2 – Stanground Access	Design / construction	0	2.8[#]	PCC	PCC
A605 Oundle Road Widening - Alwalton to Lynch Wood Business Park	Design / construction	0.025	0.695[$]	PCC	PCC
A1260 Nene Parkway Junction 15 improvements	Feasibility	0.1	0.15	PCC	PCC
Eastern Industries Access Phase 1 - Parnwell Way	Feasibility	0.15	0.1	PCC	PCC
A1260 Nene Parkway Improvements Jn 32 to 3 (Fletton Parkway)	Feasibility	0	0.15	PCC	PCC
A47 Junction 18 Pedestrian Footbridge	Feasibility	0	0.25	PCC	PCC
Wisbech Access Study Packages	Design	0.2	0.3	CA	CCC
March junction improvements package. Capital and Revenue	Feasibility	0.1	1	CCC	CCC
Huntingdon Strategic River Crossing	Feasibility	0.2	0.3	CA	CCC / HDC
A141 capacity enhancements around Huntingdon	Feasibility	0.25	1	CCC	CCC
St Neots River Great Ouse northern crossing / cycle bridge	Preliminary design	0	0.5	CCC	CCC
Coldhams Lane roundabout improvements	Prelim design	0.1	0.2	CCC	CCC
Smart City Network	Feasibility	0	0.1	PCC	PCC
Sustainable Travel Capital/Revenue	Feasibility	0.05	0.3[$]	PCC	PCC
Schemes and Studies	Feasibility	0.1	0.1	PCC	PCC

Queen Adelaide Road Study $	Feasibility	0	0.16	CCC	CCC
	TOTAL	**4.275**	**18.305**		

Includes £6.65m secured from National Productivity Investment Fund

$ Funding is a multi-year settlement and extends into 2019/20. For Sustainable Travel Capital/Revenue this is to ensure continuity of staff. For Queen Adelaide, the A605 Oundle Road Widening and A10 Foxton Level Crossing this is to enable a single phase of work to be procured.

2.15. In the table above the Combined Authority has identified partners to which it proposed to delegate responsibility for:

a) Leading projects – in terms of decision making (following Combined Authority approval of funding)
b) Delivering projects – to ensure project objectives are met and overseeing the performance of consultants/contractors

2.16. This delegation of responsibilities will be re-evaluated at the end of each project phase.

2.17. In order to ensure effective delivery arrangements, the Chief Executive should be authorised to undertake such arrangements. In most cases this responsibility will be undertaken by the Combined Authority's delivery partners, Cambridgeshire County Council and Peterborough City Council.

2.18. There are some projects which will be retained by the Combined Authority due to their strategic significance or political sensitivity, however it is envisaged that the delivery partners will continue to be involved in these schemes.

2.19. It is important to note that the above funding (both approved and requested) is subject to the Combined Authority's assurance framework. As a result, projects are required to demonstrate a positive business case before significant investment is committed. Detailed fee proposals will also be required from all service providers and delivery partners before significant funding is committed.

Local Enterprise Partnership Transport Priorities

2.20. The Greater Cambridge Greater Peterborough Local Enterprise Partnership (GCGP LEP) is currently undergoing a transition into a new organisation, the Business Board, with closer alignment with the Combined Authority. This brings new opportunities to prioritise transport investment and drive economic growth.

2.21. Since its inception the LEP has invested/committed £73.2m in a range of transport schemes through its Growth Fund. The projects outlined below are currently under development or delivery with LEP funding. In many cases these schemes have secured additional funding from a range of sources, including the Combined Authority and/or local authorities.

a) A14 Cambridge to Huntingdon Upgrade
b) Ely Southern Bypass
c) King's Dyke Level Crossing

d) Wisbech Access Strategy (Provisional)
e) Bourges Boulevard Phase 2
f) Ely Area Rail Capacity Enhancements
g) Whittlesea and Manea Railway Station Platform Lengthening Feasibility
h) Lancaster Way Enterprise Zone Access Improvements
i) A428 Cambourne to Cambridge Better Buses (Provisional)
j) M11 Junction 8 Upgrade (Provisional)
k) Soham Station (Provisional)

Other Local Authority Transport

2.22. Many of the larger schemes currently under development by Cambridgeshire County Council and Peterborough City Council are listed in the previous paragraph. However, there are a number of projects currently being delivered by Cambridgeshire County Council of which the Combined Authority is not a funding contributor:

a) Ely Southern Bypass
b) King's Dyke Level Crossing
c) St Ives Study
d) A142 / A10 Transport Study

2.23. The Greater Cambridge Partnership is also heavily involved in broad range of transport projects in the Greater Cambridge area. Major projects at various stages of development include:

a) A10 Royston to Cambridge Foot and Cycleway
b) Cambridge South East Transport Study (previously the A1307 study)
c) Cambourne to Cambridge
d) Chisholm Trail
e) City Access
f) Cross City Cycling
g) Greenways
h) Histon Road
i) Milton Road
j) Western Orbital
k) Rural Travel Hubs
l) M11 Park and Ride

2.24. A number of the above projects, most notably the Cambridge South East Transport Study, Cambourne to Cambridge, and recently completed work on the A10 Cambridge to Ely Study all include public transport corridors. The Combined Authority will wish to see these programmes developed and aligned with the Cambridgeshire Autonomous Metro business case.

Other Strategic Transport Bodies

2.25. Network Rail and Highways England are the strategic transport bodies for the strategic road and rail networks, respectively. Within the Cambridgeshire and Peterborough area, both organisations are promoting and/or developing some

significant projects. These are in addition to the strategic projects set out earlier in this paper.

2.26. There are also a number of additional major studies and projects underway, as outlined below, of which the Combined Authority is not a funding contributor. This list is not exclusive.

a) A1 East of England Study (Highways England)
b) A47 Wansford to Sutton Dualling (Highways England)
c) A47 Guyhirn Junction Improvements (Hiighways England)
d) A428 Caxton Gibbet to A421 Blackcat Roundabout Improvement (Highways England)
e) Huntingdon to Woodwalton Four Tracking (Network Rail)

2.27. Two projects which are not currently being promoted by Highways England but remain important to the area are outlined below. These are being actively lobbied for by the Combined Authority and other local authorities for inclusion in its future Road Investment Strategy.

a) M11 Smart Motorway
b) Girton Interchange

2.28. There are two rail projects which are being promoted by developers rather than Network Rail which are, again, supported by the Combined Authority. These are:

a) Alconbury Weald Station
b) Waterbeach Station (relocation)

2.29. In the case of the strategic rail network it is important that consideration is given not only to infrastructure but also franchising. Franchising requirements (including service levels) are set out by the Department for Transport. The Combined Authority provides a strong voice in seeking improved local services. This includes, amongst others, improved services between Peterborough, Whittlesea, March, Manea, Ely and Cambridge.

3.0 FINANCIAL IMPLICATIONS

3.1. This proposal requests approval for the committed investment of £18.15m as outlined below. An indication of future unsecured investment for the overall programme up to 2021/22 is also provided. This is currently estimated at £35.13m. Both the Committed Investment and Indicative Investment have already accounted for 3rd party contributions where these are known, see Appendix A.

	17/18	18/19	19/20	20/21	Total
Previously Approved Investment	£3.53m	£1.00m			£4.53m
Requested Additional Investment		£16.13m	£2.18m		£18.31m
Indicative Future Investment			£14.80m	£20.33m	£35.13m
				Total	£57.97m

3.2. The additional investment requested for 2018/19 and 2019/20 will be drawn down from three sources in the following order:

- The National Productivity Investment Fund of which £6.65m has been secured for 18/19 for A47 Junction 18 Improvements and A605 Whittlesey Access Phase 2 (Stanground Access)
- The £74m secured as part of the Transforming Cities Fund. Details of the funding profile have yet to be confirmed but initial discussions with the Department for Transport indicate that this will include a £5m and £17m settlement for 18/19 and 19/20, respectively
- The annual Combined Authority budget settlement of £20m (due to the limitations of the above funding sources)

3.3. It is anticipated that the indicative future investment of £35.13m will be secured from a variety of sources. These will include:

- Central Government funding, including the Transforming Cities Fund
- Contributions from local partners, such as the Highway Authorities, the GCGP LEP and the Greater Cambridge Partnership
- Private sector investment
- Combined Authority funding

3.4. Supporting bullet points 3 and 4 above is the ongoing development of a Combined Authority Investment Strategy. Options being considered include:

- **Borrowing against capital** – To borrow against devolved capital funds, thereby enabling a more flexible approach to investment and multiplying the total capital available
- **Recycling capital** – Recycling capital means recovering and reinvesting the benefits into other projects where possible, thereby maximising the ability to leverage private sector inward investment and socio-economic outputs
- **Investment by way of debt or equity** – The funding approach towards individual projects will draw upon a blend of public and private sources of capital to efficiently bring projects forward. Capital can be supplied in the form of debt (fixed term basis, typically secured against the asset) or equity (recoverable via an agreed coupon and/or profit share should predetermined criteria be met).

3.5. This innovative approach to funding will not entirely remove the need to draw upon the £20m allocation (or the Transforming Cities Fund) in the future as it may still be necessary to fund early development work. However, this will be explored as part of the Investment Strategy development.

3.6. Flexibility is requested with regard to reasonable redistribution of funding between projects and between the 2018/19 and 2019/20 financial years, subject to the overall total not being exceeded. This is to provide operational flexibility with any changes agreed between the Chief Executive and the Section 151 Officer.

4.0 LEGAL IMPLICATIONS

4.1. The Combined Authority assumed the role of the Local Transport Authority by virtue of Article 8 of the Cambridgeshire and Peterborough Combined Authority Order 2017. The Combined Authority must exercise the statutory functions of the local transport authority under Part II Local Transport Act 2000 and Parts 4 & 5 of the Transport Act 1985 so as to achieve effective and efficient transport within the area.

4.2. Part II of the Transport Act 2000 introduced new requirements for the preparation of local transport plans, replacing transport policies and programmes. Each local transport authority must (a) develop policies for the promotion and encouragement of safe, integrated, efficient and economic transport to, from and within its area; (b) carry out its functions so as to implement those policies.

4.3. The transport priorities identified in this report are evidence of the Combined Authority exercising its role as local transport authority. In some instances these priorities are already identified within the Local Transport Plan approved by this Authority last year, however as noted above, some projects have been introduced into the pipeline as the Combined Authority has been able to unlock additional funding to bring forward these important schemes. Where such projects are not already identified within the Local Transport Plan the Combined Authority may rely upon its general power of competence to fund these projects.

4.4. The general power of competence was granted to the Combined Authority by virtue of Article 11 of the Cambridgeshire and Peterborough Combined Authority Order 2017 and enables the Combined Authority to rely upon the powers under Chapter 1 Part 1 of the Localism Act 2011.

4.5. For the purposes of procurement each of these schemes is procured and contracted separately and in most cases the Combined Authority will rely upon its own constitutional contracting rules for the procurement and letting of these contracts. This ensures the appropriate openness and transparency in the procurement process. Where contracts are expected to meet the EU procurement values the Combined Authority will rely upon an appropriate framework to source suitable expertise.

4.6. As each of these schemes will be procured in accordance with rules which ensure propriety, openness and value for money, state aid rules are not engaged.

4.7. Where individual schemes do not exceed £500k in value, they would ordinarily not be subject to call-in by the scrutiny committee. Taken collectively, however, the decision to fund a pipeline of projects has significant value and has therefore been considered a key decision in order to ensure that this important decision to create a pipeline of projects is given the necessary public oversight.

5.0 SIGNIFICANT IMPLICATIONS

5.1. There are no other statutory matters to bring to the Board's attention.

6.0 APPENDICES

6.1. Appendix A – Shortlist of Schemes

6.2. Appendix B – Evaluation Criteria

Project Information							Cost / Funding						
Scheme	Location / District	Scope	Benefits	Current Status (Refers to stage completed or currently underway)	Next project stage	Owner	Total Scheme Cost (£m)	3rd Party Contributions (£m)	CA Commitment (£m)	CA Annual Spend Profile (£m) Term 1			
										17/18	18/19	19/20	20/21
Cambridgeshire Capacity Study	Strategic	Strategic rail study identifying network constraints	Underpins strategic rail growth directly supporting jobs and housing	Pre-feasibility	Feasibility	CA	0.3	0.25	0.05				
Cambridge South Station	Cambridge	Development costs of a new station next to the Biomedical Campus	Provides access to a major employment site which will support new homes and 16,000 existing, and 7,000 new jobs, with further growth planned.	Feasibility	Options appraisal / business case	CA	10	8.25	1.75				
Soham Station	East Cambs	Development costs of new station at Soham	Will support the delivery of 1,655 new homes and 15ha of employment land.	Options appraisal / business case	Options appraisal / business case	CA	12	7	5				
Regeneration of Fenland Railway Stations - March, Manea and Whittlesea Station	Fenland	A package of improvements to upgrade the Fenland railway stations	To ensure greater use of the railways in Fenland for local residents, businesses and tourism. Supports Local Plan commitments to 7,200 jobs on 85ha of new employment land.	Options appraisal / business case	Preliminary design	FDC	9.5	0.5	6.5				
A505 Corridor Study	South Cambs	A Strategic economic growth and transport study to include outline business case development for a scheme on the A505	Reduces congestion, supports key employment sites including Granta Park, Babraham and the Genome campus with potential growth of over 11,200 jobs.	Pre-feasibility	Feasibility	CA	1.5	0	1.5				
A10 Foxton Level Crossing	South Cambs	Scheme development work to take forwards level crossing replacement	Resolves longstanding key constraint on the network, reducing congestion, providing interchange with rail, and supporting jobs and employment.	Feasibility	Feasibility	CCC	2	0	2				
A14 Junctions Improvement feasibility Study	East Cambs	Feasibility study to understand and review J35-38 of the A14	Reduces congestion on the strategic network, supports new jobs and houses.	Pre-feasibility	Feasibility	ECDC	0.15	0	0.15				
A142 Capacity Study	East Cambs	Feasibility study to understand what the impact of growth is on the key route between Newmarket and Chatteris	Reduces congestion, supports new jobs and houses, improves road safety.	Pre-feasibility	Feasibility	ECDC	0.15	0	0.15				
A47 Junction 18 improvements	Peterborough	Widening of slip roads and circulatory carriageway of existing grade separated roundabout	The improvements would increase capacity and enable Peterborough's Core Strategy of 26,000 homes and 20,000 jobs to be delivered.	Design	Construction	PCC	5.5	1.65	3.85				
A605 Whittlesey Access Phase 2 – Stanground Access	Peterborough	Provide a right turn lane at junction between the A605 and B1095, where right-turning traffic currently blocks straight ahead traffic travelling between Peterborough and Whittlesey.	Provide improved access between Peterborough and Whittlesey, which could otherwise inhibit the growth and development of Whittlesey.	Preliminary design	Design/Construction	PCC	4	1.2	2.8				
A605 Oundle Road Widening - Alwalton to Lynch Wood Business Park	Peterborough	To provide an additional lanes inbound to Lynchwood Business Park, which currently employs c.4000 staff.	Capacity improvements would resolve the severe delays experienced on approach to the Business Park, and would maintain the attractiveness of employment on the Lynchwood Business.	Preliminary design	Design/Construction	PCC	1.493	0.773	0.72				
A1260 Nene Parkway Junction 15 improvements	Peterborough	Capacity Improvements to existing Junction 15, at the interchange between the A1260 and A47 Major Roads.	Increased capacity to enable Peterborough's Core Strategy of 26,000 homes and 20,000 jobs to be delivered.	Pre-feasibility	Feasibility	PCC	7	0.7	2.455				
Eastern Industries Access Phase 1 - Parnwell Way	Peterborough	Capacity improvements to existing infrastructure, possible dualling of link road or alternative access arrangements.	Provides access to large employment area at Red Brick Farm within the Eastern Industries, enabling the creation of 6,000-8,000 jobs.	Pre-feasibility	Feasibility	PCC	9.55	0.95	0.55				
A1260 Nene Parkway Improvement Jn 32 to Jn 3 (Fletton Parkway)	Peterborough	Capacity improvements to A1260 Nene Parkway including additional lanes	The proposal would increase capacity necessary to enable Peterborough's Core Strategy of 26,000 homes and 20,000 jobs to be delivered.	Pre-feasibility	Feasibility	PCC	4.5	0.45	4.05				
A16 Norwood dualling	Peterborough	Provide roundabout access off the A16 into the proposed Norwood development and dual the existing section of the A16 between there and its roundabout with the A47 which would also be improved.	Enable the development of Norwood comprising 2,000 houses, which would otherwise be difficult to bring forward due to developer cash flow issues as the infrastructure improvements are required from day 1 of the	Pre-feasibility	Feasibility	PCC	10.8	1.1	0.125				
Eastern Industries Access Phase 2 - Fengate	Peterborough	Capacity improvements to existing infrastructure, possible road widening or junction improvements.	Provides access to large employment area at Red Brick Farm within the Eastern Industries, enabling the creation of 6,000-8,000 jobs.	Pre-feasibility	Feasibility	PCC	7.5	0.75	0.2				
A47 Junction 18 Pedestrian Footbridge	Peterborough	Detailed assessment at the cost of reconstructing the existing shared used footbridge.	Enable pedestrians and cyclists to continue crossing the A47 via a shared use footbridge	Pre-feasibility	Feasibility	PCC	0.3	0.05	0.25				
Wisbech Access Study Packages	Fenland	Delivery of measures identified in the Access Study to support growth and regeneration	Reduction in congestion at key junctions, supports Local Plan commitments of over 11,000 new homes and 30ha of employment land.	Options appraisal / business case	Preliminary design	CA	13	10.5	8.5				
March junction improvements package. Capital and Revenue	Fenland	Feasibility studies and testing of options for improvements to key set of junctions on the A141 and the B1101; and phase 2 of a northern Link road. Project would then include implementation of preferred option(s) from the study.	Reduction in congestion at key junctions, supports Local Plan commitments of over 11,000 new homes and 30ha of employment land.	Feasibility	Feasibility	CCC	6.35	3.7	3.65				
Huntingdon Strategic River Crossing	Hunts	Feasibility and preliminary work on major strategic new river crossing	Development work to inform future development requirements (new homes at Wyton(4,500), Giffords Park (2,200), Sapley Park (1,300) & Lodge Ffarm (3,820)) and capacity involving new strategic river crossing	Pre-feasibility	Feasibility	CA	0.5	0	0.5				
A141 capacity enhancements around Huntingdon	Hunts	Package of highway schemes on A141	Highway improvements adjacent to the strategic Alconbury development site, with congestion reduction and supporting Local plan commitments of employment and 16,000 new dwellings.	Pre-feasibility	Feasibility	CCC	7	0	6				
Queen Adelaide Road Study	East Cambs	Road study to explore acceptable highway solutions to level crossing down time as a result of increased rail flows	Enables strategic rail growth whilst maintaining local access to employment and services.	Pre-feasibility	Feasibility	CCC	0	0	0.16				

Project Information							Cost / Funding						
Scheme	Location / District	Scope	Benefits	Current Status (Refers to stage completed or currently underway)	Next project stage	Owner	Total Scheme Cost (£m)	3rd Party Contributions (£m)	CA Commitment (£m)	CA Annual Spend Profile (£m) Term 1			
										17/18	18/19	19/20	20/21
St Neots River Great Ouse northern crossing / cycle bridge	Hunts	Delivery of new cycle crossing in St Neots	Provides critical infrastructure linked to the St Neots Masterplan, supporting 4000 houses and 3600 jobs.	Pre-feasibility	Preliminary design	CCC	4.5	1.5	3				
Coldhams Lane roundabout improvements	Cambridge	Remodelling roundabout to improve safety and provide crossings on each arm	Improved road safety, encourages walking & cycling to major urban development of over 1,200 new homes in East Cambridge.	Pre-feasibility	Design	CCC	3	0.2	2.8				
Smart City Network	Peterborough	To develop a plan of how Peterborough would implement a Smart City Network (including intelligent mobility). This would form the basis for joint working with Cambridgeshire County Council to develop a Smart City Strategy to serve the Combined Authority area.	Gain a comprehensive understanding of the requirements which will enable the exploitation of data to support the management and control of the network, with an aim of increasing network resilience and capacity, allowing for more informed and	Pre-feasibility	Feasibility	PCC	0.1		0.1				
Sustainable Travel Capital/Revenue	Peterborough	Promoting sustainable travel and infrastructure improvements city wide	Increased mode choice, less congestion on the roads and reduce the need for expensive transport infrastructure investment.	Preliminary design	Feasibility	PCC	0.5		0.5				
Schemes and Studies	Peterborough	Undertake small scale studies and traffic modelling in order to develop on-going pipeline of transport infrastructure schemes	Identify transport schemes that would tackle congestion, enable housing and promote job jobs creation.	Preliminary design	Feasibility	PCC	0.4		0.4				
						Total	121.6	39.5	57.71	3.275	17.13	16.975	20.33

KEY
- Combined Authority Funding Approved Oct 2017
- Combined Authority Funding Request Mar 2018
- Future investment

Score	Strategic Case		Economic Case		Management/Deliverability Case			Financial Case
Primary Aim	**Reduce congestion**	**Unlock jobs and housing**	**Scale of impact**	**Value for money**	**Delivery Certainty**	**Project Risk**	**Stakeholder Support**	**Other funding contributors**
Key Considerations	Increases capacity Improves connectivity Improves journey time and/or journey time reliability Provides greater mode choice	Unlocks economic and job creation opportunities Enables new housing developments	Scale of impact on traffic condition, journey time and reliability	Level of benefits will the project deliver assessed against cost (either in BCR or qualititative assessment)	Certainty of construction commencing in 18/19, inc certainty of statutory powers and land ownership being in place	Likelihood of major project risks (consequence x likelihood) occurring (statutory approvals / complexity of solution/ major dependencies or interdependencies with other activities)	- is there evidence of support for the project from e.g. Members, the public, District Council, Parish Council, Local MP	Percentage of local contribution Level of private sector funding
3	Major improvement to congestion, connectivity, journey time, journey time reliability and/or mode shift	Enables a significant number of jobs/homes to be delivered	Major congestion reduction with wider positive impact		High certainty that constructions commence in 18/19, statutory power and land ownership in place		Formal consultation carried out evidencing support	>50% some private or 30-50% mostly private
2	Moderate improvement to congestion, connectivity, journey time, journey time reliability and/or mode shift	Enables a moderate number of jobs/homes to be delivered	Mid-large scale positive impact		Construction can commence in 18/19, low risk of issue emerging regarding statutory powers or land ownership		Supported multiple (eg public & members)	30-50% some private
1	Minor improvement to congestion, connectivity, journey time, journey time reliability and/or mode shift	Enables a small number of jobs/homes to be delivered	Small scale/localised positive impact		Construction can commence in 18/19, high risk of issue emerging regarding statutory powers or land ownership		Support indicated (eg public or members)	<30% some private
0	No change	No change	No impact or +/- balance	No impact or +/- balance	Feasible but highway land issues	Low project risks	No evidence	None
-1	Minor negative impact on the reliability of journey times		Small scale/localised negative impact		Feasible but highway land not sufficient / multiple issues	Medium project risks	Minor opposition indicated	
-2	Moderate negative impact on the reliability of journey times		Mid-large scale negative impact		Feasible but more significant issues with land, services etc	High project risks	Multiple opposition indicated	
-3	Major negative impact on the reliability of journey times		Major/cross-district negative impact		Not possbile without major additional works	Very high project risks (Gaining statutory approvals unlikely / solution is very complex / project is dependent on other activities which are unlikely to be delivered)	Formal consultation shows large opposition	

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	AGENDA ITEM No: 2.3
28 MARCH 2018	PUBLIC REPORT

DIGITAL CONNECTIVITY INFRASTRUCTURE: IMPROVING MOBILE COVERAGE AND INCREASING THE FULL FIBRE FOOTPRINT ACROSS CAMBRIDGESHIRE AND PETERBOROUGH

1.0 PURPOSE

1.1. Fast, reliable internet connections are vital for economic growth. Our area already achieves a high level of success with Cambridge and Peterborough both in the top 5 fastest growing cities in the UK. We also have the highest productivity and employment rates of all the mayoral combined authorities.

1.2. The Combined Authority's ambition is to exceed this level of achievement. This report outlines the importance of digital connectivity to our future success. It proposes an innovative, multi-faceted approach which will:

(a) Maintain and enhance Cambridgeshire and Peterborough's position as a leading digital county.

(b) Support current economic strengths and protect future prosperity.

(c) Maximise private sector investment and improve fixed and mobile connectivity as part of a 4 year programme.

DECISION REQUIRED	
Lead Member:	**Mayor James Palmer**
Lead Officer: Pearl Roberts, Interim Director of Strategy and Planning Noelle Godfrey, Programme Director Connecting Cambridgeshire	
Forward Plan Ref: 2018/011	**Key Decision: Yes**
The Combined Authority Board is recommended to: (a) Note the digital infrastructure and mobile coverage in Cambridgeshire and	**Voting arrangements** Simple majority of all Members

	Peterborough and endorse the vision for the Mayoral Combined Authority to be a leading area for digital connectivity	
(b)	Approve in principle a budget of up to £5.66m to support the extension of the Connecting Cambridgeshire programme	
(c)	Authorise the Chief Executive, in consultation with the Mayor, to approve the business case and draw-down of funds in accordance with the approved business case relating to improvements to mobile coverage and the full fibre footprint for Cambridgeshire and Peterborough.	
(d)	Delegate to the Director of Strategy and Planning authority to approve the programme reporting and delivery arrangements in partnership with Cambridgeshire County Council and the other Combined Authority Constituent Councils.	

2.0 BACKGROUND

Introduction

2.1. Over the last decade there has been an exponential growth of digital technology, which now underpins almost all aspects of modern living in every sphere across work, travel, leisure and health. Increasingly it impacts on the economic strength, sustainability and quality of life of all parts of the UK and beyond. As a consequence Internet access is now widely viewed as “the 4th utility”.

2.2. The quality and coverage of digital connectivity impacts on businesses, residents and public service delivery across the whole of Cambridgeshire and Peterborough. The ubiquitous nature of digital technology also means that digital exclusion is now virtually synonymous with social exclusion and economic deprivation.

Connecting Cambridgeshire Programme

2.3. In general, along with the rest of the UK, the provision of digital connectivity infrastructure in Cambridgeshire has not matched demand from businesses, residents and public service organisations over the last decade. Locally this has been underlined in numerous surveys and consultations in recent years.

2.4. The Connecting Cambridgeshire Programme, led by Cambridgeshire County Council and co-funded by Peterborough City Council, was set up in late 2011, with a remit to improve the digital connectivity infrastructure across the area.

2.5. The initial focus of the programme was to improve the availability of Superfast Broadband (24mbps and up) across Cambridgeshire and Peterborough, although the scope has more recently broadened to include: analysis of mobile coverage; provision of public access Wi-Fi; and "future connectivity" including full fibre Gigabit capable infrastructure and preparing for 5G mobile services.

2.6. As part of the Superfast Broadband programme a gap funded contract was let with BT to deliver connectivity infrastructure to those areas of Cambridgeshire and Peterborough that would otherwise not be commercially viable. As a result of the programme the county superfast broadband coverage has gone from less than 60% in 2010 to over 96% by January 2018. Further rollout phases are now underway and Connecting Cambridgeshire has a very ambitious target to reach over 99% Superfast Broadband coverage across Cambridgeshire and Peterborough by the end of 2020 (See Appendix 1 - Cambridgeshire & Peterborough Digital Connectivity and Appendix 2 for regional comparators).

2.7. The contract with BT includes a "clawback" clause which operates if take-up is higher than the 20% originally anticipated. At over 50%, take up of Superfast Broadband services is amongst the highest in the country, which not only demonstrates high level of demand and engagement with digital technology across the county, but has also provided funding to support further rollout. (Further details in Appendix 6 – Programme Funding).

2.8. Since the programme got underway in 2012 further government and EU funding has been secured to deliver digital technology business support and connectivity voucher schemes to small businesses and public access Wi-Fi provision to around 150 libraries, leisure centres, P&R sites, sheltered housing schemes and community centres across Cambridgeshire.

Mobile Coverage and Full Fibre Services

2.9. Although Superfast broadband provision has improved, mobile coverage for voice and data (2G and 4G services) across parts of the county is poor and remains a subject of widespread concern amongst businesses and communities across the county.

2.10. Analysis of Ofcom's December 2017 Connected Nations report has confirmed that whilst the two cities of Cambridge and Peterborough are well served, and generally have coverage above the England average, indoor and in-car coverage for both telephone calls and 4G data services for all other areas of the county is below the England average. (Details at Appendix 3 – Cambridgeshire and Peterborough Mobile Coverage Analysed by Area and Appendix 4 – Greatest areas of divergence from England average).

2.11. Whilst Superfast Broadband availability generally offers the connectivity needed for today, it is vital to start planning and deploying the telecommunications infrastructure for tomorrow. This includes preparation for “5G”, the next generation of mobile services and full fibre commonly referred to as “Fibre to the Premise” or FTTP.

2.12. Technology progression means that within the early years of the next decade, the lack of a ubiquitous full fibre footprint across the county will damage the competitiveness of the local economy, impact quality of life in domestic settings and impede the deployment of smart technology across a range of public services – including health, care and transportation.

2.13. At a national level the UK government has recognised the need to expedite a full fibre rollout and to prepare for 5G as key elements which underpin the industrial strategy.

2.14. At 4%, full fibre (FTTP) coverage across Cambridgeshire and Peterborough is marginally above the national average for England but still low, particularly compared to other regions in Europe and beyond. (See Appendix 2 for regional comparators)

Vision for Cambridgeshire and Peterborough as leading Digital County

2.15. With the establishment of the Combined Authority there is an opportunity to ensure that Cambridgeshire and Peterborough has the digital connectivity it needs for growth by expanding the Connecting Cambridgeshire programme to include better coverage of existing mobile services, facilitate the expansion of the full fibre footprint and prepare for 5G services.

2.16. An ambitious, innovative, multi-faceted approach is proposed which will maintain and enhance Cambridgeshire and Peterborough’s position as a leading digital county, support current economic strengths and protect future prosperity.

2.17. This will be achieved by a combination of maximising private sector investment and using public funding where required to improve fixed and mobile connectivity as part of a 4 year programme, with the following aims:

1. Matching or exceeding the performance of rest of the UK in being able to make ***reliable mobile telephone calls and use 4G data services across the whole geography*** of Cambridgeshire and Peterborough.

2. Matching or exceeding the performance of rest of the UK in being able to make ***reliable mobile telephone calls and use 4G data services on Cambridgeshire and Peterborough A and B roads***.

3. Linking with Government on the national plan to ***improve mobile voice and data services on rail services***, with a particular focus on intra-county journeys.

4. Making Cambridgeshire and Peterborough an ***exemplar area for the trialling and early deployment of future facing 5G services***, working with businesses to maximise the impact and generate a long term economic benefit for the area.

5. Target a ***threefold expansion of the full fibre footprint*** across the county, aiming to keep significantly ahead of national average coverage and government targets as they emerge.

6. Ensuring that ***Superfast Broadband (>24mbps) is accessible to more than 99%*** of homes and businesses across Cambridgeshire and Peterborough by the end of 2020. (Existing target within the programme)

7. Synchronise with emerging masterplans and increase digital inclusion in Cambridgeshire's market towns by expanding ***public access Wi-Fi services***, which are already available in open spaces in Cambridge and Peterborough.

Programme Delivery

2.18. The proposed programme will run from April 2018 through to March 2022. The high level approach is set out below, with further details in Appendix 5, Delivery Plan.

(a) **Coordination**

- Liaising between telecommunications operators and across all Cambridgeshire and Peterborough local authority teams to facilitate digital rollout in existing areas and new builds; including lowering barriers associated with wayleaves and street works and providing access to buildings and street furniture which can host telecommunications equipment.

(b) **Mobile & Public Access Wi-Fi Improvements**

- Analyse, benchmark and map mobile coverage on an annual basis to track and monitor progress in coverage.
- Liaise with operators, communities and businesses about areas of poor coverage and broker solutions.
- Provide a funding stream to facilitate commercial mast/small cell rollout where the commercial case is challenging.
- Develop and deliver a strategy to promote the area for 5G testbed/trials and early deployment.
- Contribution to capital funding to support the roll-out of public access Wi-Fi solutions in market towns.

(c) **Full Fibre Rollout**

- Deploy fibre ducting as part of infrastructure schemes which are due to commence between 2018-2022. These ducts will be available to telecommunications operators to facilitate full fibre rollout.

(d) **Leading Digital County**

- Develop a communications and marketing approach that will establish Cambridgeshire & Peterborough as a leading area for the roll out of digital infrastructure.
- Create a prospectus to promote the overall approach to telecommunications providers, maximising private investment, increasing the commercial footprint and attracting early deployment of advanced connectivity in Cambridgeshire and Peterborough

3.0 FINANCIAL IMPLICATIONS

3.1. This proposal includes up to £5.66m investment from the Combined Authority which will enable the Connecting Cambridgeshire programme to be extended to ensure the Cambridgeshire and Peterborough area has a leading digital infrastructure which supports businesses, communities and efficient public service delivery. A breakdown of the funding proposal is included at Appendix 6 – Programme Funding.

4.0 LEGAL IMPLICATIONS

4.1. The devolution deal for the Combined Authority area (June 2016) outlined the importance of digital connectivity to the objectives of the new organisation. The Cambridgeshire and Peterborough Combined Authority Order 2017 provided a general power of competence enabling it to fund projects in furtherance of its economic ambitions.

4.2. Grant funding raises issues of state aid and procurement. In order to comply with EU competition law it is confirmed that the following actions will be undertaken as part of the delivery programme:

(a) Any public funding which could be deemed as a market intervention in the telecommunications market will be assessed to determine if the funding is to be deployed on a ‘state aid’ or ‘no aid’ basis.

(b) With the exception of the Superfast Broadband Rollout Phases 3 and 4 (state aid exemption already in place), delivery is intended to be on a ‘no aid’ basis. However, if any funding deployment is assessed as a potential ‘state aid’, an approval for deployment of state aid will be sought from the appropriate authorities.

(c) In commissioning any services in delivery of the programme, any contract is to be procured in line with the Combined Authority’s contract rules and statutory procurement rules.

5.0 SIGNIFICANT IMPLICATIONS

5.1. Equality impact assessments will be carried out in the delivery of the programme. The purpose of the programme is intended to promote social inclusion.

6.0 APPENDICES

6.1. Appendix 1 – Cambridgeshire & Peterborough Digital Connectivity

6.2. Appendix 2 – Superfast Broadband & FTTP Regional Comparisons Feb 18

6.3. Appendix 3 – Cambridgeshire & Peterborough Mobile Coverage by Area

6.4. Appendix 4 - 2G & 4G greatest areas of divergence from England average

6.5. Appendix 5 – Delivery plan

6.6. Appendix 6 – Programme Funding

Source Documents	**Location**
Ofcom Connected Nations Report December 2017	https://www.ofcom.org.uk/research-and-data/multi-sector-research/infrastructure-research/connected-nations-2017

Appendix 1 - Cambridgeshire & Peterborough Digital Connectivity

Cambridgeshire and Peterborough Digital Connectivity
BLUEPRINT FOR 21ST CENTURY INFRASTRUCTURE

An up-to-date and future-facing Digital Connectivity Infrastructure helping Cambridgeshire to maintain its position as a leading digital county.

connecting CAMBRIDGESHIRE

DIGITAL CONNECTIVITY TIMELINE

2010	2015	2016	2017	2020
<60% Superfast	Free CambWifi 120+ public sites	93% Superfast	95% Superfast	>99% Superfast
	30+ hotspots in streets & open spaces	84% 2G and <20% 4G in Cambridgeshire	90% national target	Target up to 50 more community locations
				>10Mbps for all – national target
				Target to exceed national average
				Ultrafast/Gigibit future
				Aiming to be 5G test-bed

Superfast Broadband (24mbps +)

- Phase Two – to be completed by Sept 2017 [reaching 95%]
- Phase Three – going into survey/delivery stages with first deployment by end 2017 [reaching 97%]
- Phase Four – targeting >99% including focus on business park connectivity
- Links with other telecoms operators to maximise commercial delivery
- Monitoring connectivity for new housing developments

3G & 4G mobile

- Supporting better coverage with new County Council policy and plans for hosting telecoms equipment
- Liaising with mobile operators to monitor and facilitate roll-out plans to increase 3G and 4G coverage
- Supporting coverage for new housing developments

Public access wifi

- Helping to expand wifi provision for village halls and rural locations

5G Pilots/Testbed & Full Fibre Rollout

Setting out our ambition to ensure this fast-growing area:

- Has ubiquitous full fibre rollout supporting future facing ultrafast connectivity
- Is at the vanguard for the deployment of 5G services in the UK

- Investigating opportunities to link transport and other infrastructure schemes with wider fibre rollout
- Supporting wide-scale small cell rollout by looking at re-purposing street furniture, reviewing new business models and incorporating digital infrastructure into local plans
- Exploring links with sustainable energy approaches

As part of the Smart Cambridge programme:

- 5G connectivity will complement and underpin the collection and dissemination of real-time data through the iCP (Intelligent City Platform), which is already deploying a wide range of sensors across the Greater Cambridge city region using a LoRa network
- 5G 'use-cases' are being developed including feasibility and pilot developments for running autonomous vehicles on the Guided Busway and on-demand autonomous 'pods' as last mile solutions across business parks
- Opportunities for 5G-enabled Cambridge-Oxford expressway and East-West rail
- Exploring NB-IoT narrowband radio technology to help develop smart applications

www.connectingcambridgeshire.co.uk

Appendix 2 – Superfast Broadband & FTTP regional comparisons Feb 2018

Superfast footprint – 24mbps and up

County	Superfast %
Cambs & P'boro	96.1%
Central Bedfordshire	95.4%
Essex	91.9%
Hertfordshire	96.2%
Lincolnshire	91.3%
Norfolk	90.7%
Northamptonshire	97%
Suffolk	92.3%
England average	***95.5%***

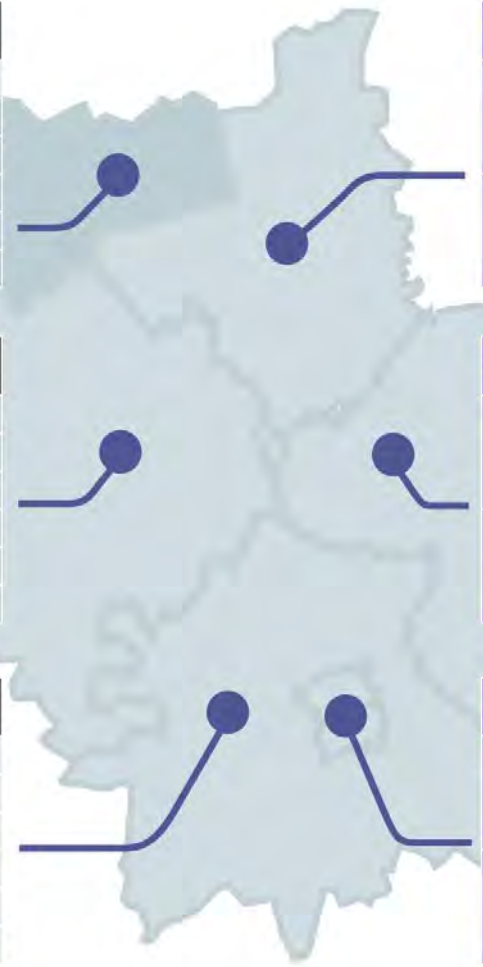
FTTP footprint

County	FTTP/H footprint
Norfolk	0.1%
Hertfordshire	0.5%
Lincolnshire	0.5%
Essex	1.1%
Suffolk	1.4%
Central Bedfordshire	1.7%
Cambs & P'boro	4%
Northamptonshire	5.1%
England average	***3.7%***

% Premises with less than 10mbps (the proposed Universal Service Obligation speed)

County	% < 10mbps
Cambs & P'boro	1.86%
Central Bedfordshire	1.99%
Essex	3%
Hertfordshire	1.6%
Lincolnshire	5.5%
Norfolk	5.6%
Northamptonshire	1.3%
Suffolk	4.4%
England average	***1.9%***

Appendix 3 – Cambridgeshire & Peterborough Mobile Coverage by Area



Peterborough			England 2017 Average
Telephone Calls	Indoor premises	94%	91%
	Outdoor Geographic Area	99%	88%
	In Car A & B Roads	84%	85%
4G Data	Indoor premises	67%	60%
	Outdoor Geographic Area	90%	61%
	In Car A & B Roads	42%	52%

Fenland			England 2017 Average
Telephone Calls	Indoor premises	78%	91%
	Outdoor Geographic Area	98%	88%
	In Car A & B Roads	59%	85%
4G Data	Indoor premises	47%	60%
	Outdoor Geographic Area	76%	61%
	In Car A & B Roads	18%	52%

Huntingdonshire			England 2017 Average
Telephone Calls	Indoor premises	79%	91%
	Outdoor Geographic Area	97%	88%
	In Car A & B Roads	75%	85%
4G Data	Indoor premises	38%	60%
	Outdoor Geographic Area	87%	61%
	In Car A & B Roads	43%	52%

East Cambridgeshire			England 2017 Average
Telephone Calls	Indoor premises	74%	91%
	Outdoor Geographic Area	98%	88%
	In Car A & B Roads	66%	85%
4G Data	Indoor premises	33%	60%
	Outdoor Geographic Area	78%	61%
	In Car A & B Roads	77%	52%

South Cambridgeshire			England 2017 Average
Telephone Calls	Indoor premises	72%	91%
	Outdoor Geographic Area	99%	88%
	In Car A & B Roads	80%	85%
4G Data	Indoor premises	22%	60%
	Outdoor Geographic Area	87%	61%
	In Car A & B Roads	37%	52%

Cambridge			England 2017 Average
Telephone Calls	Indoor premises	99%	91%
	Outdoor Geographic Area	100%	88%
	In Car A & B Roads	99%	85%
4G Data	Indoor premises	83%	60%
	Outdoor Geographic Area	100%	61%
	In Car A & B Roads	78%	52%

Appendix Four – 2G & 4G greatest areas of divergence from England average

District	Indoor telephone calls % coverage	England average	% difference
East Cambridgeshire	74%	91%	-17%
Huntingdonshire	79%	91%	-12%
Fenland	78%	91%	-13%
South Cambridgeshire	72%	91%	-19%

District	In car telephone calls % coverage A & B Roads	England average	% difference
East Cambridgeshire	66%	85%	-19%
Huntingdonshire	75%	85%	-10%
Fenland	59%	85%	-26%
South Cambridgeshire	80%	85%	-5%

District	Indoor 4G data coverage %	England average	% difference
East Cambridgeshire	33%	60%	-27%
Huntingdonshire	38%	60%	-22%
Fenland	47%	60%	-13%
South Cambridgeshire	22%	60%	-38%

Appendix 5 – Outline delivery plan

A number of work streams will be established to deliver the additional scope of the programme.

1) Accelerate commercial rollout and leverage private investment

A small dedicated team will be established to facilitate rapid infrastructure rollout & stimulate commercial investment in mobile and full fibre coverage in new developments and existing areas. They will liaise with telecommunications providers (fixed and mobile) as well as the seven local authorities in the area to co-ordinate: wayleaves; street works activities; planning consents and access to property, land and street furniture assets which can be used to host telecommunications equipment. The team will also market the area as an exemplar location to roll out telecommunications infrastructure.

2) Mobile Voice and Data Improvements

Based on analysis of mobile voice and data coverage, a comprehensive consultation with mobile operators will be undertaken to ascertain blockers to further investment and develop a funding package that will provide access to sites and other locations required to facilitate better 2G and 4G coverage across the county, with a particular focus on current "not spot" areas.

3) Increase the full fibre footprint

A funding bid to deliver an initial boost to the full fibre footprint across Cambridgeshire and Peterborough has been submitted to the government's LFFN programme as part of Wave 2. Central to the proposition is a proposal to utilise existing fibre ducting assets along the guided busway and to deploy ducting (and possibly dark fibre) as part of all new infrastructure schemes – including roads, cycle routes, bridges etc. The digital assets will then be made available to operators at fair rates which provide a commercial return to operators and encourage further investment. It is proposed that this approach is expanded to cover the deployment of fibre ducting alongside all infrastructure schemes. This approach not only lowers the overall cost of infrastructure deployment (9/10ths of the cost of civils for infrastructure deployment is attributed to retrofitting) it also minimises the productivity cost of disruption caused by streets works closures.

4) Develop a 5G local prospectus along with a 40km "Digital Innovation Corridor"

Further development of full fibre (LFFN) plans for Busway ducting to create a digital innovation corridor with ready access to fibre connectivity, power and streetlights/CCTV poles host small cells etc. In addition to passing through some very high footfall areas, such as Cambridge Station and CBC, this will also be co-terminus with plans to test and pilot autonomous shuttle vehicles on the Southern section of the busway, providing a ready "use case" for early deployment of 5G mobile services.

5) Provide capital funding (possibly as "match" for other sources to support the deployment of public access Wi-Fi in Cambridgeshire market towns.

6) > 99% coverage Superfast Broadband via gap funding infrastructure rollout contract

This is an existing, funded work stream which will continue as currently planned. It includes Phase 3 (underway) and Phase 4 rollout (procurement due to start shortly) to achieve > 99% by end 2020.

Appendix 6 – Programme Funding

The Connecting Cambridgeshire Programme was originally funded in 2011 with £23m capital from CCC and PCC – supplemented by government and EU funding together with private investment from BT (totalling c. £30m). This funding supported the delivery of Phases One and Two of the Superfast Broadband Rollout.

Subsequently CCC have made a further £10m funding available from contract clawback to fund SFBB Phases Three and Four. Phase Three is currently underway and Phase Four is subject to a further procurement exercise. Small sums are also available to promote 5G rollout and improve public access Wi-Fi in rural village halls.

Bids for further government (Local Full Fibre Network Programme – LFFN) and EU funding have been submitted over the last two months to underpin Phase 4 SFBB rollout and to support initial work on expanding the full fibre footprint. See table below.

Connecting Cambridgeshire Funding – 2018 to 2022

	Workstream	**Other Funding**	**Combined Authority (proposed)**	**Total**
1	SFBB> 99%, Phases 3&4	CCC/PCC clawback £10m DEFRA (bid submitted) £4m ESIF (bid) £1m	-	£15.00m
2	Full fibre footprint	LFFN (bid submitted) £4.2m	£1.50m	£5.70m
3	2G/4G Mobile	-	£2.50m	£2.50m
4	5G Preparations	CCC - £250k	£0.50m	£0.75m
5	Public Access Wi-fi	CCC - £25k	£0.25m	£0.275m
6	Supporting commercial rollout/investment	-	£0.91m	£0.91m
	Totals	**£19.475m**	**£5.66m**	**£25.135m**

Combined Authority Funding – Outline Profile 2018-22

	Work stream	**2018/19 (£)**	**2019/20 (£)**	**2020/21 (£)**	**2021/22 (£)**	**Total (£)**
1	Coordination	290,000	235,000	205,000	180,000	910,000
2	Mobile	-	1,000,000	1,000,000	500,000	2,500,000
3	Full Fibre	-	500,000	500,000	500,000	1,500,000
4	5G	100,000	150,000	150,000	100,000	500,000
5	Wifi	50,000	100,000	100,000	-	250,000
	Totals	**440,000**	**1,985,000**	**1,955,000**	**1,280,000**	**5,660,000**

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	**AGENDA ITEM No: 2.4**
28 March 2018	**PUBLIC REPORT**

UNIVERSITY OF PETERBOROUGH – INTERIM ACCOMODATION OPTIONS

1.0 PURPOSE

1.1. This paper seeks agreement and a funding allocation for the first stage of the University's development. The report outlines the options for the location of interim teaching and student facilities for the new University of Peterborough Board Members are asked to consider three options, and to allocate funding to their preferred solution.

DECISION REQUIRED	
Lead Member:	Cllr John Holdich, Portfolio Holder for Skills and Employment
Lead Officer:	Stephen Rosevear, Interim Skills Director
Forward Plan Ref: 2018/012 *(previously titled Peterborough University Centre Phase 2: Business Case Approval)*	**Key Decision: Yes**
This report explores three options for the allocation of budget for interim teaching and student facilities for the Peterborough University. The Combined Authority Board is recommended to approve option 3: Option 1: Allocate a budget of £5.18m to provide interim facilities on the Peterborough Regional College site. This will require some split site operation Option 2: Allocate a budget of £5.72m to provide interim facilities on the Embankment development site. This will require some split site operation	**Voting arrangements:** Simple majority of Members

Option 3 (recommended option): Allocate a budget of £9.74m to base all facilities on the Embankment development site. This is a single site solution.	

2.0 BACKGROUND

2.1. There is a long-standing ambition between public sector partners, employers and the residents of Peterborough and surrounding areas to have an independent university in the city with its own degree-awarding powers.

2.2. The University is a key feature of Cambridgeshire and Peterborough's devolution deal, demonstrating central government support to drive forward the proposal and help meet the demands for higher level skills and education provision in the area.

2.3. The project is governed by the Higher Education Steering Group (HESG), which includes representation from five critical stakeholders – the Combined Authority, Peterborough Council, the LEP, Anglia Ruskin University and Peterborough Regional College. Other members of the HESG include representatives from Opportunity Peterborough, City College Peterborough, Cambridge Meridian Academies Trust, student bodies as well as several local employers.

2.4. New management structures and procedures were agreed with the project team, HESG and partners in January. These will ensure external scrutiny and provide assurances on project progress. They will involve the preparation of a Full Business Case and Gateway Review for December 2018. The Business Case will follow the HM Treasury recommended Five Case Business Model, and will include Strategic, Economic, Financial, Management and Commercial considerations. The Financial case will provide a clear financing model predicated on a mixture of public and private financing.

2.5. The Interim facilities outlined in this paper will enable the project to generate private sector interest and ensure that market engagement can proceed quickly.

2.6. The project is currently being driven by University Centre Peterborough (UCP), a joint venture company involving Peterborough Regional College and Anglia Ruskin University. The shape and constitution of the future corporate vehicle will be determined as part of the wider business planning exercise to be completed in the Summer, and may involve Peterborough Regional College, Peterborough City Council and the Combined Authority.

2.7. The current funding position is shown below:

DESCRIPTION	BUDGET ALLOCATION	DRAWN DOWN TO DATE	NOTES
June 2017: Curriculum Development and Project Management	£3.83m	£683,000	
June 2017: Interim Teaching and Student Facilities	£2.7m	Nil	Release of funding subject to preparation of Stage Two Business Case
Total	**£6.53m**	**£683,000**	

2.8. In June 2017, the Combined Authority Board agreed funding of £6.53m over the next three years, of which £3.83m was available for the drawdown of funds. To date, only £683,000 has been authorised for release to the UCP. This is to cover the preparation of the initial business case, curriculum development and project management. No money has been authorised for drawdown for the interim facilities.

3.0 Location Options

3.1. There is wide agreement that the final location for the new University should be on the Embankment development site, which is adjacent to the City Centre.

3.2. By the end of 2017, several interim accommodation options had been considered as part of the business planning process. These included:

- Status Quo – no new facilities
- Bayard Place (rental)
- Guild House (rental)
- Town Hall (North Wing, rental)
- Peterborough Regional College – traditional build / modular new build / modular rental
- Embankment Site – traditional build and modular new build

3.3. The options were assessed against the following critical success factors:

- Initial costs, refurbishment costs, other operating and staffing costs
- Ease / need for planning permission
- Ability to keep student body together (one site solution)
- Impact on student facilities, open access etc.
- Economic impact on town centre
- Does the solution provide an ongoing asset
- Whether the solution fits with the £2.7m cost envelope set by the July 2017 board

3.4. Based on these criteria, the only viable option to emerge from the options assessment was the provision of a modular new build on the Peterborough Regional College site.

3.5. In February 2018, the Mayor of Cambridgeshire and Peterborough instructed the project team to consider a different location on the Embankment site in the City centre. An interim building on the Embankment site would benefit from a city centre location, the ability to co-locate student and teaching facilities, as well as allowing an early start to wider site servicing and groundworks for the permanent site.

3.6. The Combined Authority commissioned an independent report by Gleeds to provide a thorough appraisal of potential interim options. This report was prepared in accordance with the Royal Institute of British Architects Stage Zero Guidance. This in included as Appendix A. The following options were considered:

- **OPTION 1** – Peterborough Regional College Site – 1,000 students (1,080m2 facility)
- **OPTION 2** – Embankment Site and UCP split site – 1,000 students (1,080m2 facility)
- **OPTION 3** – Embankment Site – 2,000 students (1,980m2 facility)

4.0 OPTIONS ASSESSMENT

The Regional College (University Centre Peterborough) Site (Option 1)

4.1. This option would see the interim facilities based on the existing University Centre Peterborough site at Peterborough Regional College. This would require some split site teaching with existing facilities at the Regional College.

The Embankment Site (Option 2)

4.2. The Embankment site was proposed as the permanent home for the University, following a previous master planning exercise. The Gleeds appraisal identified a potential site on the footprint of the most easterly car park. This location has existing vehicular access, which would limit development costs and give the interim facility a street presence. This would also require some split site teaching with existing facilities on the Regional College site.

The Embankment Site (Option 3) (recommended option)

4.3. Option 3 uses the same location as option 2. However, Option 3 requires a bigger building to accommodate all new additional students on one site. Under this option there is no split site teaching.

4.4. Whilst a comprehensive breakdown of the options for the interim accommodation can be found in Appendix 1, a high-level breakdown of the report is detailed below.

	DEVELOPMENT COST	CONSTRUCTION COST	RISK	COMMENTS
OPTION 1 – University Centre Site	£5,180,000	£3,980,000	• Planning risk – car parking and other potential restrictions on Regional College site • Service upgrades may be required beyond the boundaries of the site	• Not a city centre location, limiting potential for wider regeneration • No clear separation between HE and FE offer • Potential disposal costs relating to interim building
OPTION 2 - Embankment Site (1,000 students)	£5,720,000	£4,400,000	• Ground conditions – a full geotechnical survey will need to be conducted • Service upgrades may be required beyond the boundaries of the site	• General site preparation work more extensive due to proximity to the river. • Site is adjacent to City Centre – maximising wider regeneration impact • Probable final site of the University, therefore future site servicing and related costs will be mitigated • Some split site teaching will be required • Additional £10k cost pa to the City Council to compensate for loss of income from the car park currently located on the site.
OPTION 3 – Embankment Site (2,000 students)	£9,740,000	£7,490,000	• Ground conditions – a full geotechnical survey will need to be conducted • Service upgrades may be required beyond the boundaries of the site	• General site preparation work more extensive due to proximity to the river • Would realise economies of scale to create comparable values to option A • Site is adjacent to City Centre –

				maximising wider regeneration impact • Probable final site of the University, therefore future site servicing and related costs will be mitigated • Single site - clear separation between HE and FE offer • Additional £10k cost pa to the City Council to compensate for loss of income from the car park currently located on the site.

3.3 To fully understand the cost implication of each option, annual operational costs have also been assessed. These costs are detailed below:

	£/m2
OPTION 1 Regional College Site	£179.65
OPTION 2 - Embankment Site (1,000 students)	£280.10
OPTION 3 - Embankment Site (2,000 students)	£192.12

5.0 SUMMARY OF ASSESSMENT

5.1. The independent cost assessment undertaken by Gleeds provides both construction and turnkey costs for the various options. A such, they are not directly comparable with previous estimates provided by the UCP project team which placed furniture and other costs against different budget headings. The Gleeds estimates also make assumptions regarding groundworks, external works, contingencies and professional fees which are consistent with a RIBA Stage 0 Appraisal. Nonetheless, the estimates provided in the Gleeds assessment would require a budget allocation over and above the £2.7m which was agreed in June 2017.

5.2. Board members should note that the wider financing issues affecting the development of the University campus will be subject to independent review and scrutiny during the wider Phase 3 business planning process beginning in April. This will explore innovative ways of raising private capital and the nature of potential joint venture partnerships. Initial independent advice suggests that there remains a high probability that a significant part of the capital costs of the University development could be provided by private sector investors.

5.3. The options can be summarised as follows:

- **Option 1:** Lowest cost; split-site teaching; less central location. Given the poor location, split site operation and limited potential for wider regeneration potential, this option fails to meet the wider ambitions for the interim facilities,
- **Option 2:** Relatively small additional cost (£700k); some split site teaching; delivers central location. This option meets many of the wider criteria set by the Combined Authority and other stakeholders, but still requires some split site operation. If the Combined Authority wished to limit its financial exposure, then this option would be recommended.
- **Option 3: (Recommended option)** Highest cost; central location; no split site teaching. This option delivers all the desired wider impacts, but at a significant capital cost. It would also provide a clear separation between FE and HE teaching facilities. This is the recommended option provided the Board can make the required funds available. The larger facilities would offer greater flexibility to the longer-term development of the campus and deliver lower costs per student over the medium to long term. Gleeds have noted that the underpinning assumptions on the area allocated to student teaching and other facilities will need to be re-evaluated as the building footprint seems small in comparison to equivalent faciltiies.

5.4. Board members are advised that March 2018 is the last safe moment to approve investment that will increase UCP student capacity by September 2019. Failure to approve this work would create a minimum of 12 month's delay in the overall project, undermine confidence in the growth plan, perpetuate the delay in student enhancements and defer economic benefits to the city and region.

6.0 FINANCIAL IMPLICATIONS

6.1. The Gleeds analysis provides a robust and independent assessment of the full development costs of the interim facilities.

6.2. The financial implications are dependent on the option chosen by the Board. Therefore, the financial implications for each option are as follows:

- Option 1 -- £5.18m (£2.48m extra)
- Option 2 -- £5.72m (£3.02 extra
- Option 3 -- £9.74m (£7.04 extra)

6.3. As indicated above, the estimates provided in the Gleeds assessment are turnkey development costs, and will require a budget over and above the £2.7m which was originally allocated by the Board.

6.4. The report by Gleeds is well researched, clear and concise. Officers are confident, recognising the caveats expressed in relation to the area of Option 3, that the estimates of construction and development costs will prove to be reliable;

not least because of the benchmarking support provided but also due to longstanding experience and expertise of the firm of developments in the Educational sector throughout the UK.

7.0 LEGAL IMPLICATIONS

7.1 The constituent Councils of the Combined Authority expressed their intention to deliver a University for Peterborough in the devolution deal signed with Government in July 2015. The Combined Authority was given a general power of competence in order to deliver upon its aspirations in the devolution deal.

7.2 The general power of competence allows the Combined Authority to pay grant funding to the University Centre Peterborough to take forward phase 2 of the university development.

7.3 University Centre Peterborough (UCP) was formed in 2007 and is a joint venture company limited by guarantee between Anglia Ruskin University (ARU) and Peterborough Regional College (PRC). The joint venture agreement outlines the responsibilities of both parties for managing academic standards.

7.4 Giving grant to the University Centre Peterborough raises an important issue of state aid. State aid can occur whenever state resources are used to provide assistance that gives organisations engaged in economic activity an advantage over others. When making grant payments the Combined Authority is required to comply with state aid regulations which avoid negative effects on competition.

7.5 The provision of education is a non-economic activity and therefore would fall outside of the state aid regulations. Furthermore, the grant funding is not considered to distort competition on the basis that the provision being funded is for a public institution. The creation of the university will increase competition in the market and it is expected that the grant funding will enable the university to compete in the market on equal financial terms to other universities in the region and nationally.

7.6 However, this situation will also continue to be monitored to ensure that no state aid issues arise as commercial terms are finalised.

8.0 SIGNIFICANT IMPLICATIONS

8.1 It is envisaged that the establishment of the University of Peterborough will help to address current inequalities that exist in accessing Higher Education provision in the area, particularly for those in the more deprived parts of the Combined Authority area.

8.2 Given that many students do not apply for university place on the basis of their current financial circumstances (avoiding student debt, needing to live at home or coming from a low-income background), it stands to reason that having a more locally-based institution would afford greater Higher Education opportunities, whilst enabling them to reside at home.

8.3 In addition, Higher Education and skills can lead to greater opportunity in the workplace; graduates on average earn £9,000 more per annum than those without degrees.

9.0 APPENDICES

9.1. Appendix 1 – Gleeds Options Assessment

Source Documents	**Location**
List background papers: University of Peterborough Phase 2 Business Case and Covering Report for the University of Peterborough Phase 2 Business Case considered by the Combined Authority Board on 28th June 2017 – Agenda item 2.1	http://cambridgeshirepeterborough-ca.gov.uk/meetings/show/2017-06-28

University of Peterborough Project Phase 2

for

Cambridgeshire & Peterborough Combined Authority

Report on Interim Accommodation Options

ISSUE DATE: 13TH MARCH 2018

GLEEDS CLIENT:	PROJECT NUMBER:	VERSION NUMBER:	GLEEDS ISSUING COMPANY:
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01

Introduction

Executive Summary

In the context of RIBA Stage 0 cost estimates and the scope as defined within the Combined Authority University of Peterborough Phase 2: Interim Accommodation Options, Student Amenities and Facilities and Programme Management Appraisal Gleeds have undertaken three capital cost estimates. These estimates being for a 1,080m2 facility within the University Centre Peterborough site, a building of the same size on the Embankment Site and a building to service twice the number of students also located on the embankment site.

The construction cost estimates are as shown below for a turnkey solution. The area requirements for the number of students is as defined in the Phase 2 Report, we strongly recommend that the authority re-visits this at the next stage.

Option	Construction Cost (excl. fees and contingency)	Development Cost (incl. fees and contingency)	Gross Internal Floor Area (GIFA)
Option 1 – University Centre Site – 1,000 Students	£3,980,000	£5,180,000	1,080m2
Option 2- Embankment Site – 1,000 Students	£4,400,000	£5,720,000	1,080m2
Option 3 – Embankment Site – 2,000 Students	£7,490,000	£9,740,000	1,980m2

In relation to operational costs an assessment has been undertaken on the three options, these costs include hard and soft facilities management, energy and costs associated with the student experience across both sites, the latter scope being defined by the university establishment team.

Option	£m^2
Option 1 – University Centre Site – 1,000 Students	£179.65
Option 2- Embankment Site – 1,000 Students	£280.10
Option 3 – Embankment Site – 2,000 Students	£192.12

For options 2 and 3, should the facility be located where assumed in this report is likely to impose a cost in the region of £10,000 per annum on the project from start of construction as estimated by Peterborough City Council for loss of income from the existing car park.

1. Introduction

As part of the early stages of establishing a new university in Peterborough, the Cambridgeshire and Peterborough Combined Authority released their University of Peterborough Phase 2: Interim Accommodation Options, Student Amenities and Facilities and Programme Management Appraisal.

Gleeds were appointed to the Combined Authority in order to undertake a costing exercise in relation to the new build modular construction element of this Phase 2 Management Appraisal. This showed a new build modular construction as being a viable option in the when located on the site of University Centre Peterborough (UCP).

This costing exercise was to provide the following:

1. Provision of outline costs for locating the interim facilities on the North embankment of the River Nene providing the facilities as described in the Phase 2 Management Appraisal. This being an option which was considered not viable within the report.
2. Provision of outline costs for locating the interim facilities on the same embankment site to house double the number of students to meet a 2022/23 projected occupancy.
3. Undertake a review of the existing estimates for new build modular facilities within the University Centre Peterborough Site. In this case having reviewed the cost variance of £1.9m to £3.4m for this option within the Phase 2 report Gleeds have undertaken an independent estimate for the site.
4. Provide an appraisal of differing operational costs of operating an interim university facility either wholly on the UCP site or with a split site between this and the embankment site.

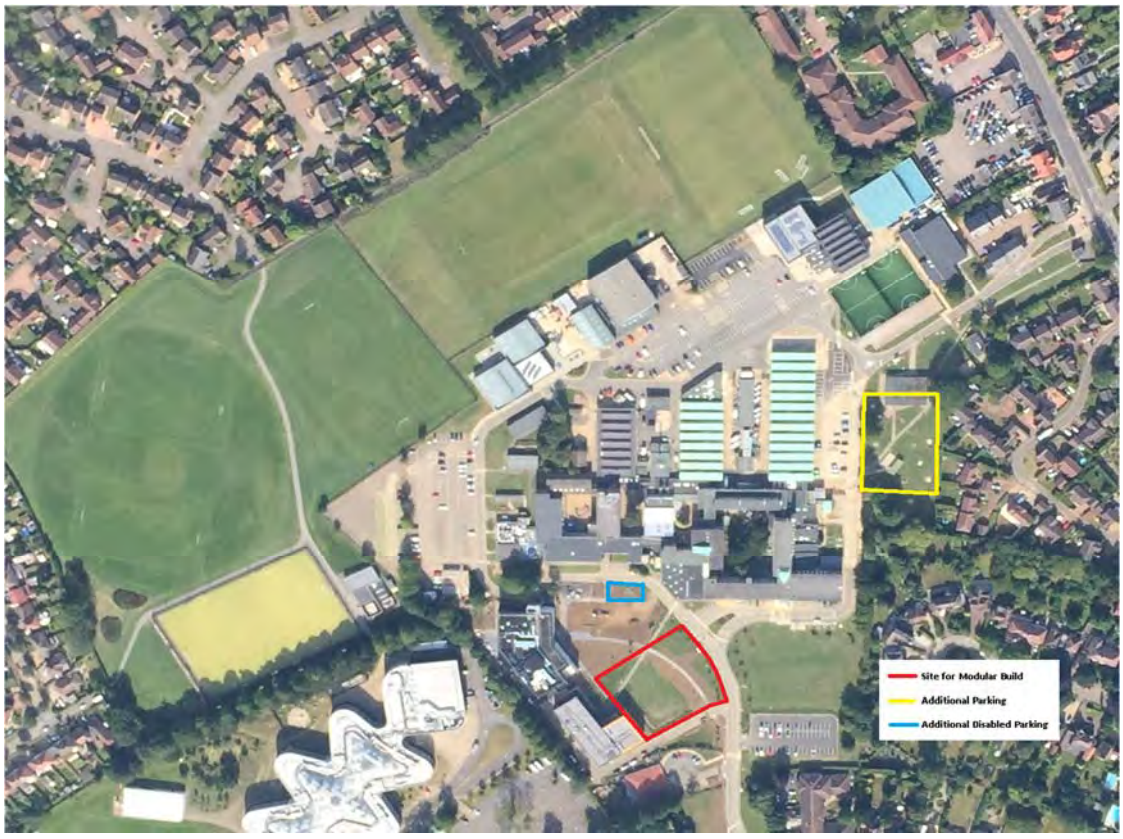
Basis of the Appraisal

All building occupancy levels and accommodation areas are based on those within the Phase 2 Management Appraisal. In summary this report requests; occupancy for an initial 1,000 students growing to 2,000 students by the 2022/23 academic year and states a building gross internal floor area of 900m2 for the initial 1,000 students with a 180m2 Student Union. We strongly suggest that this assumption on area is revisited as part of a full feasibility study.

When undertaking the operational cost exercise this is based on higher student numbers where:

1. All facilities are based on the UCP site.
2. Facilities are split between the UCP and embankment site.
3. All facilities are based on the embankment site.

The assumed location of the new build modular facility within the UCP site is based on the location plan as shown below:



In relation to the embankment site there has been no probable location identified for the interim facilities. We have engaged with Peterborough City Council in relation to area allocations for this site, in April 2017 the City Council undertook a master planning exercise for the embankment site. This exercise shows potential massing for a full university, from discussion with the City Council estimations within this report are based on locating the interim facility on the footprint of the easterly most car park accessed of Bishops Road. No options appraisal has been undertaken for this however this location does have an existing vehicular access limiting S278 costs and would allow the new facility a street presence. Taking the interim accommodation further south into the site would increase costs associated with access and servicing.

This assumed area is as shown in the diagram below and outlined in red.

This site in the context of the masterplan can be found in Appendix D, the assumed location is shown in orange.

gleeds

02

Outline Costs for Interim Accommodation Options

1. Outline Costs for Interim Accommodation Options

1. The table below provides outline strategic cost estimates for the siting of interim teaching facilities and student facilities at the University Centre Site and at the Embankment site, Student numbers and specifications for the proposed buildings are as defined in the business case.

    - Option 1 provides a cost estimate for siting of the new facilities at the UCP site
    - Option 2 provides an estimate for the same facility to be provided at the Embankment site.
    - Option 3 estimates the cost of a facility accommodating 2,000 students on the embankment site (done on a pro-rata basis from the occupancy which is contained in the business case).

Option	Construction Cost (excl. fees and contingency)	Development Cost (incl. fees and contingency)	Gross Internal Floor Area (GIFA)
Option 1 – University Centre Site – 1,000 Students	£3,980,000	£5,180,000	1,080m2
Option 2- Embankment Site – 1,000 Students	£4,400,000	£5,720,000	1,080m2
Option 3 – Embankment Site – 2,000 Students	£7,490,000	£9,740,000	1,980m2

2. These costs include for general site preparation works, deemed to be more extensive at the Embankment site due its current land use and proximity to the river; and we have included an extra over allowance for enhanced structural requirements for the Embankment Site options. This is to cover a deep foundation solution and suspended slabs as identified within WYG's Phase 1 Geo-Environmental Desk Study dated March 2018.

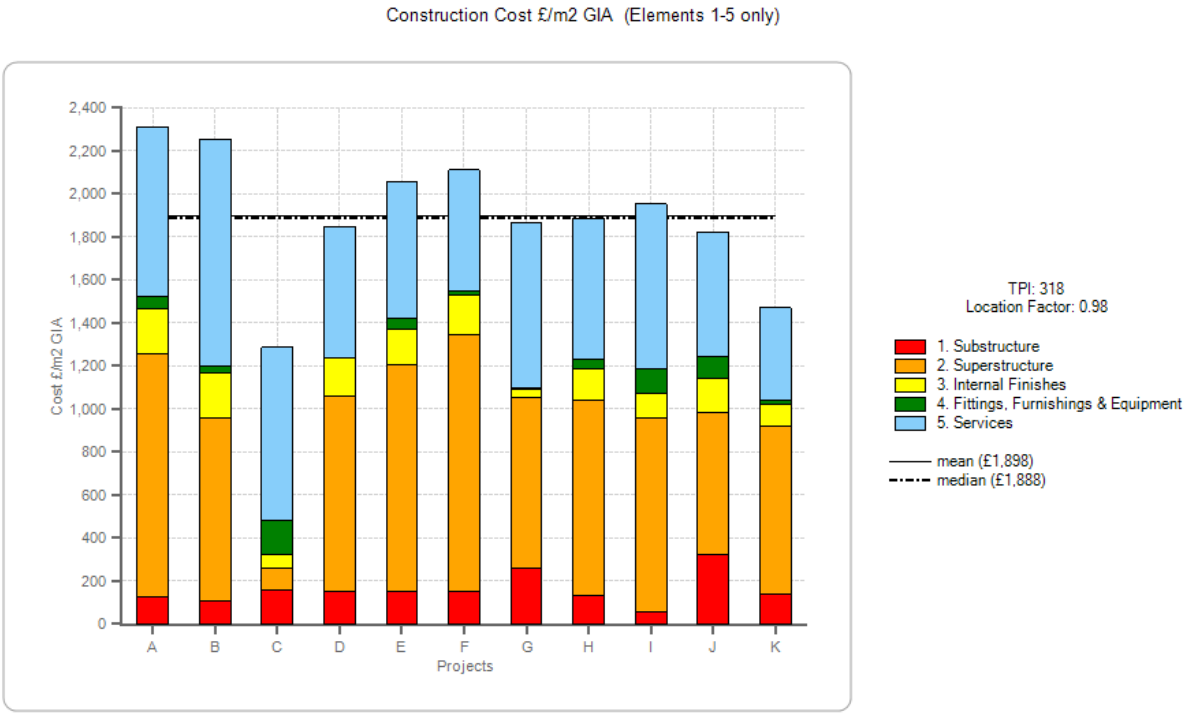
3. A list of risk items/assumptions and exclusions associated with the costs is provided for each site in the cost estimates provided in Appendix A.

4. Whilst we understand that the preferred construction method is to be modular construction, our recent experience has shown that the cost differential between traditional and modular construction is minimal. The main benefit of the modular construction is the potential reduction in programme, if design development is carried out in a coordinated manner. Therefore, for these estimates we have assumed that either option is possible and is to be explored in more detail in the RIBA Stage 1 feasibility study.

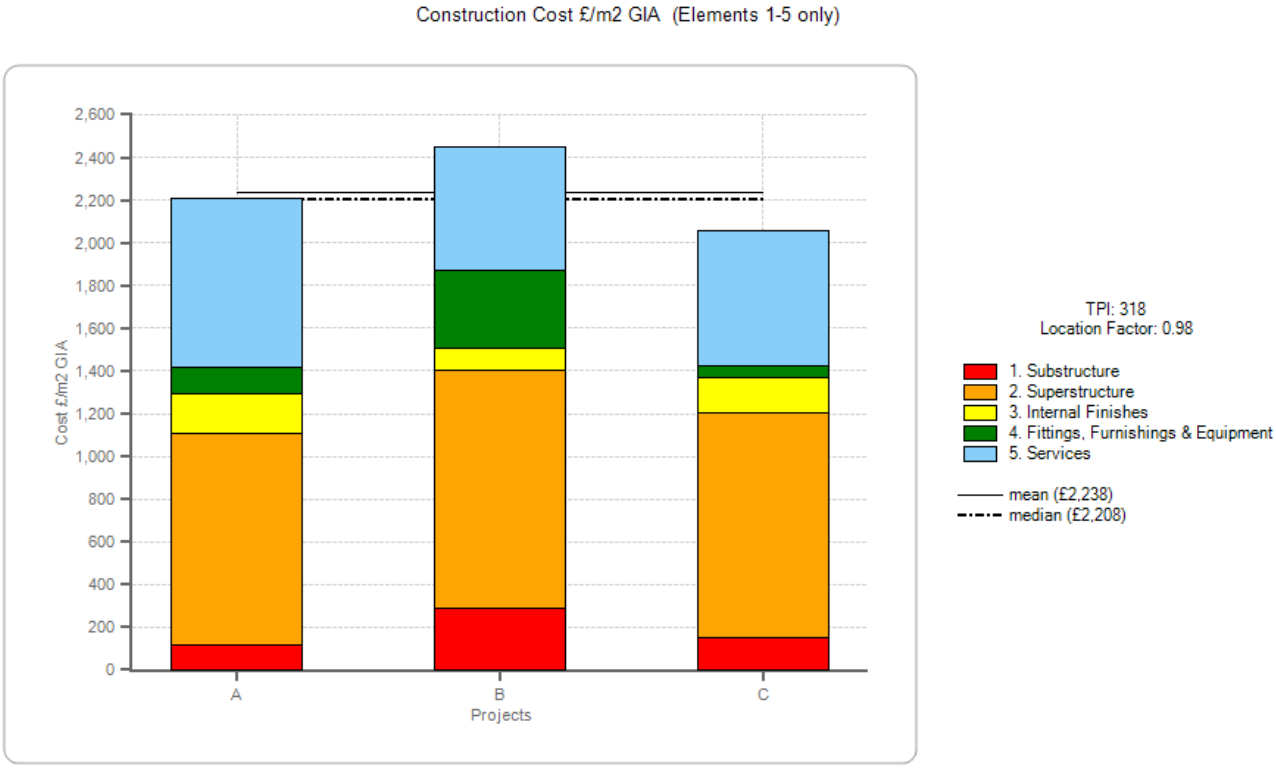
5. We have calculated the costs based on the RICS (Royal Institution of Chartered Surveyors), New Rules of Measurement for Cost Planning and Estimating (Volume 1). This is the industry standard rules for producing Cost Estimates and Cost Plans.

6. The status of the project, as defined by RIBA (Royal Institute of British Architects), is Stage 0, which is known as Strategic Definition. This corresponds with the RICS Rough Order of Cost Estimates, which is the methodology used to inform the Cost Estimates in Appendix A. It must be noted that this is an extremely early stage in the project process and as such the presented costs must be treated with caution due to the minimal amount of information which the costs are based on. We recommend that a full design team is engaged to enable a full feasibility to be undertaken and more accurate costs to be undertaken.

7. We have assumed a base rate of £2,250/m2 for the teaching spaces based on our Research and Development (R&D) department's benchmarking data for similar projects. Our data has been rebased to allow for current day costs and for the Peterborough location. The graph below shows the distribution of the source data which informs our rate of £2,250 (Calculated by taking the mean £1,898/m2 and allowing 20% addition for Preliminaries and Overhead and profit = £2,277/m2 ROUNDED to **£2,250/m2**)



8. For the student union we have assumed a base rates of £2,750/m2 based on our R&D Department's benchmarked data. The graph below shows the distribution of the source data which informs our rate of £2,238 (Calculated by taking the mean £2,238/m2 and allowing 20% addition for Overhead and profit = £2,685/m2 ROUNDED to **£2,750/m2**)



9. It should be noted that the construction industry is currently experiencing continually changing market conditions with the supply chain becoming increasingly selective in the opportunities they pursue. This is leading to some pricing volatility, with projects being considered by contractors based on procurement route, risk apportionment, programme and the robustness of tender documentation. The number of 'major' tier one contractors who are both suitable and available for sizeable and/or complex schemes is becoming more limited with projects tending to be favoured where price and programme risk are fairly shared. In addition, the lack of contractor in-house resources coupled with the potential cost of tendering may also dissuade contractors from tendering. This is having a knock-on effect generally across projects. Projects with potential pitfalls, inappropriate risk transfer and non standard contract conditions may result in tendering opportunities being declined or they may attract a pricing premium. It is therefore essential that all aspects of the project profile are fully considered by the client and project team in light of this current volatility. This should help ensure that project procurement is appropriate, project documentation is comprehensive and risk is effectively addressed.

03

Desk Based Survey Information

3. Desk Based Survey Information

1. We have received WYG's Phase 1 Geo-Environmental Desk Study which has identified the following remediation strategies which may be required to the Embankment Site:
    - Site clearance and demolition of existing structures
    - Localised contamination hotspot remediation by removal through targeted excavation
    - Provision of a clean cover capping layer for soft landscaping/garden areas
    - Provision of ground gas protection measures in all new structures

2. Whilst we have excluded any costs in association with abnormal ground conditions including contaminated ground (as the quantum is unknown at this stage), we have included allowances for the enhanced structural requirements identified within WYG's report. This includes deep piled foundations and suspended floor slabs to deal with the significant thickness of made ground and the risk of significant differential settlement between it and alluvial deposits beneath.

04

Operational Costs

4. Operational Costs

1. The Operational Cost assessment has been reviewed against four main headings of service delivery

    - Total Facilities Management
        i. Cleaning
        ii. Grounds
        iii. Waste
        iv. Planned M&E Maintenance
        v. Lifecycle
    - Energy
    - Service Management
        i. Contract Management
        ii. Security
    - Student Experience
        i. Site Management
        ii. Pastoral Care
        iii. Reception
        iv. Librarian
        v. Administration

    The principle is to provide three options against three main building and site considerations.

    Option 1 – Additional building for 1000 students adjoining existing site

    Option 2 – Additional building for 1000 students on remote site

    Option 3 – Additional building for 2000 students on remote site

    Each consideration uses the same principle in standards of delivery but varies based on size, the provision of stand-alone services where Options B and C are utilising a remote site

2. The prime operational costs are based on delivering compliant and legislative services to all key estate assets. All services deliverables and labour analysis have been based upon best practice, industry guidelines and similar operational set-ups within Education.

3. The financial evaluation and provision of the benchmark has used industry average costs assessed at GBP per square meter for similar services.

4. Energy has been estimated using average kWh per square meter of total areas to provide a guide as to current energy costs, using similar University delivery costs for comparison.

5. Lifecycle has been assessed against estimated capital costs and provides an indicative recommended figure for the accrual of average capital and reactive lifecycle spend over a 25-year cycle of operations.

6. Areas have been estimated for additional FM operations as well as the provision of student space to provide enhanced facilities for education and pastoral care.

7. Based upon 1,000-student head count comparing existing site utilisation against remote site development Option A, providing a 1,000-student educational facility adjoining existing facilities, creates a joined-up delivery model that sharing student experience management

and facilities so delivering value in the creation of additional space. Predominantly the values created in Option A are because of shared services and management with the existing site.

8. Option B delivers a new facility on a remote site and as such demands additional labour for service delivery, increased student experience space requiring dedicated student experience management so increasing labour and management costs accordingly. As a remote site delivery some premises for only 1,000-students this option does not represent the best value because of the need to duplicate and delivery stand-alone managed services.
9. Option C delivers a 2,000-student head count facility on the embankment site and as such utilises the economies of scale of the increased labour and student experience being delivered to twice as many students. This option provides comparable values with Option A based purely on building for a larger student number.
10. Fig:1 Provides the costs comparisons in GBP per student per annum for each service line including the student care management
11. Conclusion:
    - Option 1 shares facilities and student experience management therefore delivering better value for a smaller student premises.
    - Option 2 is a standalone site but must accommodate the student experience dedicated management and independent services so creating a higher pro-rata delivery model
    - Option 3 is comparable with Option A based on pro-rata high student numbers whilst still delivering dedicated student experience.
12. Appendix B provides the total estimated operational cost comparator, a summary of which can be found below.

Average Annual FM, Energy and Lifecycle Costs + Student Experience					OPTION 1			OPTION 2			OPTION 3
				£/m²	£/Student/ Annum		£/m²	£/Student/ Annum		£/m²	£/Student/ Annum
			Size m² ➔		1,000.00			1,000.00			2,000.00
TFM Estimates	£/m² ↓		**Detail**								
Cleaning	£ 15.00	Standard - Daily		£ 15.00	£ 16.50		£ 15.00	£ 16.50		£ 15.00	£ 15.08
Grounds	Varies	A - Shared	B - Stand Alone	£ 2.27	£ 2.50		£ 4.55	£ 5.00		£ 3.73	£ 3.75
Waste	Varies	Average Waste 3 x Weekly Collection		£ 3.64	£ 4.00		£ 5.45	£ 6.00		£ 3.98	£ 4.00
PPM	£ 16.00	Heat & Vent only: Compliance and Sub-(		£ 15.71	£ 17.28		£ 15.71	£ 17.28		£ 15.76	£ 15.84
Lifecycle	£ 20.00	Repairs and Capital Annual Average		£ 20.00	£ 22.00		£ 20.00	£ 22.00		£ 20.00	£ 20.10
			SUB-TOTAL	£ 56.62	£ 62.28		£ 60.71	£ 66.78		£ 58.47	£ 58.77
Energy	kWh/m² ↓	p/kWh ↓	**Detail**								
Elec	140.00	£ 0.119	UoL Average Costs	£ 16.66	£ 18.33		£ 16.66	£ 18.33		£ 16.66	£ 16.74
Gas	30.00	£ 0.035	UoL Average Costs	£ 1.05	£ 1.16		£ 1.05	£ 1.16		£ 1.05	£ 1.06
Water	£ 3.50	Average £/m²		£ 3.50	£ 3.85		£ 3.50	£ 3.85		£ 3.50	£ 3.52
			SUB-TOTAL	£ 21.21	£ 23.33		£ 21.21	£ 23.33		£ 21.21	£ 21.32
FM Management											
Management	Varies	Mobile TFM Management		£ 5.45	£ 6.00		£ 9.09	£ 10.00		£ 5.97	£ 6.00
Security	Mobile	Daily evening drive-by security		£ 3.64	£ 4.00		£ 5.45	£ 6.00		£ 3.98	£ 4.00
FM Ops Man	Varies	Mobile Contract Management		£ 3.64	£ 4.00		£ 5.45	£ 6.00		£ 4.98	£ 5.00
			SUB-TOTAL	£ 12.73	£ 14.00		£ 20.00	£ 22.00		£ 14.93	£ 15.00
			GRAND TOTAL FM	£ 90.56	£ 99.61		£ 101.92	£ 112.11		£ 94.61	£ 95.08
Student Experience											
Site	FTE X1.0	A - Shared 50:50 B&C Site Based 100%		£ 22.73	£ 25.00		£ 45.45	£ 50.00		£ 24.88	£ 25.00
Pastoral Care	FTE X1.0	A - Shared 50:50 B&C Site Based 100%		£ 20.45	£ 22.50		£ 40.91	£ 45.00		£ 22.39	£ 22.50
Reception	FTEX2.0	09.00-21.00 Mon-Fri		£ 20.00	£ 22.00		£ 40.00	£ 44.00		£ 21.89	£ 22.00
Admin	X1.0 FTE	08.00-17.00 Mon-Fri Receptionist		£ 10.00	£ 11.00		£ 20.00	£ 22.00		£ 10.95	£ 11.00
Labrarian	X1.0 FTE	A - Shared 50:50 B&C Site Based 100%		£ 15.91	£ 17.50		£ 31.82	£ 35.00		£ 17.41	£ 17.50
		SUB-TOTAL STUDENT EXPERIENCE		£ 89.09	£ 98.00		£ 178.18	£ 196.00		£ 97.51	£ 98.00
		GRAND TOTAL FM & STUDENT		£ 179.65	£ 197.61		£ 280.10	£ 308.11		£ 192.12	£ 193.08

A

Appendix A - Cost Estimate Options 1 - 3

12th March 2018

ROUGH ORDER OF COST ESTIMATE
UNIVERSITY OF PETERBOROUGH PROJECT PHASE 2
FOR
CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY
OPTION 1

	Element	*Quantity*	*Rate* £	*Total* £
	University Centre Peterborough - 1,080m2			
1	Allowance for general site clearance and preparation for modular building	2,080 m2	150	312,000
2	Allowance for modular teaching accommodation	900 m2	2,250	2,025,000
3	Allowance for modular student union	180 m2	2,750	495,000
4	Allowance for fixtures, fittings and equipment	1,000 nr	500	500,000
5	Allowance for ICT/ AV	1,000 nr	250	250,000
6	Allowance for external works	1,000 m2	350	350,000
7	Allowance for extending existing services to serve new building (assume provision of existing utilities is sufficient)	1 item	50,000	50,000
	Constuction Costs	**1,080 m2**	**3,687**	**3,982,000**
8	Design Development Risk		7.5%	298,650
9	Construction Risk		7.5%	298,650
10	Professional Fee Allowance (includes surveys and legal fees)		15%	597,300
				5,176,600

SUGGESTED BUDGET ALLOWANCE AT CURRENT DAY COSTS £ 5,180,000

EXCLUSIONS

VAT
Employers Change Risk (i.e scope change) and Employers Other Risk
Inflation
Rights of Light & Oversailing
Works to Party Walls / Adjoining Boundaries
Abnormal Ground Conditions Including Contaminated Ground
Any bespoke fixtures and fittings
Operation and maintenance costs
Finance Charges
Asbestos Surveys & Removal
Services Diversions / Lowering
Section 106 / 278 Works & Payments/CIL
Service upgrades beyond the boundary of the site
Major statutory facilities upgrades
Staff costs
Provision of car parking

NOTES

The pricing basis of this cost estimate is current market conditions and should be reviewed at regular intervals of no longer than 3 months.

This cost estimate is based on a Gross Internal Floor Area of 1,080m2 as included within the Cambridgeshire & Peterborough Combined Authority document entitled 'Interim Accommodation Options, Student Amenities and Facilities and Programme Management Appraisal' Seventh Draft dated 25/01/18. This comprises of a three storey modular building containing 900m2 teaching space and 180m2 of student union. This accommodation is for 1,000 students.

This cost estimate allows for the development of the area identified in Appendix 4 of the above document; predominantly greenfield site with minimal site preparation works required. In addition to the 1,080m2 of new building, we have assumed 1,000m2 of associated external areas.

Allowance for FF&E based on advised allowance of £500 per student (included within Appraisal document).

We strongly advise that consultants are appointed to develop the brief further before any irrevocable financial commitment is entered into by the Client.

12th March 2018

ROUGH ORDER OF COST ESTIMATE
UNIVERSITY OF PETERBOROUGH PROJECT PHASE 2
FOR
CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY
OPTION 2

	Element	*Quantity*	*Rate* £	*Total* £
	Embankment Site - 1,080m2			
1	Allowance for general site clearance and preparation for modular building (including allowance to capture potential additional land risks)	2,080 m2	250	520,000
2	Allowance for modular teaching accommodation	900 m2	2,250	2,025,000
3	Allowance for modular student union	180 m2	2,750	495,000
4	Extra over allowance for deeper foundations/suspended slabs	1,080 m2	100	108,000
5	Allowance for fixtures, fittings and equipment	1,000 nr	500	500,000
6	Allowance for ICT / AV	1,000 nr	250	250,000
7	Allowance for external works	1,000 m2	350	350,000
8	Allowance for extending existing services to serve new building (assume provision of existing utilities is sufficient)	1 item	150,000	150,000
	Constuction Costs	**1,080 m2**	**4,072**	**4,398,000**
9	Design Development Risk		7.5%	329,850
10	Construction Risk		7.5%	329,850
11	Professional Fee Allowance (includes surveys and legal fees)		15%	659,700
				5,717,400

SUGGESTED BUDGET ALLOWANCE AT CURRENT DAY COSTS £ 5,720,000

EXCLUSIONS

VAT
Employers Change Risk (i.e scope change) and Employers Other Risk
Inflation
Rights of Light & Oversailing
Works to Party Walls / Adjoining Boundaries
Abnormal Ground Conditions Including Contaminated Ground
Any bespoke fixtures and fittings
Operation and maintenance costs
Finance Charges
Asbestos Surveys & Removal
Services Diversions / Lowering
Section 106 / 278 Works & Payments/CIL
Service upgrades beyond the boundary of the site
Major statutory facilities upgrades
Staff costs
Provision of car parking

NOTES

The pricing basis of this cost estimate is current market conditions and should be reviewed at regular intervals of no longer than 3 months.

This cost estimate is based on a Gross Internal Floor Area of 1,080m2 as included within the Cambridgeshire & Peterborough Combined Authority document entitled 'Interim Accommodation Options, Student Amenities and Facilities and Programme Management Appraisal' Seventh Draft dated 25/01/18. This comprises of a three storey modular building containing 900m2 teaching space and 180m2 of student union. This accommodation is for 1,000 students.

This cost estimate allows for the development of an area adjacent to Bishop's Road; land currently being used as car park. In addition to the 1,080m2 of new building, we have assumed 1,000m2 of associated external areas.

Allowance for FF&E based on advised allowance of £500 per student (included within Appraisal document).

We strongly advise that consultants are appointed to develop the brief further before any irrevocable financial commitment is entered into by the Client.

12th March 2018

ROUGH ORDER OF COST ESTIMATE
UNIVERSITY OF PETERBOROUGH PROJECT PHASE 2
FOR
CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY
OPTION 3

	Element	*Quantity*	*Rate* £	*Total* £
	Embankment Site - 1,980m2			
1	Allowance for general site clearance and preparation for modular building (including allowance to capture potential additional land risks)	2,980 m2	250	745,000
2	Allowance for modular teaching accommodation	1,800 m2	2,250	4,050,000
3	Allowance for modular student union	180 m2	2,750	495,000
4	Extra over allowance for deeper foundations/suspended slabs	1,980 m2	100	198,000
5	Allowance for fixtures, fittings and equipment	2,000 nr	500	1,000,000
6	Allowance for ICT / AV	2,000 nr	250	500,000
7	Allowance for external works	1,000 m2	350	350,000
8	Allowance for extending existing services to serve new building (assume provision of existing utilities is sufficient)	1 item	150,000	150,000
	Constuction Costs	**1,980 m2**	**3,782**	**7,488,000**
9	Design Development Risk		7.5%	561,600
10	Construction Risk		7.5%	561,600
11	Professional Fee Allowance (includes surveys and legal fees)		15%	1,123,200
				9,734,400

SUGGESTED BUDGET ALLOWANCE AT CURRENT DAY COSTS £ 9,740,000

EXCLUSIONS

VAT
Employers Change Risk (i.e scope change) and Employers Other Risk
Inflation
Rights of Light & Oversailing
Works to Party Walls / Adjoining Boundaries
Abnormal Ground Conditions Including Contaminated Ground
Any bespoke fixtures and fittings
Operation and maintenance costs
Finance Charges
Asbestos Surveys & Removal
Services Diversions / Lowering
Section 106 / 278 Works & Payments/CIL
Service upgrades beyond the boundary of the site
Major statutory facilities upgrades
Staff costs
Provision of car parking

NOTES

The pricing basis of this cost estimate is current market conditions and should be reviewed at regular intervals of no longer than 3 months.

This cost estimate is based on a Gross Internal Floor Area of 1,980m2 as included within the Cambridgeshire & Peterborough Combined Authority document entitled 'Interim Accommodation Options, Student Amenities and Facilities and Programme Management Appraisal' Seventh Draft dated 25/01/18. This comprises of a three storey modular building containing 1,800m2 teaching space and 180m2 of student union. This accommodation is for 2,000 students.

This cost estimate allows for the development of an area adjacent to Bishop's Road; land currently being used as car park. In addition to the 1,980m2 of new building, we have assumed 1,000m2 of associated external areas.

Allowance for FF&E based on advised allowance of £500 per student (included within Appraisal document).

We strongly advise that consultants are appointed to develop the brief further before any irrevocable financial commitment is entered into by the Client.

B

Appendix B - Operating Costs

Option 1

Average Annual FM, Energy and Lifecycle Costs + Student Experience				1: Site 1 - UCP					OPTION 1
				Main	Ancilliary Student Accomm.	Ops FM Space	TOTALS	£/m²	£/Student/ Annum
			Size m² →	900.00	180.00	20.00	1,100.00		1,000.00
TFM Estimates	£/m² ↓	Detail							
Cleaning	£ 15.00	Standard - Daily		£ 13,500	£ 2,700	£ 300	£ 16,500	£ 15.00	£ 16.50
Grounds	Varies	A - Shared	B - Stand Alone	£ 2,500	£ -	£ -	£ 2,500	£ 2.27	£ 2.50
Waste	Varies	Average Waste 3 x Weekly Collection		£ 4,000	£ -	£ -	£ 4,000	£ 3.64	£ 4.00
PPM	£ 16.00	Heat & Vent only: Compliance and Sub-(		£ 14,400	£ 2,880	£ -	£ 17,280	£ 15.71	£ 17.28
Lifecycle	£ 20.00	Repairs and Capital Annual Average		£ 18,000	£ 3,600	£ 400	£ 22,000	£ 20.00	£ 22.00
			SUB-TOTAL	£ 52,400	£ 9,180	£ 700	£ 62,280	£ 56.62	£ 62.28
Energy	kWh/m² ↓	p/kWh ↓	Detail						
Elec	140.00	£ 0.119	UoL Average Costs	£ 14,994	£ 2,999	£ 333	£ 18,326	£ 16.66	£ 18.33
Gas	30.00	£ 0.035	UoL Average Costs	£ 945	£ 189	£ 21	£ 1,155	£ 1.05	£ 1.16
Water	£ 3.50	Average £/m²		£ 3,150	£ 630	£ 70	£ 3,850	£ 3.50	£ 3.85
			SUB-TOTAL	£ 19,089	£ 3,818	£ 424	£ 23,331	£ 21.21	£ 23.33
FM Management									
Management	Varies	Mobile TFM Management		£ -	£ -	£ 6,000	£ 6,000	£ 5.45	£ 6.00
Security	Mobile	Daily evening drive-by security		£ 4,000	£ -	£ -	£ 4,000	£ 3.64	£ 4.00
FM Ops Man	Varies	Mobile Contract Management		£ -	£ -	£ 4,000	£ 4,000	£ 3.64	£ 4.00
			SUB-TOTAL	£ 4,000	£ -	£ 10,000	£ 14,000	£ 12.73	£ 14.00
			GRAND TOTAL FM	£ 75,489	£ 12,998	£ 11,124	£ 99,611	£ 90.56	£ 99.61
Student Experience									
Site	FTE X1.0	A - Shared 50:50 B&C Site Based 100%		£ 25,000	£ -	£ -	£ 25,000	£ 22.73	£ 25.00
Pastoral Care	FTE X1.0	A - Shared 50:50 B&C Site Based 100%		£ 22,500	£ -	£ -	£ 22,500	£ 20.45	£ 22.50
Reception	FTEX2.0	09.00-21.00 Mon-Fri		£ 22,000	£ -	£ -	£ 22,000	£ 20.00	£ 22.00
Admin	X1.0 FTE	08.00-17.00 Mon-Fri Receptionist		£ 11,000	£ -	£ -	£ 11,000	£ 10.00	£ 11.00
Labrarian	X1.0 FTE	A - Shared 50:50 B&C Site Based 100%		£ 17,500	£ -	£ -	£ 17,500	£ 15.91	£ 17.50
		SUB-TOTAL STUDENT EXPERIENCE		£ 98,000	£ -	£ -	£ 98,000	£ 89.09	£ 98.00
		GRAND TOTAL FM & STUDENT		£ 173,489	£ 12,998	£ 11,124	£ 197,611	£ 179.65	£ 197.61

Option 2

Average Annual FM, Energy and Lifecycle Costs + Student Experience				2: Site 2 - Embankment 1,000					OPTION 2
				Main	Ancilliary Student Accomm.	Ops FM Space	TOTALS	£/m²	£/Student/ Annum
			Size m² ➔	900.00	180.00	20.00	1,100.00		1,000.00
TFM Estimates	£/m² ↓	Detail							
Cleaning	£ 15.00	Standard - Daily		£ 13,500	£ 2,700	£ 300	£ 16,500	£ 15.00	£ 16.50
Grounds	Varies	A - Shared	B - Stand Alone	£ 5,000	£ -	£ -	£ 5,000	£ 4.55	£ 5.00
Waste	Varies	Average Waste 3 x Weekly Collection		£ 6,000	£ -	£ -	£ 6,000	£ 5.45	£ 6.00
PPM	£ 16.00	Heat & Vent only: Compliance and Sub-(		£ 14,400	£ 2,880	£ -	£ 17,280	£ 15.71	£ 17.28
Lifecycle	£ 20.00	Repairs and Capital Annual Average		£ 18,000	£ 3,600	£ 400	£ 22,000	£ 20.00	£ 22.00
			SUB-TOTAL	£ 56,900	£ 9,180	£ 700	£ 66,780	£ 60.71	£ 66.78
Energy	kWh/m² ↓	p/kWh ↓	Detail						
Elec	140.00	£ 0.119	UoL Average Costs	£ 14,994	£ 2,999	£ 333	£ 18,326	£ 16.66	£ 18.33
Gas	30.00	£ 0.035	UoL Average Costs	£ 945	£ 189	£ 21	£ 1,155	£ 1.05	£ 1.16
Water	£ 3.50	Average £/m²		£ 3,150	£ 630	£ 70	£ 3,850	£ 3.50	£ 3.85
			SUB-TOTAL	£ 19,089	£ 3,818	£ 424	£ 23,331	£ 21.21	£ 23.33
FM Management									
Management	Varies	Mobile TFM Management		£ -	£ -	£ 10,000	£ 10,000	£ 9.09	£ 10.00
Security	Mobile	Daily evening drive-by security		£ 6,000	£ -	£ -	£ 6,000	£ 5.45	£ 6.00
FM Ops Man	Varies	Mobile Contract Management		£ -	£ -	£ 6,000	£ 6,000	£ 5.45	£ 6.00
			SUB-TOTAL	£ 6,000	£ -	£ 16,000	£ 22,000	£ 20.00	£ 22.00
			GRAND TOTAL FM	£ 81,989	£ 12,998	£ 17,124	£ 112,111	£ 101.92	£ 112.11
Student Experience									
Site	FTE X1.0	A - Shared 50:50 B&C Site Based 100%		£ 50,000	£ -	£ -	£ 50,000	£ 45.45	£ 50.00
Pastoral Care	FTE X1.0	A - Shared 50:50 B&C Site Based 100%		£ 45,000	£ -	£ -	£ 45,000	£ 40.91	£ 45.00
Reception	FTEX2.0	09.00-21.00 Mon-Fri		£ 44,000	£ -	£ -	£ 44,000	£ 40.00	£ 44.00
Admin	X1.0 FTE	08.00-17.00 Mon-Fri Receptionist		£ 22,000	£ -	£ -	£ 22,000	£ 20.00	£ 22.00
Labrarian	X1.0 FTE	A - Shared 50:50 B&C Site Based 100%		£ 35,000	£ -	£ -	£ 35,000	£ 31.82	£ 35.00
			SUB-TOTAL STUDENT EXPERIENCE	£ 196,000	£ -	£ -	£ 196,000	£ 178.18	£ 196.00
			GRAND TOTAL FM & STUDENT	£ 277,989	£ 12,998	£ 17,124	£ 308,111	£ 280.10	£ 308.11

Option 3

Average Annual FM, Energy and Lifecycle Costs + Student Experience				3: Site 2 - Embankment 2,000					OPTION 3
				Main	Ancilliary Student Accomm.	Ops FM Space	TOTALS	£/m²	£/Student/ Annum
			Size m² ➔	1,800.00	180.00	30.00	2,010.00		2,000.00
TFM Estimates	£/m² ↓		**Detail**						
Cleaning	£ 15.00	Standard - Daily		£ 27,000	£ 2,700	£ 450	£ 30,150	£ 15.00	£ 15.08
Grounds	Varies	A - Shared	B - Stand Alone	£ 7,500	£ -	£ -	£ 7,500	£ 3.73	£ 3.75
Waste	Varies	Average Waste 3 x Weekly Collection		£ 8,000	£ -	£ -	£ 8,000	£ 3.98	£ 4.00
PPM	£ 16.00	Heat & Vent only: Compliance and Sub-Cor		£ 28,800	£ 2,880	£ -	£ 31,680	£ 15.76	£ 15.84
Lifecycle	£ 20.00	Repairs and Capital Annual Average		£ 36,000	£ 3,600	£ 600	£ 40,200	£ 20.00	£ 20.10
			SUB-TOTAL	£ 107,300	£ 9,180	£ 1,050	£ 117,530	£ 58.47	£ 58.77
Energy	kWh/m² ↓	p/kWh ↓	**Detail**						
Elec	140.00	£ 0.119	UoL Average Costs	£ 29,988	£ 2,999	£ 500	£ 33,487	£ 16.66	£ 16.74
Gas	30.00	£ 0.035	UoL Average Costs	£ 1,890	£ 189	£ 32	£ 2,111	£ 1.05	£ 1.06
Water	£ 3.50	Average £/m²		£ 6,300	£ 630	£ 105	£ 7,035	£ 3.50	£ 3.52
			SUB-TOTAL	£ 38,178	£ 3,818	£ 636	£ 42,632	£ 21.21	£ 21.32
FM Management									
Management	Varies	Mobile TFM Management		£ -	£ -	£ 12,000	£ 12,000	£ 5.97	£ 6.00
Security	Mobile	Daily evening drive-by security		£ 8,000	£ -	£ -	£ 8,000	£ 3.98	£ 4.00
FM Ops Man	Varies	Mobile Contract Management		£ -	£ -	£ 10,000	£ 10,000	£ 4.98	£ 5.00
			SUB-TOTAL	£ 8,000	£ -	£ 22,000	£ 30,000	£ 14.93	£ 15.00
			GRAND TOTAL FM	£ 153,478	£ 12,998	£ 23,686	£ 190,162	£ 94.61	£ 95.08
Student Experience									
Site	FTE X1.0	A - Shared 50:50 B&C Site Based 100%		£ 50,000	£ -	£ -	£ 50,000	£ 24.88	£ 25.00
Pastoral Care	FTE X1.0	A - Shared 50:50 B&C Site Based 100%		£ 45,000	£ -	£ -	£ 45,000	£ 22.39	£ 22.50
Reception	FTEX2.0	09.00-21.00 Mon-Fri		£ 44,000	£ -	£ -	£ 44,000	£ 21.89	£ 22.00
Admin	X1.0 FTE	08.00-17.00 Mon-Fri Receptionist		£ 22,000	£ -	£ -	£ 22,000	£ 10.95	£ 11.00
Labrarian	X1.0 FTE	A - Shared 50:50 B&C Site Based 100%		£ 35,000	£ -	£ -	£ 35,000	£ 17.41	£ 17.50
			SUB-TOTAL STUDENT EXPERIENCE	£ 196,000	£ -	£ -	£ 196,000	£ 97.51	£ 98.00
			GRAND TOTAL FM & STUDENT	£ 349,478	£ 12,998	£ 23,686	£ 386,162	£ 192.12	£ 193.08

C

Appendix C - Benchmarking Reports

BENCHMARKING REPORT – 10879 New Build High End University Teaching Spaces

All in TPI used: 318 - 1Q2018 (BCIS indices published 2nd March 2018)

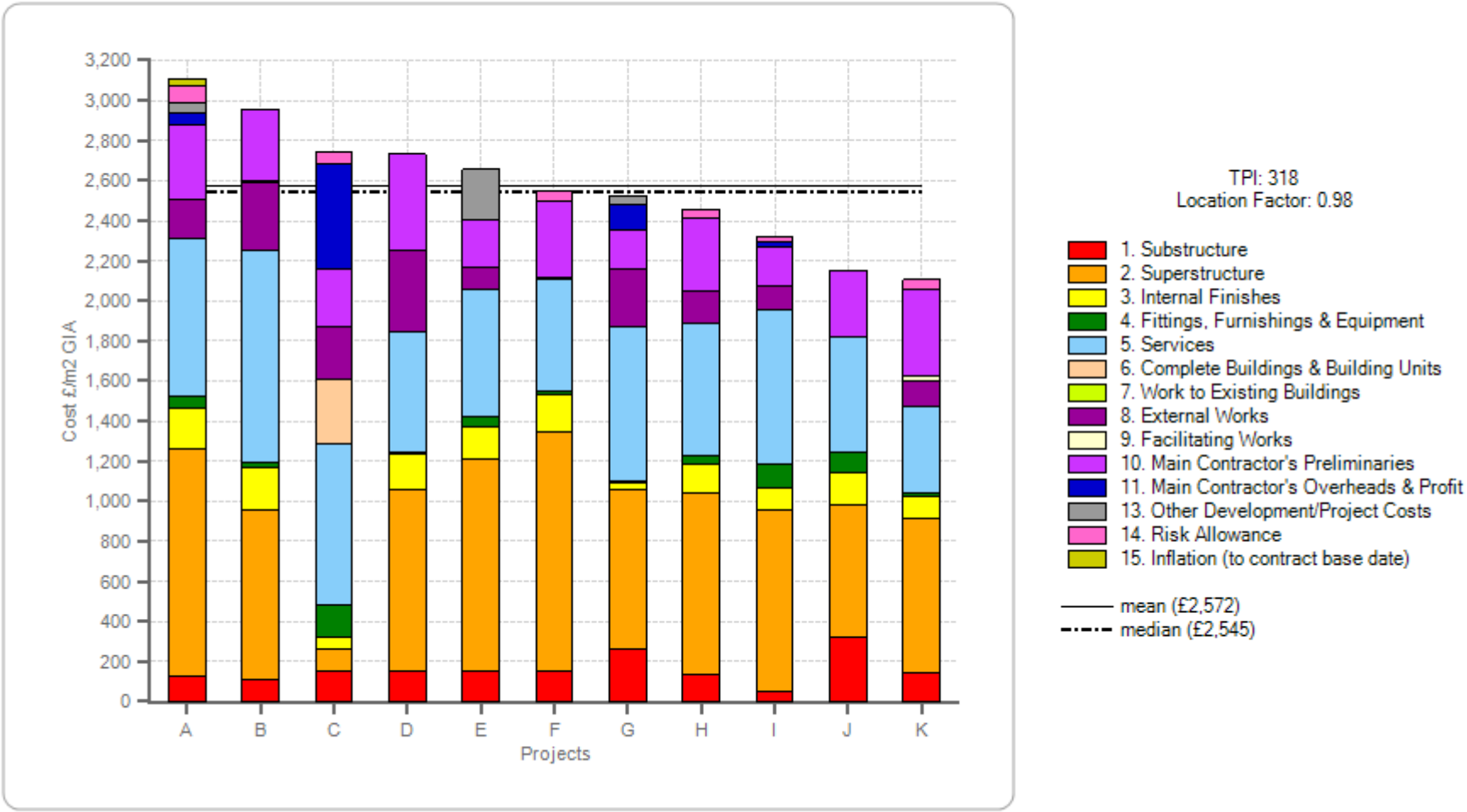
Location factor: 0.98 - Peterborough

Data used in the benchmarking exercise are as follows:

Key	Project Number	Base Date	Project Description
A	SOCM0080	30/05/2014	Construction of new four-storey academic building including seminar spaces, agile rooms and 3nr lecture theatres.
B	NTQG0262	10/02/2009	The works comprise the construction of a new three-storey building including associated external works, external services and drainage and the demolition of existing industrial buildings. The facilities include conference rooms, training suites, corporate hospitality, offices, internet cafe, break-out/learning spaces and an 'Innovation Zone' for start-up businesses.
C	OXCM0097	01/06/2017	Construction of modular buildings for use as teaching/laboratory facilities.
D	WAQS0234	21/08/2006	The construction of a new three-storey business school andIT centre with associated external works, car parking and landscaping.
E	NTMS0518	01/05/2015	New build amenities building for university campus. The development comprises a dining hall, bar, restaurant, conference facilities and teaching areas.
F	NTQS1029	01/08/2006	Design and construction of an extension to an existing university faculty to provide a lecture theatre and seminar rooms with associated break-out and refreshment areas together with open plan and cellular office accommodation.
G	BMCM0143	20/07/2015	The works comprise the design and build of a new engineering workshop facility on a university campus. New steel framed workshop building including

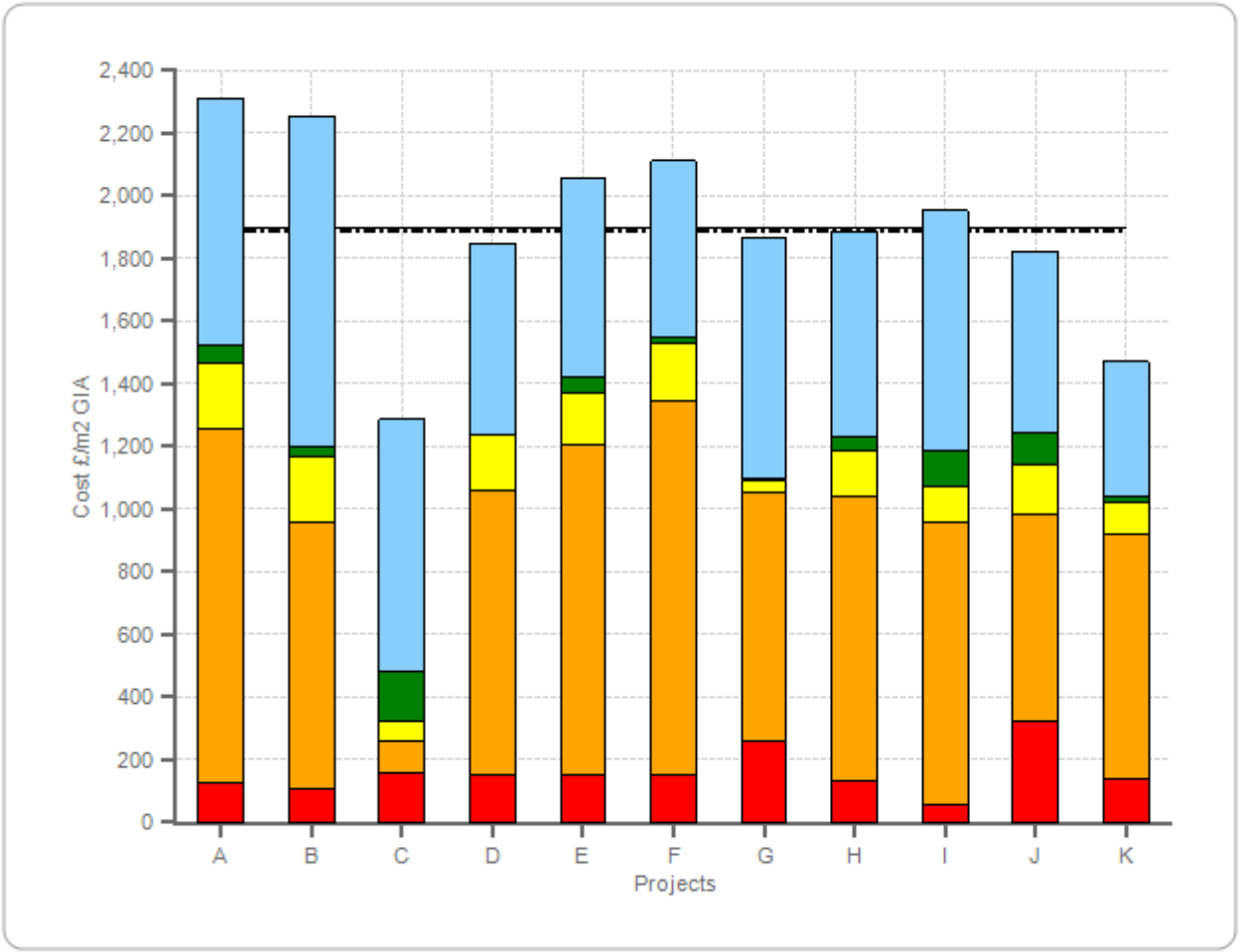
			M&E services, internal fit out and external works.
H	ABQS0467	01/02/2005	Six-storey plus basement, university teaching block together with external works including precast concrete and block paving, services and drainage.
I	NTQS1124	23/04/2010	New build four-storey university teaching facility including laboratories, ICT and general teaching areas, offices, lecture theatre.
J	ABQS0239	01/11/2002	A self-contained teaching and research building for humanities department, developed in a constricted, brownfield urban site. The development includes lecture theatres, seminar rooms and cellular space for academics and researchers.
K	NTQS0890	01/05/2005	The construction of a two/three storey university faculty building with associated external works, external services and drainage; the demolition of existing buildings, Japanese Knotweed remediation works and the refurbishment of the external envelope to an existing workshop building.

Construction Cost £/m2 GIA



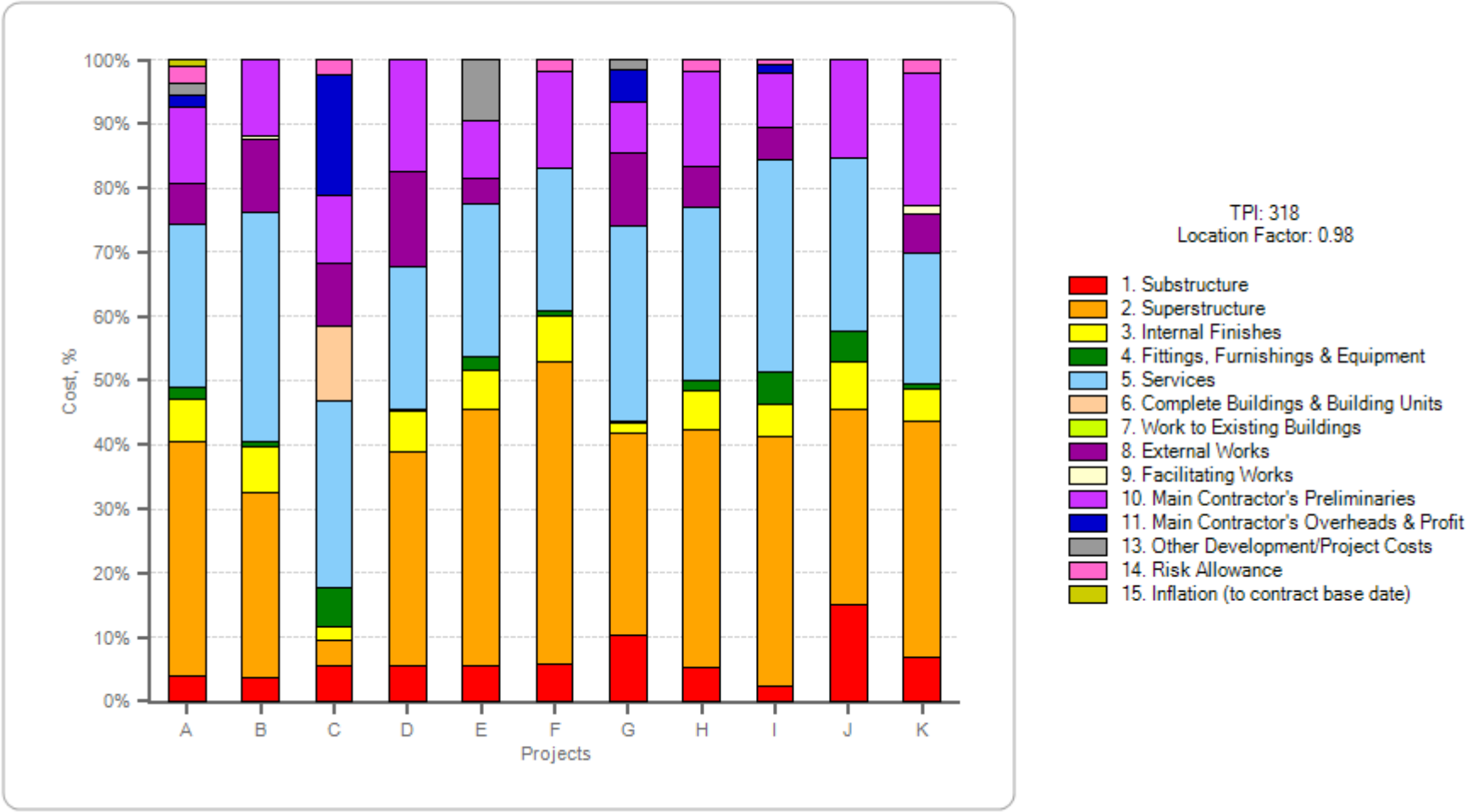
Profile	1. Substructure	2. Superstructure	3. Finishings	4. FF&E	5. Services	6. Bldgs/Bldg Units	7. Extg Bldgs	8. External Works	9. Facilitating Works	10. Preliminaries	11. OH&P	13. Other Costs	14. Risk	15. Inflation	Total Cost
A	£126.22	£1,132.68	£208.04	£54.01	£792.92	£0.00	£0.00	£194.04	£0.00	£372.70	£58.00	£50.60	£82.65	£35.46	£3,107.31
B	£105.87	£853.34	£210.98	£27.59	£1,056.41	£0.00	£0.00	£335.02	£13.88	£349.44	£0.00	£2.89	£0.00	£0.00	£2,955.42
C	£155.99	£106.64	£58.55	£162.43	£803.88	£318.60	£0.00	£263.36	£0.00	£291.18	£518.77	£0.00	£64.47	£0.00	£2,743.87
D	£150.62	£911.44	£176.66	£2.26	£605.50	£0.00	£0.00	£405.95	£0.00	£479.19	£0.00	£0.00	£0.00	£0.00	£2,731.62
E	£149.28	£1,057.76	£162.59	£54.20	£633.31	£0.00	£0.00	£108.80	£0.00	£235.77	£0.00	£254.56	£0.00	£0.00	£2,656.27
F	£150.12	£1,198.59	£180.82	£17.91	£564.11	£0.00	£0.00	£1.88	£0.00	£383.06	£0.00	£0.00	£48.10	£0.00	£2,544.60
G	£259.56	£794.70	£38.58	£8.22	£766.60	£0.00	£0.00	£290.24	£0.00	£199.65	£120.97	£43.15	£0.00	£0.00	£2,521.67
H	£133.18	£909.22	£145.90	£41.10	£658.67	£0.00	£0.00	£159.26	£0.00	£364.75	£0.00	£0.00	£43.95	£0.00	£2,456.03
I	£54.31	£902.14	£114.42	£118.52	£764.80	£0.00	£0.00	£117.42	£0.00	£195.51	£29.03	£0.00	£19.45	£0.00	£2,315.61
J	£325.85	£655.59	£160.93	£102.18	£577.90	£0.00	£0.00	£0.00	£0.00	£331.44	£0.00	£0.00	£0.00	£0.00	£2,153.88
K	£142.40	£775.07	£106.98	£18.33	£429.57	£0.00	£0.00	£124.46	£32.25	£430.03	£0.00	£0.00	£46.73	£0.00	£2,105.81

Construction Cost £/m2 GIA (Elements 1-5 only)



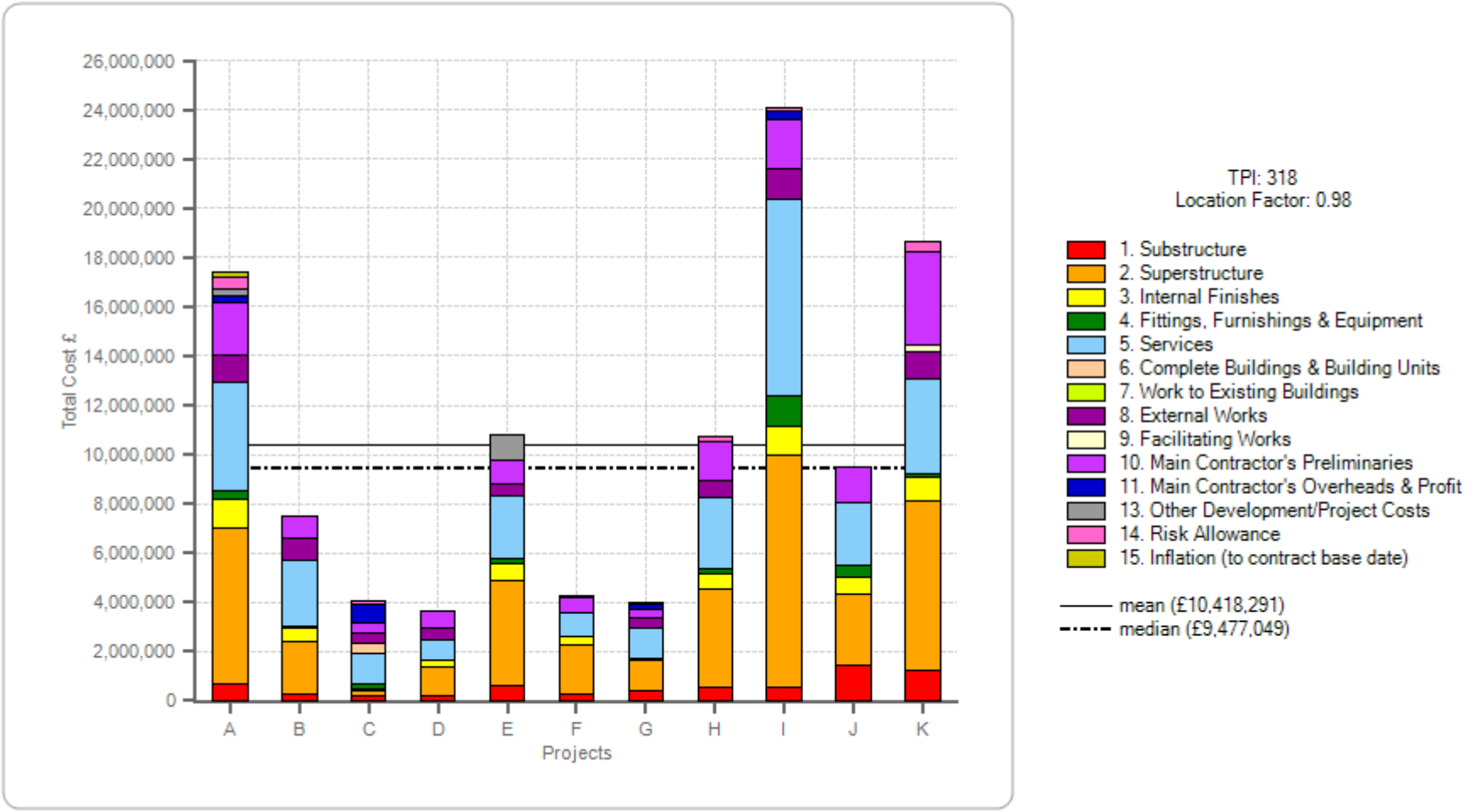
Profile	1. Substructure	2. Superstructure	3. Finishings	4. FF&E	5. Services	Total Cost
A	£126.22	£1,132.68	£208.04	£54.01	£792.92	£2,313.87
B	£105.87	£853.34	£210.98	£27.59	£1,056.41	£2,254.20
C	£155.99	£106.64	£58.55	£162.43	£803.88	£1,287.49
D	£150.62	£911.44	£176.66	£2.26	£605.50	£1,846.49
E	£149.28	£1,057.76	£162.59	£54.20	£633.31	£2,057.15
F	£150.12	£1,198.59	£180.82	£17.91	£564.11	£2,111.56
G	£259.56	£794.70	£38.58	£8.22	£766.60	£1,867.66
H	£133.18	£909.22	£145.90	£41.10	£658.67	£1,888.07
I	£54.31	£902.14	£114.42	£118.52	£764.80	£1,954.20
J	£325.85	£655.59	£160.93	£102.18	£577.90	£1,822.44
K	£142.40	£775.07	£106.98	£18.33	£429.57	£1,472.35

Distribution of Cost



Profile	1. Substructure	2. Superstructure	3. Finishings	4. FF&E	5. Services	6. Bldgs/Bldg Units	7. Extg Bldgs	8. External Works	9. Facilitating Works	10. Preliminaries	11. OH&P	13. Other Costs	14. Risk	15. Inflation
A	4.06%	36.45%	6.70%	1.74%	25.52%	0.00%	0.00%	6.24%	0.00%	11.99%	1.87%	1.63%	2.66%	1.14%
B	3.58%	28.87%	7.14%	0.93%	35.74%	0.00%	0.00%	11.34%	0.47%	11.82%	0.00%	0.10%	0.00%	0.00%
C	5.68%	3.89%	2.13%	5.92%	29.30%	11.61%	0.00%	9.60%	0.00%	10.61%	18.91%	0.00%	2.35%	0.00%
D	5.51%	33.37%	6.47%	0.08%	22.17%	0.00%	0.00%	14.86%	0.00%	17.54%	0.00%	0.00%	0.00%	0.00%
E	5.62%	39.82%	6.12%	2.04%	23.84%	0.00%	0.00%	4.10%	0.00%	8.88%	0.00%	9.58%	0.00%	0.00%
F	5.90%	47.10%	7.11%	0.70%	22.17%	0.00%	0.00%	0.07%	0.00%	15.05%	0.00%	0.00%	1.89%	0.00%
G	10.29%	31.51%	1.53%	0.33%	30.40%	0.00%	0.00%	11.51%	0.00%	7.92%	4.80%	1.71%	0.00%	0.00%
H	5.42%	37.02%	5.94%	1.67%	26.82%	0.00%	0.00%	6.48%	0.00%	14.85%	0.00%	0.00%	1.79%	0.00%
I	2.35%	38.96%	4.94%	5.12%	33.03%	0.00%	0.00%	5.07%	0.00%	8.44%	1.25%	0.00%	0.84%	0.00%
J	15.13%	30.44%	7.47%	4.74%	26.83%	0.00%	0.00%	0.00%	0.00%	15.39%	0.00%	0.00%	0.00%	0.00%
K	6.76%	36.81%	5.08%	0.87%	20.40%	0.00%	0.00%	5.91%	1.53%	20.42%	0.00%	0.00%	2.22%	0.00%

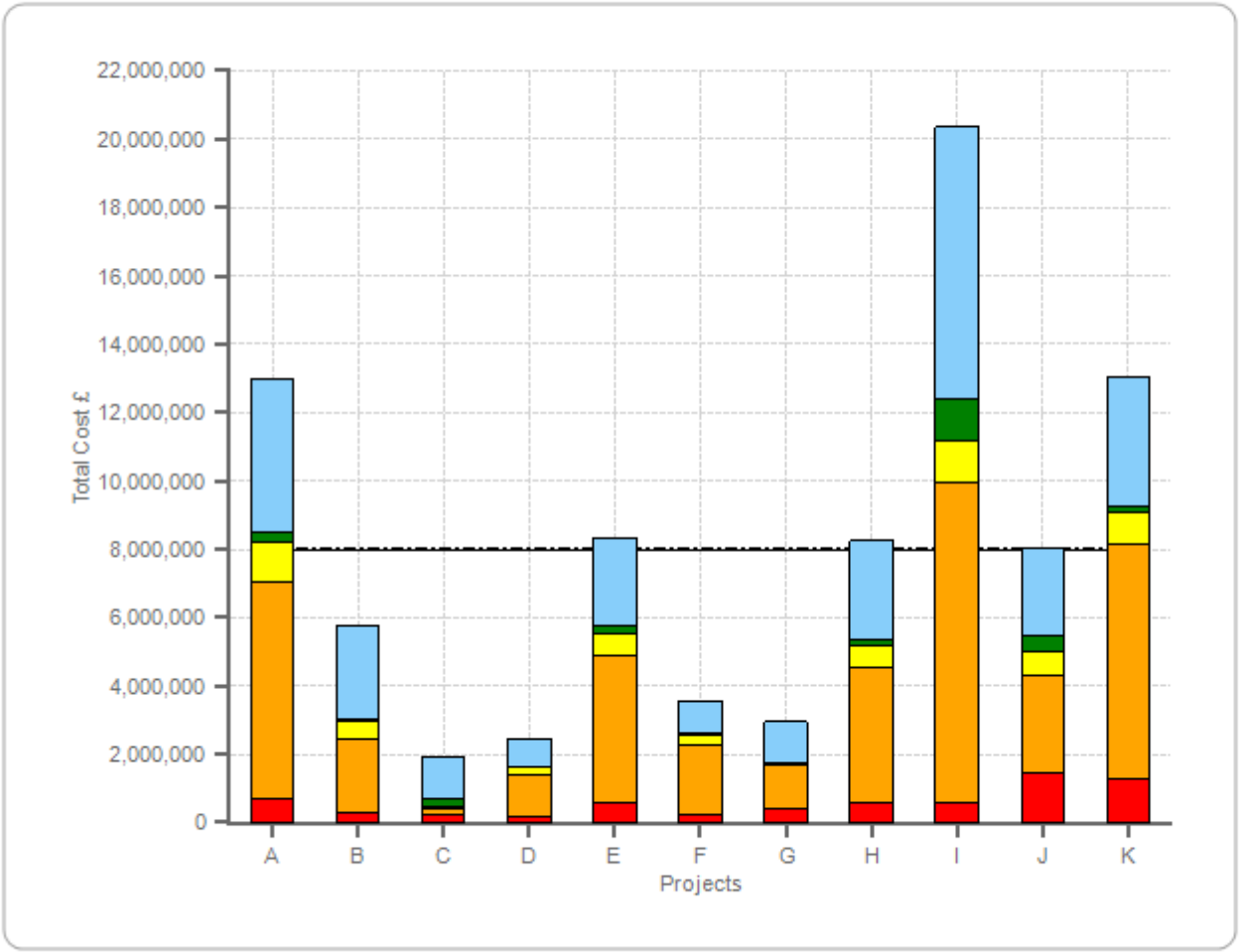
Total Construction Cost



Profile	1. Substructure	2. Superstructure	3. Finishings	4. FF&E	5. Services	6. Bldgs/Bldg Units	7. Extg Bldgs	8. External Works	9. Facilitating Works	10. Preliminaries	11. OH&P	13. Other Costs	14. Risk	15. Inflation	Total Cost
A	£706,854	£6,342,994	£1,165,030	£302,453	£4,440,337	£0	£0	£1,086,617	£0	£2,087,112	£324,784	£283,355	£462,820	£198,585	£17,400,940
B	£269,327	£2,170,908	£536,743	£70,195	£2,687,518	£0	£0	£852,283	£35,305	£888,965	£0	£7,355	£0	£0	£7,518,599
C	£229,926	£157,183	£86,305	£239,423	£1,184,922	£469,613	£0	£388,198	£0	£429,194	£764,673	£0	£95,034	£0	£4,044,470
D	£199,722	£1,208,574	£234,248	£3,002	£802,895	£0	£0	£538,288	£0	£635,402	£0	£0	£0	£0	£3,622,132
E	£605,024	£4,287,111	£658,969	£219,680	£2,566,824	£0	£0	£440,960	£0	£955,577	£0	£1,031,722	£0	£0	£10,765,870
F	£253,258	£2,022,017	£305,049	£30,214	£951,662	£0	£0	£3,175	£0	£646,215	£0	£0	£81,146	£0	£4,292,736
G	£408,546	£1,250,855	£60,727	£12,936	£1,206,626	£0	£0	£456,842	£0	£314,253	£190,414	£67,916	£0	£0	£3,969,113
H	£581,861	£3,972,370	£637,427	£179,572	£2,877,729	£0	£0	£695,795	£0	£1,593,614	£0	£0	£192,009	£0	£10,730,380
I	£565,396	£9,391,323	£1,191,14	£1,233,76	£7,961,55	£0	£0	£1,222,37	£0	£2,035,249	£302,22	£0	£202,52	£0	£24,105,55

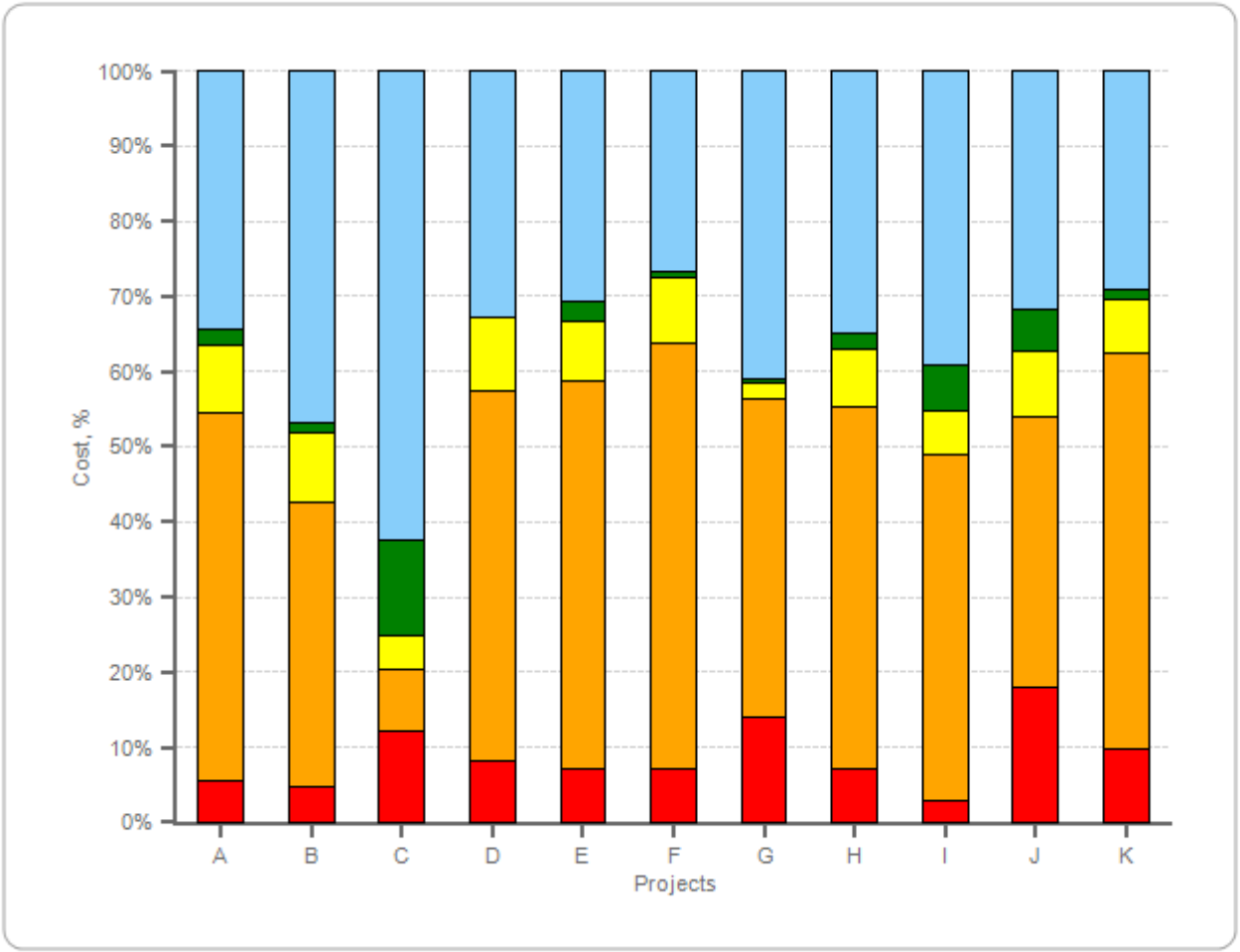
			1	1	1			5			9		2		0
J	£1,433,720	£2,884,574	£708,073	£449,593	£2,542,766	£0	£0	£0	£0	£1,458,323	£0	£0	£0	£0	£9,477,049
K	£1,262,787	£6,873,300	£948,685	£162,556	£3,809,452	£0	£0	£1,103,737	£286,007	£3,813,468	£0	£0	£414,369	£0	£18,674,360

Total Construction Cost Building Works (Elements 1-5 only)



Profile	1. Substructure	2. Superstructure	3. Finishings	4. FF&E	5. Services	Total Cost
A	£706,854	£6,342,994	£1,165,030	£302,453	£4,440,337	£12,957,670
B	£269,327	£2,170,908	£536,743	£70,195	£2,687,518	£5,734,692
C	£229,926	£157,183	£86,305	£239,423	£1,184,922	£1,897,759
D	£199,722	£1,208,574	£234,248	£3,002	£802,895	£2,448,441
E	£605,024	£4,287,111	£658,969	£219,680	£2,566,824	£8,337,611
F	£253,258	£2,022,017	£305,049	£30,214	£951,662	£3,562,199
G	£408,546	£1,250,855	£60,727	£12,936	£1,206,626	£2,939,689
H	£581,861	£3,972,370	£637,427	£179,572	£2,877,729	£8,248,963
I	£565,396	£9,391,323	£1,191,141	£1,233,761	£7,961,551	£20,343,170
J	£1,433,720	£2,884,574	£708,073	£449,593	£2,542,766	£8,018,726
K	£1,262,787	£6,873,300	£948,685	£162,556	£3,809,452	£13,056,780

Distribution of Cost Building Works (Elements 1-5 only)

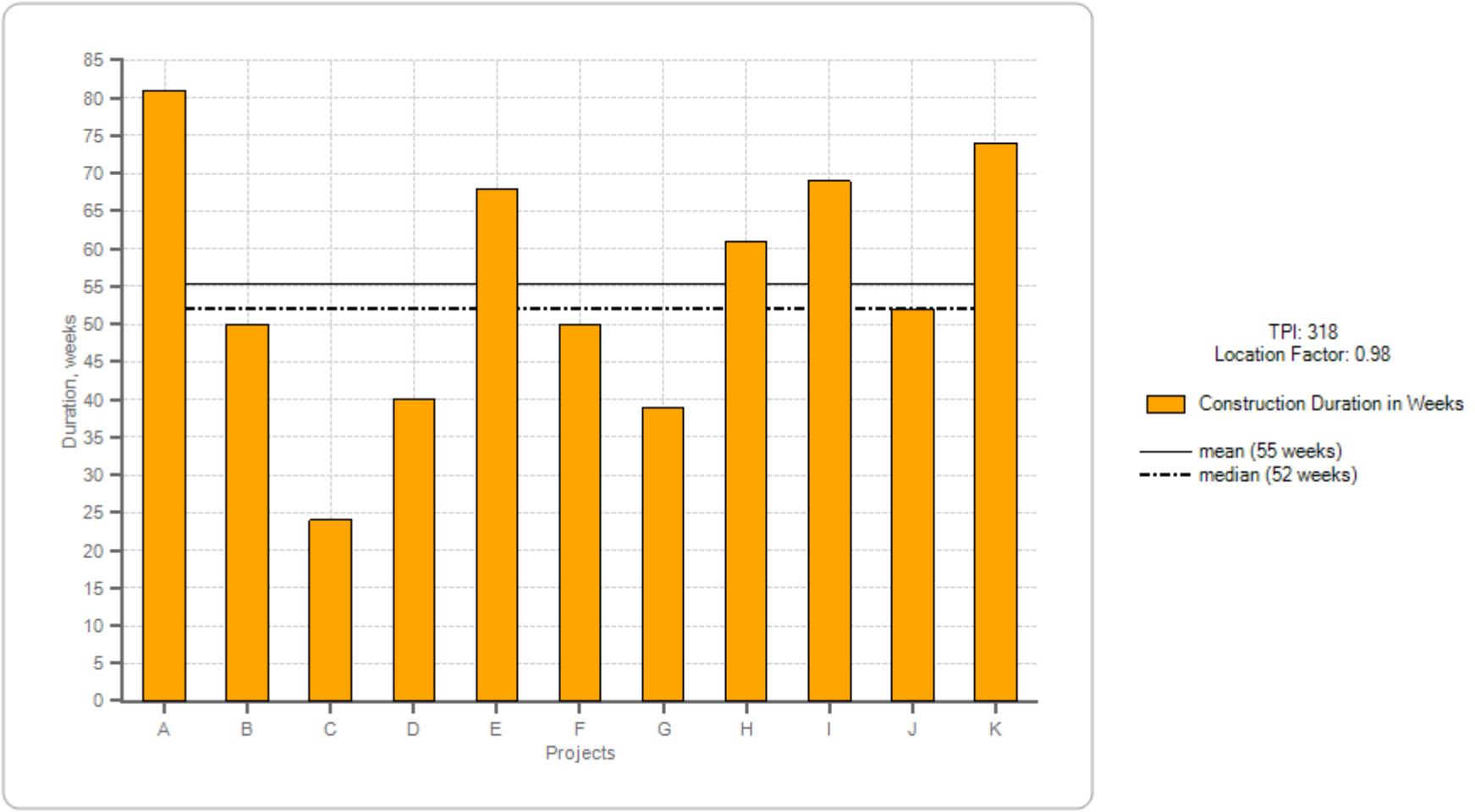


TPI: 318
Location Factor: 0.98

1. Substructure
2. Superstructure
3. Internal Finishes
4. Fittings, Furnishings & Equipment
5. Services

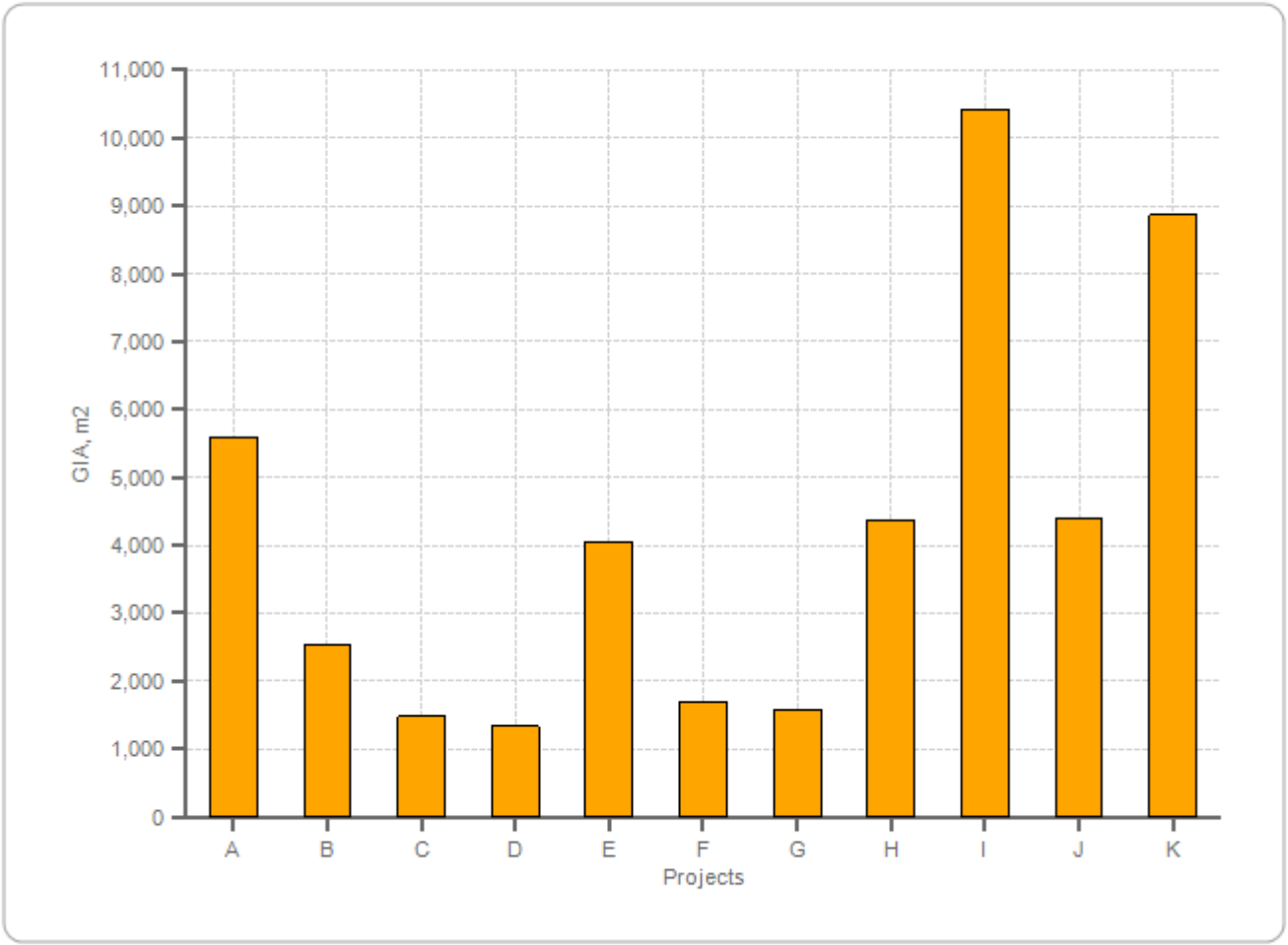
Profile	1. Substructure	2. Superstructure	3. Finishings	4. FF&E	5. Services
A	5.46%	48.95%	8.99%	2.33%	34.27%
B	4.70%	37.86%	9.36%	1.22%	46.86%
C	12.12%	8.28%	4.55%	12.62%	62.44%
D	8.16%	49.36%	9.57%	0.12%	32.79%
E	7.26%	51.42%	7.90%	2.63%	30.79%
F	7.11%	56.76%	8.56%	0.85%	26.72%
G	13.90%	42.55%	2.07%	0.44%	41.05%
H	7.05%	48.16%	7.73%	2.18%	34.89%
I	2.78%	46.16%	5.86%	6.06%	39.14%
J	17.88%	35.97%	8.83%	5.61%	31.71%
K	9.67%	52.64%	7.27%	1.24%	29.18%

Construction Duration



Profile	Duration	Prelim Cost	Prelim Cost Per Week
A	81 weeks	£2,087,112.04	£25,766.82
B	50 weeks	£888,964.68	£17,779.29
C	24 weeks	£429,193.55	£17,883.06
D	40 weeks	£635,402.37	£15,885.06
E	68 weeks	£955,576.73	£14,052.60
F	50 weeks	£646,215.33	£12,924.31
G	39 weeks	£314,252.61	£8,057.76
H	61 weeks	£1,593,613.64	£26,124.81
I	69 weeks	£2,035,248.57	£29,496.36
J	52 weeks	£1,458,322.89	£28,044.67
K	74 weeks	£3,813,467.89	£51,533.35

Gross Internal Area (GIA)



Profile	GIA m2
A	5,600
B	2,544
C	1,474
D	1,326
E	4,053
F	1,687
G	1,574
H	4,369
I	10,410
J	4,400
K	8,868

BENCHMARKING REPORT – 10879 New Build High End Student Union Bar

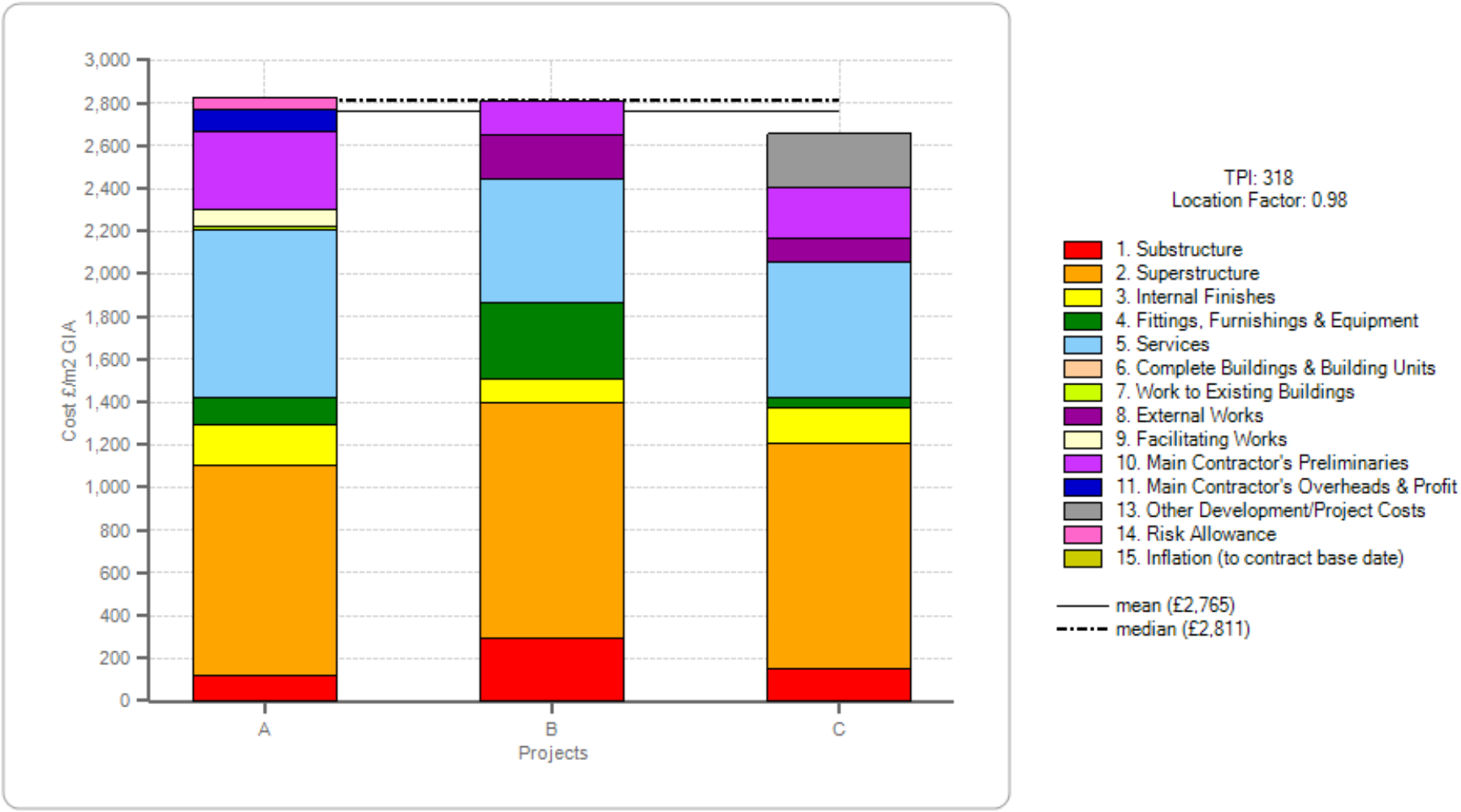
All in TPI used: 318 - 1Q2018 (BCIS indices published 2nd March 2018)

Location factor: 0.98 - Peterborough

Data used in the benchmarking exercise are as follows:

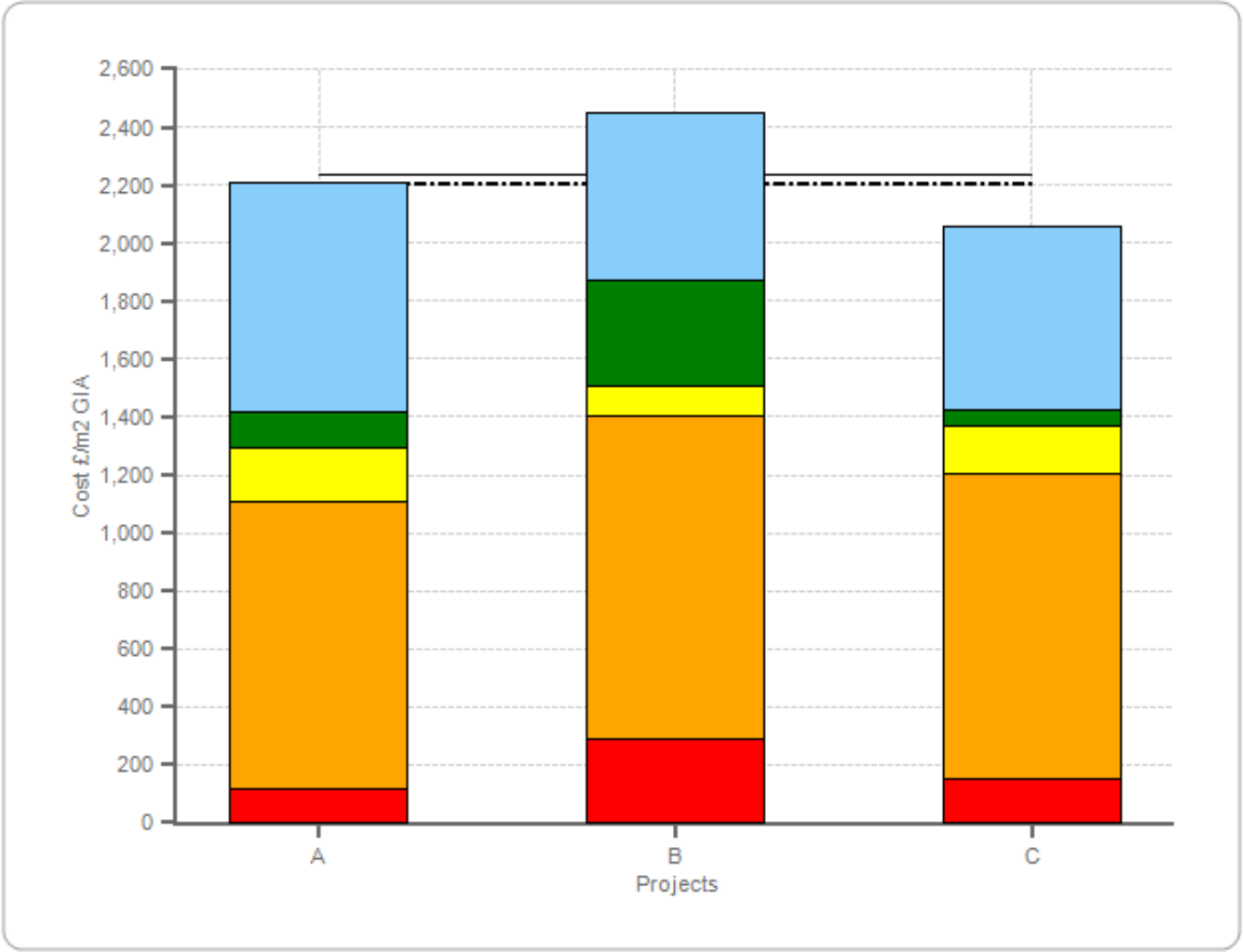
Key	Project Number	Base Date	Building Description	Project Description
A	SOCM0002	15/05/2013	New build Student Union	New build Students Union over 7nr floors, including learning and leisure facilities, offices, social learning spaces, radio and media studios, a student advice centre, meeting space, accessible open-plan areas for student-focused services and a café.
B	LVCM0058	01/03/2015	Two storey steel framed building with large first floor viewing terrace and commercial type kitchen.	New two-storey student social zone. Steel framed building with large first floor external viewing terrace and commercial kitchen.
C	NTMS0518	01/05/2015	Amenities building	New build amenities building for a university campus. The development comprises a dining hall, bar, restaurant, conference facilities and teaching areas.

Construction Cost £/m2 GIA



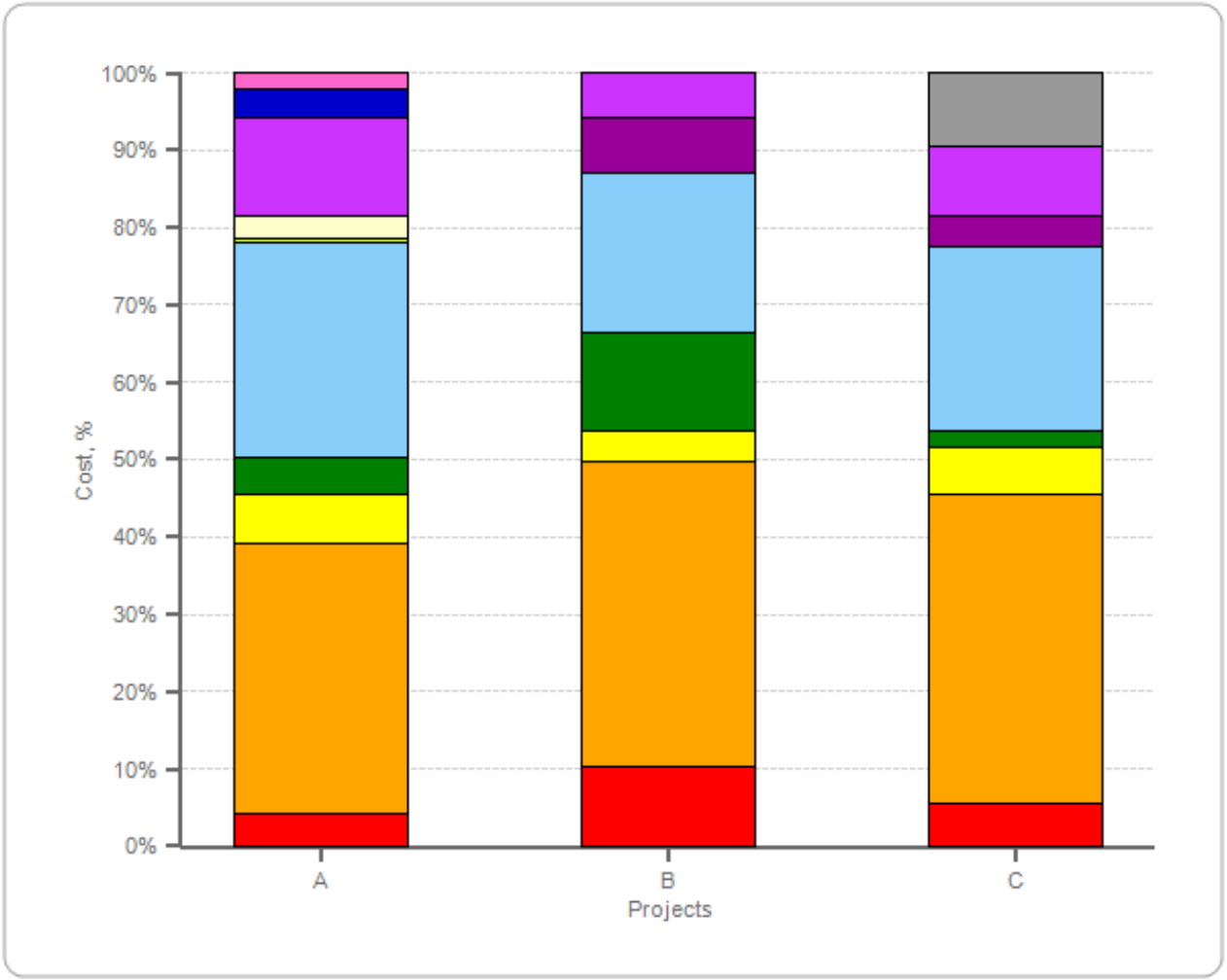
Profile	1. Substructure	2. Superstructure	3. Finishings	4. FF&E	5. Services	6. Bldgs/Bldg Units	7. Extg Bldgs	8. External Works	9. Facilitating Works	10. Preliminaries	11. OH&P	13. Other Costs	14. Risk	15. Inflation	Total Cost
A	£117.26	£989.66	£183.16	£129.42	£788.20	£0.00	£16.87	£0.00	£80.68	£358.00	£103.65	£0.00	£61.43	£0.00	£2,828.33
B	£290.47	£1,109.49	£108.26	£360.39	£579.41	£0.00	£0.00	£201.30	£0.00	£161.89	£0.00	£0.00	£0.00	£0.00	£2,811.21
C	£149.28	£1,057.76	£162.59	£54.20	£633.31	£0.00	£0.00	£108.80	£0.00	£235.77	£0.00	£254.56	£0.00	£0.00	£2,656.27

Construction Cost £/m2 GIA (Elements 1-5 only)



Profile	1. Substructure	2. Superstructure	3. Finishings	4. FF&E	5. Services	Total Cost
A	£117.26	£989.66	£183.16	£129.42	£788.20	£2,207.70
B	£290.47	£1,109.49	£108.26	£360.39	£579.41	£2,448.02
C	£149.28	£1,057.76	£162.59	£54.20	£633.31	£2,057.15

Distribution of Cost

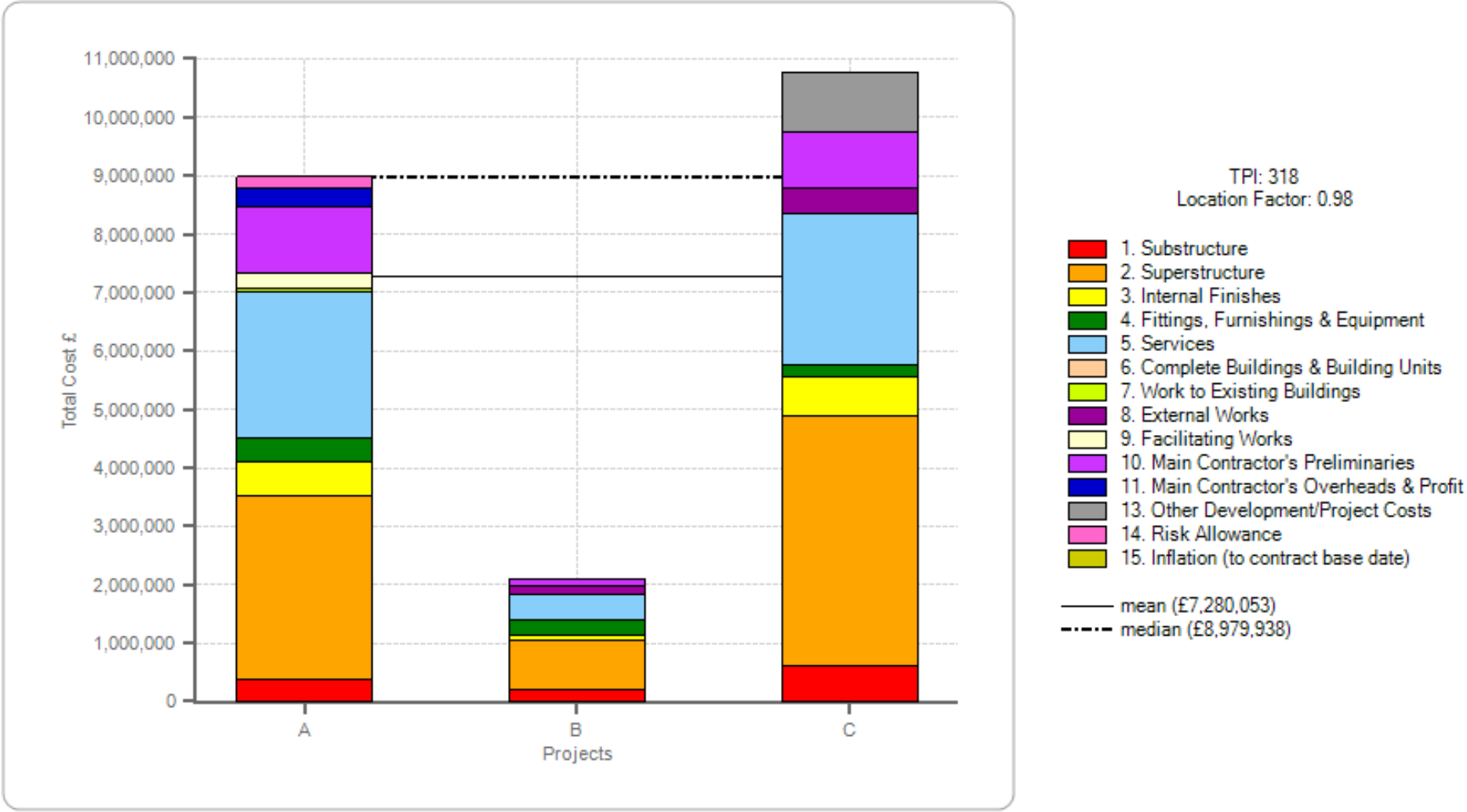


TPI: 318
Location Factor: 0.98

1. Substructure
2. Superstructure
3. Internal Finishes
4. Fittings, Furnishings & Equipment
5. Services
6. Complete Buildings & Building Units
7. Work to Existing Buildings
8. External Works
9. Facilitating Works
10. Main Contractor's Preliminaries
11. Main Contractor's Overheads & Profit
13. Other Development/Project Costs
14. Risk Allowance
15. Inflation (to contract base date)

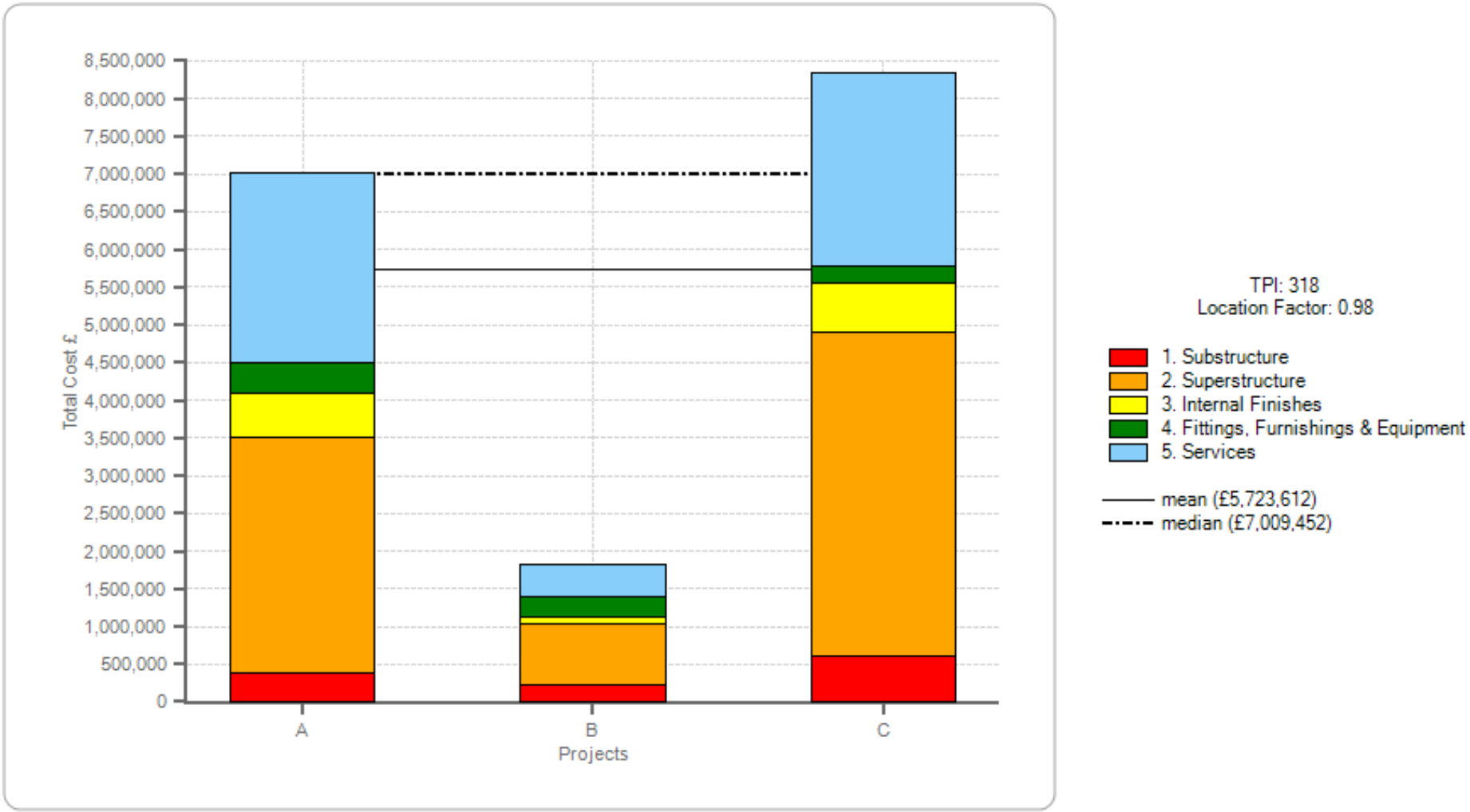
Profile	1. Substructure	2. Superstructure	3. Finishings	4. FF&E	5. Services	6. Bldgs/Bldg Units	7. Extg Bldgs	8. External Works	9. Facilitating Works	10. Preliminaries	11. OH&P	13. Other Costs	14. Risk	15. Inflation
A	4.15%	34.99%	6.48%	4.58%	27.87%	0.00%	0.60%	0.00%	2.85%	12.66%	3.66%	0.00%	2.17%	0.00%
B	10.33%	39.47%	3.85%	12.82%	20.61%	0.00%	0.00%	7.16%	0.00%	5.76%	0.00%	0.00%	0.00%	0.00%
C	5.62%	39.82%	6.12%	2.04%	23.84%	0.00%	0.00%	4.10%	0.00%	8.88%	0.00%	9.58%	0.00%	0.00%

Total Construction Cost



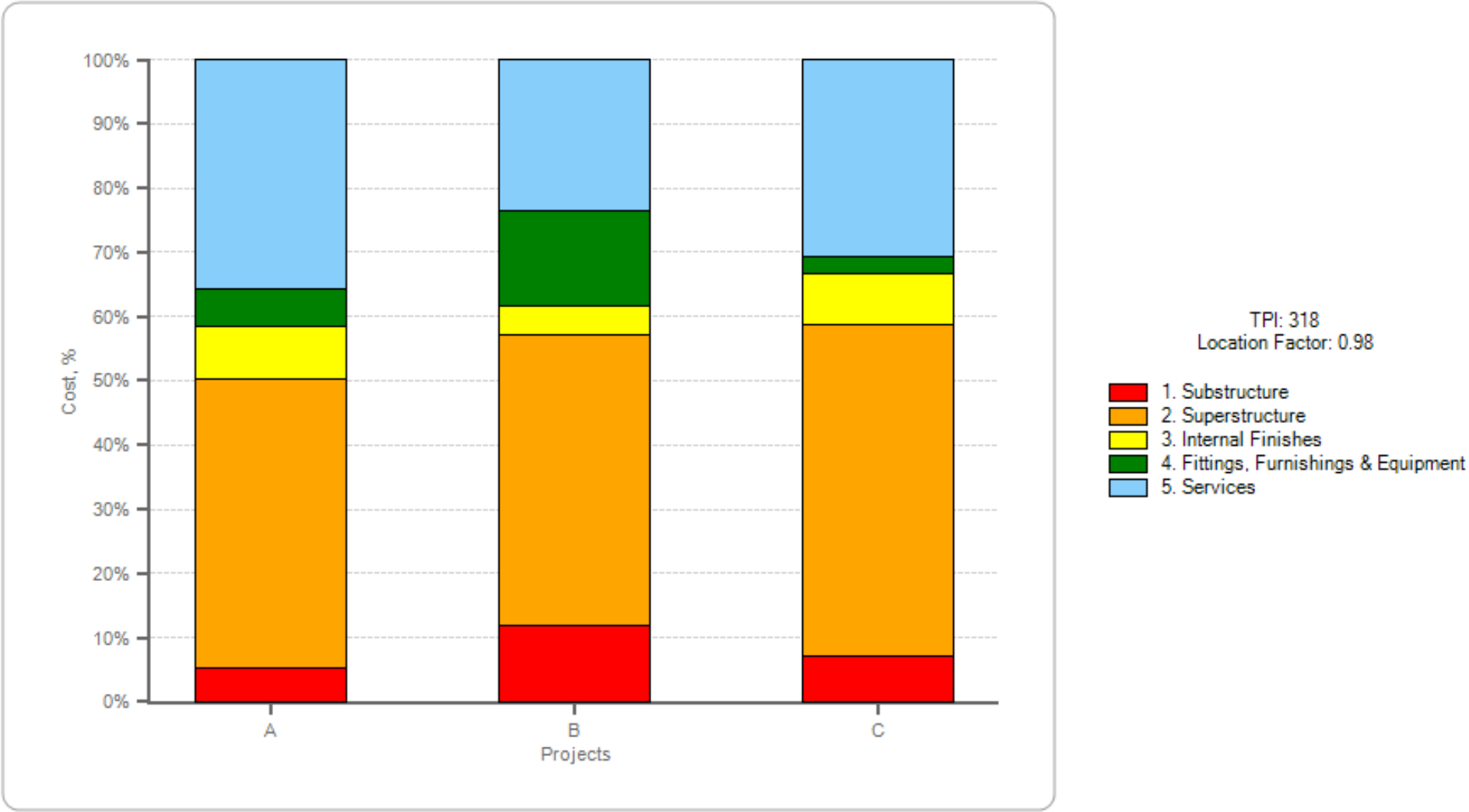
Profile	1. Substructure	2. Superstructure	3. Finishings	4. FF&E	5. Services	6. Bldgs/Bldg Units	7. Extg Bldgs	8. External Works	9. Facilitating Works	10. Preliminaries	11. OH&P	13. Other Costs	14. Risk	15. Inflation	Total Cost
A	£372,296	£3,142,169	£581,547	£410,896	£2,502,544	£0	£53,555	£0	£256,148	£1,136,650	£329,102	£0	£195,031	£0	£8,979,938
B	£216,397	£826,573	£80,656	£268,487	£431,660	£0	£0	£149,969	£0	£120,610	£0	£0	£0	£0	£2,094,352
C	£605,024	£4,287,111	£658,969	£219,680	£2,566,824	£0	£0	£440,960	£0	£955,577	£0	£1,031,722	£0	£0	£10,765,870

Total Construction Cost Building Works (Elements 1-5 only)



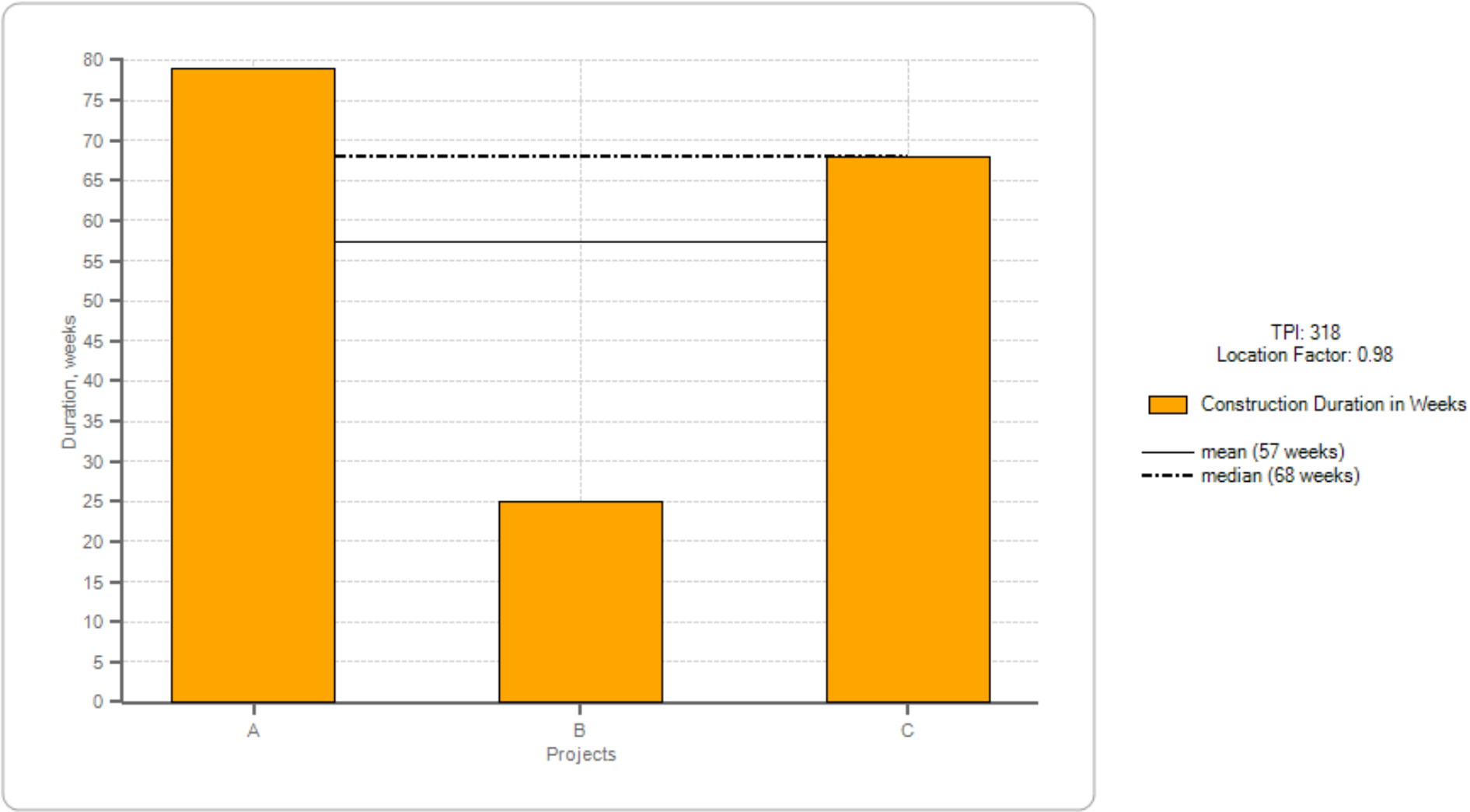
Profile	1. Substructure	2. Superstructure	3. Finishings	4. FF&E	5. Services	Total Cost
A	£372,296	£3,142,169	£581,547	£410,896	£2,502,544	£7,009,452
B	£216,397	£826,573	£80,656	£268,487	£431,660	£1,823,772
C	£605,024	£4,287,111	£658,969	£219,680	£2,566,824	£8,337,611

Distribution of Cost Building Works (Elements 1-5 only)



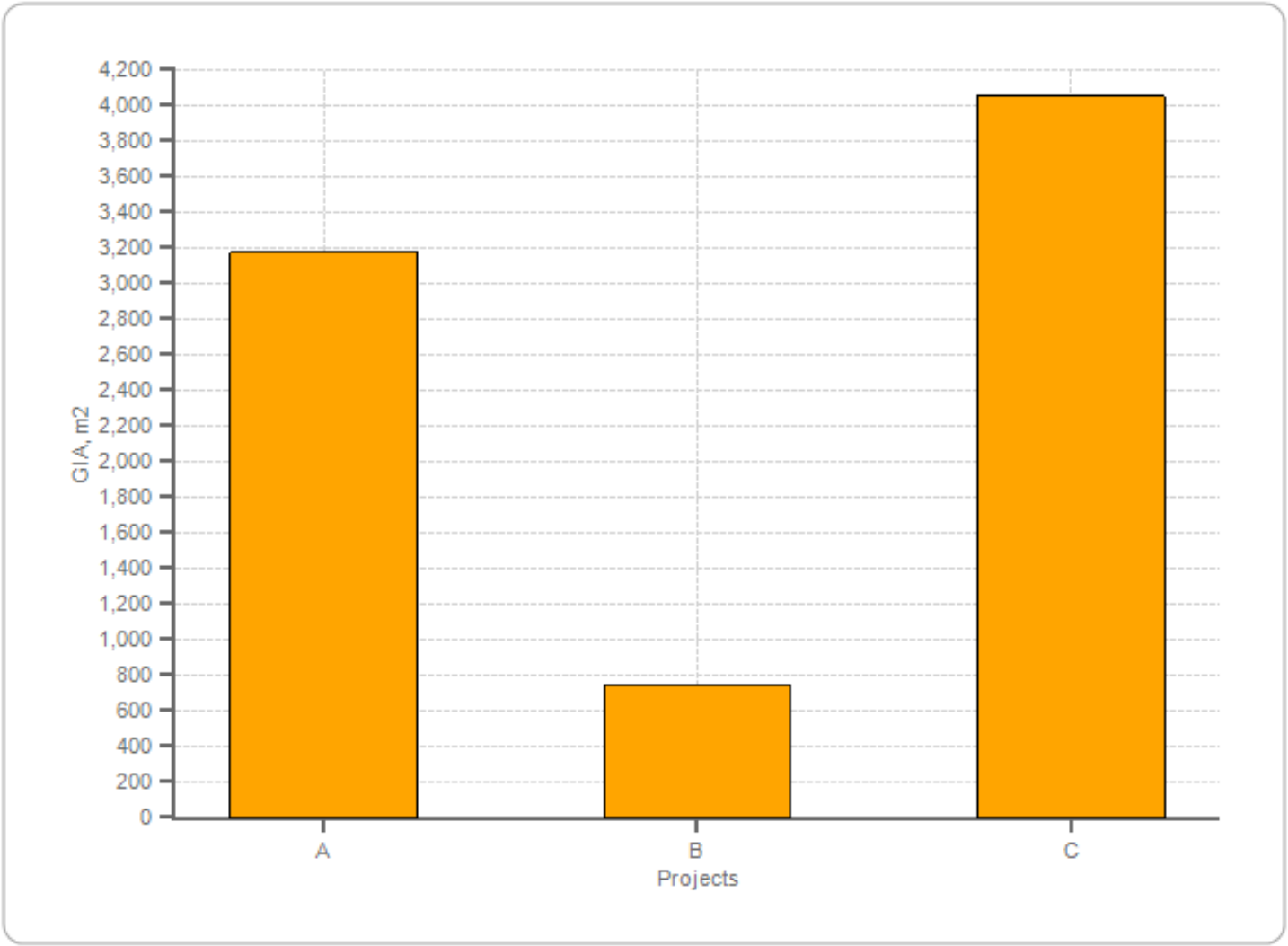
Profile	1. Substructure	2. Superstructure	3. Finishings	4. FF&E	5. Services
A	5.31%	44.83%	8.30%	5.86%	35.70%
B	11.87%	45.32%	4.42%	14.72%	23.67%
C	7.26%	51.42%	7.90%	2.63%	30.79%

Construction Duration



Profile	Duration	Prelim Cost	Prelim Cost Per Week
A	79 weeks	£1,136,650.11	£14,387.98
B	25 weeks	£120,610.39	£4,824.42
C	68 weeks	£955,576.73	£14,052.60

Gross Internal Area (GIA)



Profile	GIA m2
A	3,175
B	745
C	4,053

D

Appendix D – Assumed Location on Embankment Site

PETERBOROUGH CITY COUNCIL

UNIVERSITY CAMPUS, PETERBOROUGH

Feasibility Sketch Scheme - Site Plan

Rev A
Date 05.04.17

NORR

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	AGENDA ITEM No: 2.5
28 MARCH 2018	PUBLIC REPORT

£70M CAMBRIDGE CITY DEVOLUTION HOUSING PROGRAMME

1.0 PURPOSE

1.1. The Combined Authority successfully secured £70million from the Government as part of the devolution deal to deliver 500 council homes. This report provides an update on the Cambridge City Devolution Housing Programme.

DECISION REQUIRED	
Lead Member:	**Mayor James Palmer**
Lead Officer:	**Martin Whiteley, Chief Executive**
Forward Plan Ref: 2018/003 *(previously titled Housing Delivery Programme (£70m) and Delivery Partnership Agreement)*	**Key Decision: Yes**
The Combined Authority Board is recommended to: (a) Note the progress in year 1 of the programme. (b) Note the forward pipeline. (c) Agree to receive further quarterly progress reports.	**Voting arrangements** Simple majority of all Members

(d) Note the arrangements for a Strategic Partnership Agreement with Cambridge City Council as the Combined Authority's delivery partner for the £70m programme.	

2.0 BACKGROUND AND CONTEXT

Cambridgeshire and Peterborough 2030 Ambition

2.1. The Mayor and the Combined Authority are committed to accelerating affordable housing delivery to meet local and UK need and support economic growth. This is reflected in the 2030 Ambition for coordinated, interventions and investment tailored to local need across housing, transport and infrastructure, planning and land use and skills.

Affordable Housing Business Case

2.2. As part of the devolution deal the Combined Authority received a £70million grant fund for the delivery (start on site) of 500 council homes between April 2017 and March 2022. The devolution deal provides that the £70million is ringfenced to meet the housing demand in Cambridge City. The City Council is therefore best placed to deliver the additional homes and intend to rely upon additional freedoms to use other housing resources, including receipts from Right to Buy sales to provide additional funding for the programme. Whilst the Combined Authority has overarching accountability under the Assurance Framework for the programme, the primary decision-making and governance of the programme sits within the Cambridge City Executive and its Scrutiny functions as set out in the Strategic Partnership Agreement.

2.3. This report provides an update on the £70m Cambridge City Devolution Housing Programme including an overview of the pipeline of future housing schemes.

3.0 CAMBRIDGE CITY DEVOLUTION HOUSING PROGRAMME

3.1. Prior to the devolution deal, Cambridge City Council had been building new council housing; this programme came to an end when nationally-imposed rent

cuts made it unviable to continue. The programme has therefore invested significant effort in identifying schemes and initiating early stage site assembly and planning to develop a pipeline of schemes for delivery. In the first year the programme has identified a number of sites and brought them forward for delivery. The figure below provides an overview of the programme.

Programme Delivery

3.2. Appendix A provides a delivery update on the programme.

4.0 COMBINED AUTHORITY DELIVERY PARTNER

4.1. Cambridge City Council is the Delivery Partner for the £70m Affordable Housing Programme.

4.2. The Combined Authority Interim Housing Director, Legal Counsel & Monitoring Officer and Finance officers have been working with Cambridge City Council to develop a Statement of Partnership Working to deliver the £70m Programme. This is provided at Appendix B.

5.0 FINANCIAL IMPLICATIONS

5.1. The service delivery arrangements designed to deliver the £70m Programme have been established by the Combined Authority in partnership with Cambridge City Council. The Statement of Partnership Working sets out the management, financial and operational procedures governing service delivery as agreed by the authorities. The procedures include reporting arrangements and the payment of Housing Investment Fund monies to the City Council. Both the delivery arrangements and the Statement have been developed in accordance with the Combined Authority's Assurance, Monitoring and Evaluation Frameworks.

5.2. The frequency and detail of reporting the progress and cost of individual schemes and the entire programme is a matter of policy for the 'client' organisations'. In this project both the Combined Authority and the City Council are 'clients' in relation to their respective service delivery roles.

5.3. It is recognised that for relatively small contracts such as individual housing schemes reporting on a monthly basis is unacceptable and unnecessarily time

consuming. Therefore a bespoke reporting process has been agreed as outlined in Appendix B: Performance Management and Financial Control Framework of the Statement of Partnership Working and is commended for the agreement of the Board. The process comprises of quarterly reporting of financial information for all schemes to member/officer committees and six monthly reporting of management and financial control and operational performance on all schemes to all member committees, including the Combined Authority Board and the City Council.

5.4. Payments by the Combined Authority to the City Council will also take place on a quarterly basis in line with the reporting process. Payments will be made quarterly in arrears against invoices.

6.0 LEGAL IMPLICATIONS

6.1. The devolution deal was signed by the Combined Authority in June 2016 and provided for a £20M annual gainshare fund and an additional £70M capital over 5 years, recognising the exceptional housing market conditions in Cambridge. The obligations within the devolution deal require the Combined Authority to ensure the funds are spent in line with its Assurance, Monitoring and Evaluation Frameworks.

6.2. The Assurance Framework, as reflected in the devolution deal, requires the Combined Authority to demonstrate that the funds have been used for the objectives of the devolution deal. The Combined Authority is assessed against these targets at the 5 yearly gateway assessments carried out with Government.

6.3. The Partnership Agreement therefore sets out how Cambridge City Council will work with the Combined Authority to deliver the housing needs for Cambridge so as to meet the requirements of the devolution deal and the Assurance Framework.

6.4. The Partnership Agreement is a memorandum of understanding which means that it operates as a statement of intent between the Combined Authority and Cambridge City Council as one if its constituent authorities. As such the Partnership Agreement is not contractual and procurement rules do not apply to the Agreement. It is expected that in the delivery of the housing programme Cambridge City Council will act in accordance with the contracting and procurement rules which apply to any commissioning it undertakes.

7.0 SIGNIFICANT IMPLICATIONS

7.1. Cambridge City Council is expected to address any equalities and other statutory implications in the development of an equalities impact assessment for the project.

8.0 APPENDICES

8.1. Appendix A: Cambridge City Devolution Housing Programme – Delivery Update

8.2. Appendix B: Statement of Partnership Working

Source Documents	**Location**
DCLG Approved Business Case Devolution Deal 2016 Assurance Framework Monitoring and Evaluation Framework	Cambridgeshire and Peterborough Combined Authority, The Grange, Nutholt Lane, Ely CB7 4EE

Appendix A: Cambridge City Devolution Housing Programme – Delivery Update

Report to: Cambridgeshire and Peterborough Combined Authority
Report from: Cambridge City Council
Date: 02/02/2018

Executive Summary

This report provides an update to the Cambridgeshire and Peterborough Combined Authority on the delivery of the Cambridge City Council Devolution Housing Programme (£70M). It is the first in a series of regular updates which the Board will receive throughout the period of planned delivery.

In the first year of the Cambridge City Council Devolution Housing Programme a programme pipeline has been developed, the first two units have been completed and will be handed over in February, 12 units are due to start on site by the end of March 2018, planning applications have been submitted for further sites and it is expected that a further 131 homes will start on site between April and September 2018. This sees a total 145 new affordable homes in year 1 and the first half of year 2.

The programme is continuing to develop the medium and longer term pipeline. More sites have been identified and the programme is engaged in preliminary works, negotiations, site assembly etc to bring forward schemes for delivery over the period to 31 March 2022.

Cambridge City Council expects to enter into a formal partnership agreement with the Combined Authority by the end of the financial year.

Background

As part of the Cambridgeshire and Peterborough Devolution Agreement, £70M has been made available by Government for the delivery of council housing by Cambridge City Council. The agreement specifies that 500 homes should be started on site between April 2017 and March 2022. The devolution deal provides additional freedoms to Cambridge City Council to use other housing resources, including receipts from Right to Buy sales, to provide additional funding for the programme, it also specifies that the primary decision-making and governance of the programme sits within the Cambridge City Council Executive and Scrutiny functions. The Combined Authority has overarching accountability for delivery.

Prior to the devolution deal, Cambridge City Council had been building new council housing; this modest programme came to an end when nationally-imposed rent cuts made it unviable to continue. The devolution programme allows a significant increase in the number of homes able to be delivered that would not have been possible without the deal. Cambridge City has invested significant effort in identifying schemes and initiating early stage site assembly and planning to develop a pipeline of schemes for delivery.

In the first year of the programme, Cambridge City Council has identified a number of sites and brought them forward for delivery. These are detailed in Tables 1 and 2.

Current Programme

Programme Delivery Methods

The Council's programme delivery office is the HDA – Housing Development Agency. This team is led by a Head of Service who has responsibility for the overall programme, working closely with internal and external stakeholders to accelerate delivery and ensure effective public consultation on specific sites.

The programme is currently using three routes to delivery, but may consider other options in the future.

1. **In-house delivery:** using the Council's Estates and Facilities Team to deliver directly on small sites that would otherwise be expensive to deliver. Two homes have been completed on one site at a good price (benchmarked against other recently completed schemes) with the additional benefit of providing training to apprentices. Two further sites are being delivered by this team, with the future potential to tackle small infill opportunities identified within the programme pipeline.

2. **Direct Procurement:** three garage sites have been tendered and should start on site in the new financial year once procurement concludes.

3. **Cambridge Investment Partnership (CIP):** Cambridge City Council has entered into an equal partnership with Hill Residential for joint development. Directing development through the CIP is particularly suited to the Council's larger and more complex sites, including those where market sale homes will be delivered alongside affordable homes developed to make the site as a whole viable.

Indicative Programme Pipeline

During Year 1 - 2017-2018 the programme has been primarily focused on identifying suitable sites and bringing them forward through committee and pre-planning processes. Due consideration has been given to the appropriate procurement process for individual sites/bundles of sites to assist in identifying commercially viable procurement and delivery options that offer both flexibility and value for money.

Start on site delivery work has been undertaken for smaller scale developments and demolitions work as illustrated in Table 1.

Significant progress has been made with design development on a number of schemes most notably the scheme proposed on the Mill Road Depot site.

A number of schemes are being developed by the CIP for delivery. Planning submissions have been made and it is expected that (subject to planning permission being granted) start on site will commence in Spring 2018.

Table 1: sites in programme at design, planning and delivery stages					
Schemes	**Delivery Method**	**Site Type**	**Status**	**Net additional affordable**	**Start on Site**
Uphall Road	E&F Team	In-fill	Completed	2	April 2017
Kendal Way	E&F Team	In fill	Planning Approved	2	March 2018
Kingsway Flats	E and F Team	Conversion	Pre-planning	4	May 2018
Nuns Way & Cameron	Tender	Garage and Infill	Planning Approved	7	March 2018
Wiles Close	Tender	In fill	Planning Approved	3	March 2018
Tedder Way	TBC	In fill	Awaiting Planning	2	Sept 2018
Anstey Way	CIP	Demolition and rebuild	Demolition in progress	31(54 in total)	June 2018
Queens Meadow	CIP	In fill	Planning Approved	2	June 18
Ventress Close	CIP	Existing Housing	Pre-planning	13	Nov 18
Wulfstan Way	CIP	In fill	Pre-planning	3	Oct 18
Colville Road	CIP	Garages	Awaiting Planning	3	Oct 18
Mill Road	CIP	Ex-depot	Awaiting Planning	92	June 18
Gunhild Way	CIP	Garages	Pre-planning	2	Nov 18
Markham Close	CIP	Garages	Pre-planning	4	Dec 18
Akeman Street	CIP	Existing Mixed Use	Pre-planning	14	Jan 19
Hills Avenue	CIP	In fill	Pre-planning	1	TBC
SUB TOTAL				185 ((208 total)	

Table 2: Sites at early feasibility or under negotiation					
Potential 1	CIP	Windfall site	Negotiation	146	2019/20
Potential 2	TBC	Redevelopment Opportunity	Feasibility	100	2020
Potential 3	TBC	Existing Housing	Early Feasibility	62	
Colville Phase 2/3	TBC	Existing Housing	Feasibility	68	
Potential 5	TBC	Existing Housing	Early Feasibility	TBC	
SUB TOTAL				266	
TOTAL				**467**	

Sites in Table 1 are all in the ownership of Cambridge City Council and have member decisions underpinning development. On these sites, work to secure the site has been completed or is well underway, for example for two larger schemes:

Anstey Way was identified for redevelopment under the Council's previous programme, because the bungalows on site were very small, and not fit for modern standards, also land use was poor so the site presented a redevelopment opportunity. The programme of decanting began, moving tenants to alternative homes and negotiating with leaseholders to repurchase their dwellings. Local consultation took place but the impact of national funding changes on the HRA meant that that site changes did not proceed to development.

The Site is now progressing, with demolition completed, and the planning application for replacement dwellings and additional new homes is expected to be determined in March. The CIP are ready to mobilise for a start on site in spring / early summer 2018.

Mill Road: This site is in the ownership of the Council, having been used for many years as the depot for operations. Services began moving off site over a year ago, with the relocation of the waste collection service to Waterbeach. The last teams to move will relocate in April/May 2018, at which point on-site demolition will be able to commence. Remediation works will also be required due to the nature of the previous uses.

The Council is bringing the site forward through CIP, for a mixed tenure development, but with an increased affordable housing level of 50%, and a focus on sustainability and quality community facilities. It is expected that the YMCA – currently located in the city centre – will relocate to new build dispersed premises at

Mill Road, as part of a land swap that releases their Gonville Place site for redevelopment within the devolution period.

This site is well located with really good access to public transport through bus and train services, and good services available nearby for residents.

Sites in Table 2 involve a series of complex issues of land negotiations, securing vacant possession and addressing other matters prior to development; they are not yet certain for development, timescales are therefore indicative at this stage. The Council expects to make significant progress on these sites during 2018/19 and progress on timescales for delivery and programme spend will continue to be reported to the Cambridge City Council Executive and Scrutiny and to the Combined Authority Board. The programme also continues to investigate other opportunities for development, which could include the development of land owned by other public bodies.

Financial Modelling – Spend and Predictions

Tables 1 and 2 above show indicative costs for schemes under development. Costs are subject to change as they progress through pre-planning and planning (e.g. the need to change designs during planning, opportunities to realise savings through effective procurement).

Schemes in Table 2 have been costed solely on an assumption of a cost per unit at this stage. Detailed costings will be brought forward as the schemes are developed and progress through planning.

Table 3 below shows the current total budgeted spend profile; devolution deal spend is summarised in the lower half of the table

Cambridge City Council is currently predicting a total spend of £129M, comprising £70M devolution grant, topped up with £59M Council resources, for the delivery of a programme yielding over 600 net additional units (replacement units on regeneration sites excluded from the total, they are funded entirely from Council resources).

It is anticipated that the pipeline and spend profile may change as schemes progress through planning and design, for example factors that may impact the spend profile include:

- Delays to start on site including securing vacant possession, obtaining planning permission and addressing site specific development constraints

- Use of CCC RTB receipts – regulations requiring us to spend these within three years of receipt will mean an uneven spend profile of RTB money impacting on the devolution spend

- Methods of delivery require different spend profiles to meet contractual arrangements. Not all sites have a confirmed method of delivery at this stage.

Regular progress reports will be provided to provide delivery assurance to Cambridge City Council Executive and Scrutiny and the Combined Authority Board.

Cambridge City Council New Build Programme - Devolution Funded Schemes Only

New Build / Re-Development Scheme Budget	2017/18				2018/19				2019/20	2020/21	2021/22	2022/23	Total
	Actual			Budget	Budget				Budget	Budget	Budget	Budget	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4					
	£'0	£'0	£'0	£'0	£'0	£'0	£'0	£'0	£'0	£'0	£'0	£'0	£'0
New Build / Acquisition / Re-Development Cash Expenditure (Net of Developer's Cross Subsidy / Notional Land Value)													
Garage Sites 2015/16 (4 sites)	13,535	8,930	2,120	498,415	522,500	522,500	522,500	522,500	0	0	0	0	2,613,000
Garage Sites 2015/16 - Uphall Road	48,243	92,391	163,631	12,735	0	0	0	0	0	0	0	0	317,000
Hills Avenue	0	0	0	29,170	55,013	55,013	55,013	55,013	0	0	0	0	249,220
Queensmeadow	0	0	0	45,240	134,320	134,320	134,320	134,320	0	0	0	0	582,520
Wulfstan Way	0	0	0	58,580	184,465	184,465	184,465	184,465	30,990	0	0	0	827,430
Anstey Way	300,919	1,274	0	540,097	1,341,188	1,341,188	1,341,188	1,341,188	4,039,170	0	0	0	10,246,210
Akeman Street	0	0	0	48,150	0	238,636	715,907	715,907	2,400,080	0	0	0	4,118,680
Ventress Close	175	293,818	0	494,217	454,203	454,203	454,203	454,203	845,250	0	0	0	3,450,270
Kingsway Clinic Conversion	0	0	0	0	102,500	102,500	102,500	102,500	0	0	0	0	410,000
Colville Road (Garage Site)	0	0	0	49,020	195,455	195,455	195,455	195,455	35,510	0	0	0	866,350
Mill Road	0	0	0	0	0	0	1,634,150	1,634,150	6,891,440	9,206,260	0	0	19,366,000
Gunhild Way	0	0	0	28,680	103,343	103,343	103,343	103,343	143,670	0	0	0	585,720
Markham Close	0	0	0	0	0	0	78,883	157,767	618,540	0	0	0	855,190
Devolution, RTB and Re-development CIP Programme	0	0	0	0	2,575,000	2,575,000	1,475,510	1,475,510	13,764,560	35,906,900	17,239,920	9,815,980	84,828,380
Total New Build/ Re-Development Expenditure	**362,872**	**396,413**	**165,751**	**1,804,304**	**5,667,985**	**5,906,621**	**6,997,435**	**7,076,319**	**28,769,210**	**45,113,160**	**17,239,920**	**9,815,980**	**129,315,970**

New Build / Re-Development Scheme Devolution Funding	2017/18				2018/19				2019/20	2020/21	2021/22	2022/23	Total
	Budget				Budget				Budget	Budget	Budget	Budget	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4					
	£'0	£'0	£'0	£'0	£'0	£'0	£'0	£'0	£'0	£'0	£'0	£'0	£'0
New Build Devolution Grant Funding													
Garage Sites 2015/16 (4 sites)	(9,475)	(6,251)	(1,484)	(348,891)	(365,750)	(365,750)	(365,750)	(365,750)	0	0	0	0	(1,829,100)
Garage Sites 2015/16 - Uphall Road	(33,770)	(64,674)	(114,542)	(8,915)	0	0	0	0	0	0	0	0	(221,900)
Hills Avenue	0	0	0	(20,419)	(38,509)	(38,509)	(38,509)	(38,509)	0	0	0	0	(174,454)
Queensmeadow	0	0	0	(31,668)	(94,024)	(94,024)	(94,024)	(94,024)	0	0	0	0	(407,764)
Wulfstan Way	0	0	0	(41,006)	(129,126)	(129,126)	(129,126)	(129,126)	(21,693)	0	0	0	(579,201)
Anstey Way	0	0	0	(167,052)	(469,416)	(469,416)	(469,416)	(469,416)	(1,413,710)	0	0	0	(3,458,424)
Akeman Street	0	0	0	0	0	(137,181)	(429,544)	(429,544)	(1,440,048)	0	0	0	(2,436,318)
Ventress Close	0	0	0	(68,681)	(275,550)	(275,550)	(275,550)	(275,550)	(512,785)	0	0	0	(1,683,664)
Kingsway Clinic Conversion	0	0	0	0	(71,750)	(71,750)	(71,750)	(71,750)	0	0	0	0	(287,000)
Colville Road (Garage Site)	0	0	0	(34,314)	(136,819)	(136,819)	(136,819)	(136,819)	(24,857)	0	0	0	(606,445)
Mill Road	0	0	0	0	0	0	(1,143,905)	(1,143,905)	(4,824,008)	(6,444,382)	0	0	(13,556,200)
Gunhild Way	0	0	0	(20,076)	(72,340)	(72,340)	(72,340)	(72,340)	(100,569)	0	0	0	(410,004)
Markham Close	0	0	0	0	0	0	(55,218)	(110,437)	(432,978)	0	0	0	(598,633)
Devolution, RTB and Re-development CIP Programme	0	0	0	0	0	0	(881,760)	(881,760)	(8,225,677)	(21,457,901)	(10,302,546)	(2,001,250)	(43,750,893)
Total Devolution Funding	**(43,245)**	**(70,925)**	**(116,026)**	**(741,020)**	**(1,653,282)**	**(1,790,463)**	**(4,163,709)**	**(4,218,928)**	**(16,996,325)**	**(27,902,283)**	**(10,302,546)**	**(2,001,250)**	**(70,000,000)**

Appendix B: Statement of Partnership Working

[DATED]

STATEMENT OF PARTNERSHIP WORKING

between

CAMBRIDGESHIRE AND PETERBOROUGH

COMBINED AUTHORITY

and

CAMBRIDGE CITY COUNCIL

AN AGREEMENT BETWEEN THE AUTHORITIES TO FURTHER THE MUTUAL OBJECTIVES OF THE COMBINED AUTHORITY AND CAMBRIDGE CITY COUNCIL FOR THE BENEFIT OF THE RESIDENTS OF CAMBRIDGE

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APPENDIX A: CAMBRIDGESHIRE AND PETERBOROUGH DEVOLUTION NEW HOMES BUSINESS CASE (APPENDIX 1)

APPENDIX B: MONITORING AND EVALUATION FRAMEWORK

APPENDIX C: DELIVERY PLAN

THIS AGREEMENT is dated [DATE]

BETWEEN

(1) The Cambridgeshire and Peterborough Combined Authority of The Grange Nutholt Lane Ely ("**CPCA**")

(2) Cambridge City Council, of the Guildhall, Cambridge ("**CCC**")

PART 1: INTERPRETING THE AGREEMENT

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1. Definitions

1.1 The words below shall have the following meaning:

"Assurance Framework"	Means the national guidance produced by DCLG "Single pot assurance framework" dated April 2016 or its replacement guidance
"Cambridge City Devolution Housing Programme"	Means the programme to deliver 500 rented homes, owned by Cambridge City Council, using a mixture of devolution funding and Cambridge City Council housing resources (including RTB) as set out in the Business Case Appendix A.
CCC Strategic Director	Means the Strategic Director at Cambridge City Council responsible for Housing
"CPCA Board"	Means the meeting of the Combined Authority voting members and co-opted non-voting members chaired by the Mayor of Cambridgeshire and Peterborough
Delivery Plan	Means the approach and plan for the delivery of the programme as set out more fully at Appendix C

"Executive Councillor for Housing"	Means the Cambridge City Council Executive Councillor for Housing responsible for delivery of the programme
Housing Delivery plan	Means the plan for the delivery of the 500 new Council homes
Housing Scrutiny Committee	Means the Cambridge City Council Scrutiny Committee responsible for the overview and scrutiny of the programme. This committee meets quarterly and scrutinises decisions to be taken by the Executive Councillor.
“Monitoring and Evaluation Framework”	Means the Monitoring and Evaluation Framework attached at Appendix B agreed by the Combined Authority to demonstrate probity, propriety and value for money in the delivery of projects subject to the national Assurance Framework
Portfolio Holder	Means the CPCA representative appointed by the Mayor to lead on the Combined Authority Housing Programme
"Strategic Client Team"	Means the team of Combined Authority officers led by the relevant Director to monitor the delivery of the programme
“Strategic Partnership Agreement (SPW)”	Means this agreement between the CPCA and the Partner
"Value for Money"	Means the definition by the National Audit Office, being the optimal use of resources to achieve the intended outcomes; "optimal" being the most desirable possible given the expressed or implied restrictions or constraints

1.2 Should there be any inconsistency between the SPW and the Assurance Framework the terms of the Assurance Framework shall have precedence over the terms of the SPW.

PART 2: THE PARTNERSHIP

2. THE DEVOLUTION DEAL

2.1 The CPCA was established in March 2017 to deliver the terms of the devolution deal between central government and the constituent councils of Cambridgeshire and Peterborough. The devolution deal is more particularly described at:

***www.gov.uk/government/publications/cambridgeshire-and-peterborough-devolution-deal*.**

2.2 The devolution deal includes a specific commitment to deliver 500 new Council homes in Cambridge. £70M has been made available under the devolution agreement to support Cambridge City Council (CCC) in the delivery of these homes in partnership with the CPCA. This document sets out the principles of this partnership.

2.3 Cambridge City Council will lead on delivery of the Cambridge City Devolution Housing Programme. This programme will be governed by the assurance frameworks in place within Cambridge City Council, including its programme management approach. Investment decisions will be taken the CCC Executive Councillor, in consultation with the Housing Scrutiny Committee.

2.4 The CPCA is subject to the Assurance Framework which details the accountability to DCLG for funding provided to the Combined Authority. The Combined Authority has developed a Monitoring and Evaluation Framework at Appendix B to demonstrate how it will deliver the requirements of the Assurance Framework.

2.5 The purpose of this SPW is to ensure that the Assurance Framework and the Monitoring and Evaluation Framework is as equally applicable to CCC as to the CPCA for the Programme delivered by CCC on behalf of the CPCA.

2.6 Both parties acknowledge that the CPCA Monitoring and Evaluation Framework may be subject to review and amendment following changes to national guidance or law and will negotiate any amendments to this SPW arising from review with a commitment to ensuring that they do not in any way deviate from the principles and detail of the offer negotiated as part of the devolution deal.

3. POWERS TO DELIVER THE PROJECT

3.1 The CPCA has the legal authority under the Cambridgeshire and Peterborough Combined Authority Order 2017 to deliver the programme. Cambridge City Council is the CPCA's delivery partner for the Cambridge City Devolution Housing Programme.

3.2 The CPCA and CCC are local authorities within the meaning of the Local Government Act 1972 and the Local Authorities (Goods and Services) Act 1970 and operate these

arrangements as public sector bodies. CCC warrants to the CPCA that it has the relevant powers to undertake the delivery of the devolution housing programme and that it has provided or obtained all necessary local authority approvals in order to do so.

3.3 The Partner Authorities wish to record the basis on which they will collaborate with each other on the Project. This SPW sets out:

(a) the principles of collaboration;

(b) the governance structure the Partner Authorities will put in place; and

(c) the respective roles and responsibilities of the Partner Authorities

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PART 3: PRINCIPLES OF COLLABORATION

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4. Principles of collaboration

4.1 By signing this SPW, the CPCA and CCC agree to adhere to the following principles when carrying out the Programme:

a) Establish and abide by the governance structure as set out in Appendix A of this SPW to ensure that activities are delivered in accordance with an appropriate Assurance Framework (and any subsequent revisions);

b) Manage and account to each other for performance of the respective roles and responsibilities set out in this SPW;

c) Communicate openly about opportunities, major concerns and issues relating to the Cambridge City Devolution Housing Programme;

d) Share information, materials and skills to develop effective working practices, mitigate risk and reduce cost;

e) Ensure sufficient and appropriately qualified resources are available and authorised to fulfil the responsibilities set out in this SPW

PART 4: GOVERNANCE STRUCTURE

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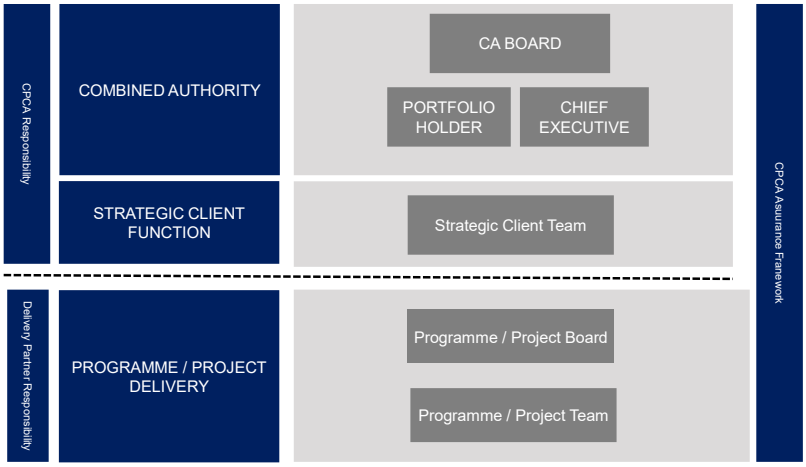
5. REQUIREMENTS OF ASSURANCE FRAMEWORK

5.1 The table 1 below sets out the governance structures of the CPCA and the high-level governance structure of the Partner necessary to meet the requirement of the Assurance Framework
Table 1

CPCA Governance



6. GOVERNANCE STRUCTURE OF THE CPCA

6.1 Table 1 sets out how the CPCA will operate within the Assurance Framework to monitor and evaluate delivery of the Programme.

6.2 The CPCA Board provides strategic oversight, approves the funding transfer to CCC in accordance with the mechanisms set out in Appendix A and monitors and evaluates the delivery of the Cambridge City Devolution Housing Programme.

6.3 The devolution agreement with government was clear that the Cambridge City Devolution Housing Programme would be led by Cambridge City Council. Investment decisions will be approved by the Executive Councillor, with delivery delegated to the Strategic Director. The Housing Scrutiny Committee monitors and evaluates the delivery of the Programme, including consideration of individual sites' suitability for development, and the allocation of funding from the Council as well as the devolution grant.

6.4 Following delegation of powers, any rights or obligations of the CPCA will be read as the rights and obligations of the person to whom those powers have been delegated for the purpose of this SPW subject to any limitations placed upon that delegation by the CPCA

6.5 The CPCA shall discharge its annual obligation under the Monitoring and Evaluation Framework to evaluate delivery of the Programme through an annual report to the CPCA Board prepared by Cambridge City Council on behalf of the CPCA Strategic Client Team.

6.6 Whilst the Cambridge City Devolution Housing Programme has been approved by government for the five year period 2017 – 2022, any changes to this SPW arising

from an annual review will be discussed and agreed by the partners who will adhere to any such agreed changes.

7. ROLE OF PORTFOLIO HOLDER

7.1 The Portfolio Holder is appointed by the Mayor of the CPCA (from time to time) to lead on a specific functional area of the CPCA.

7.2 The Portfolio Holder for Housing is accountable to the CPCA for the oversight of the CPCA Housing Programmes and thus for the delivery of the Cambridge City Devolution Housing Programme.

7.3 The Portfolio Holder is supported by the Strategic Client Team and makes recommendations to escalate risks or funding issues or any matter requiring a decision to the CPCA Board.

8. ROLE OF STRATEGIC CLIENT TEAM

8.1 The Strategic Client Team is an officer group of the CPCA chaired by the relevant Director of the CPCA .

8.2 The Strategic Client team provides strategic management and delivery assurance of the Project and will meet regularly to monitor:

a) The programme delivery plan;

b) Key deliverables i.e. number of homes started on site, number of homes completed, milestones for homes in the pipeline

c) Risk and mitigation measures;

d) Budget and progress; and

e) Matters to escalate to the CPCA Board.

9. Governance Structure of the Partner

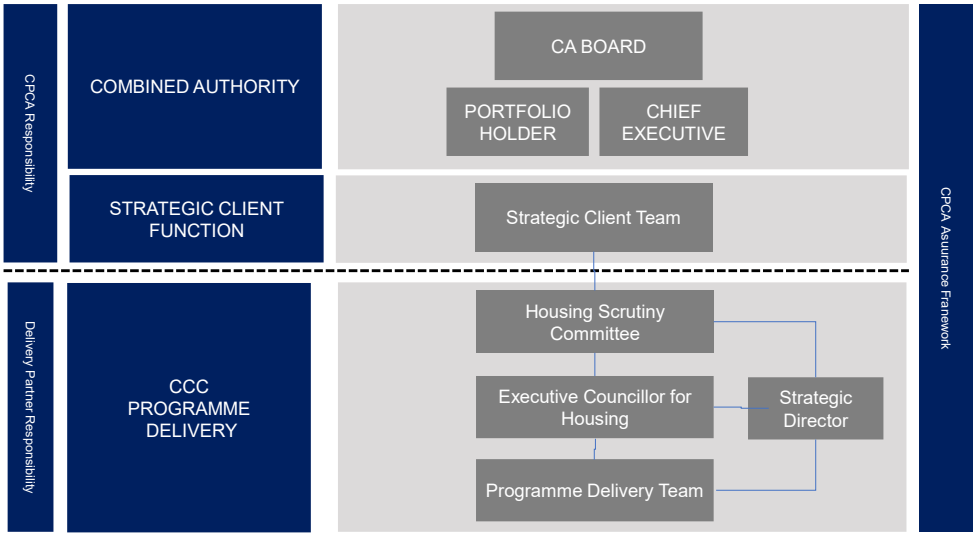
9.1 Table 2 below sets out the governance structure of the Partner.

9.2 The governance mechanism for the Cambridge City Devolution Housing Programme is through the Executive Councillor for Housing and Housing Scrutiny Committee.

9.3 The CCC governance structure is illustrated in the figure below. CCC will use its existing committee structure processes to provide governance for the programme. CCC's experience through its direct house-building programme means that the Council has a well-established assurance framework that includes individual project option and financial appraisal; resident consultation and officer and councillor scrutiny prior to sign off by the Executive Councillor for Housing and subsequent scheme and programme monitoring. The programme will be subject to section 151

officer scrutiny; internal and external audit review; and value for money assessments.

CCC Governance



9.4 The Cambridge City Devolution Housing Programme specifies the delivery of 500 Council homes for affordable rent by Cambridge City Council, to be started on site, within a five year period from April 2017. Delivery relies on additional funding to be made available by CCC. DCLG has given specific approval for the use of this match funding, including the use of Right to Buy receipts, other Council resources and other public subsidy. Homes will be owned by CCC, rented in accordance with the CCC Allocations Policy, Rent setting policies and other CCC Housing Policies

9.5 Sites are approved for development by the Executive Councillor for Housing, in consultation with the Scrutiny Committee. All programme updates, consideration of milestones, risks, budget, etc are reported to Housing Scrutiny Committee before being shared with the Strategic Client Team of the CPCA.

9.6 As this programme is delivered using local funding as well as devolution funding, all reports will consider the total programme from a mix of funding sources. Investment decisions are taken by the Executive Councillor for Housing, who will determine investment of devolution housing funds alongside CCC resources.

10. Programme delivery

10.1 CCC acknowledges and agrees that all funding for the Cambridge City Devolution Housing Programme will be allocated to specific projects or sites in accordance with the overall programme objectives as agreed in the devolution deal (i.e. the delivery of 500 Council homes for rent). Funding allocations to specific projects will be approved by the Executive Councillor for Housing in consultation with the Housing Scrutiny Committee.

10.2 The Executive Councillor for Housing shall approve at regular intervals an updated version of the Housing Delivery Plan, which will be shared with the CPCA Strategic Client Function for monitoring purposes. This report will also be presented to the Portfolio Holder by CCC.

10.3 The key indicator of success is the number of homes started on site (in progress, or completed) at any time. CCC will report progress on the delivery of the Programme to the CPCA quarterly.

10.4 Any budget for staffing costs is to include incidental back office costs which should not exceed more than 2% of the total Programme funding.

11. Delivery Assurance

11.1 CCC agrees and acknowledges that:

a) The CCC Strategic Director is responsible for leading the Programme, agreeing and delivering against the requirements and milestones established in the programme delivery plan;

b) The CCC Strategic Director will provide regular reports to the Strategic Client Team for assurance purposes. These reports will be presented to the CCC Housing Scrutiny Committee before being presented to the CPCA. A CCC Strategic Director will attend any CPCA Board meetings at which such reports or assurance are due to be discussed.

c) The CCC Strategic Director will attend Strategic Client Team meetings on a regular basis to report on progress against the programme delivery plan.

11.2 In signing this SPW, CCC agrees to fully co-operate with the CPCA Board and Strategic Client Team to meet the obligations under the Monitoring and Evaluation Framework by:

a) Adopting the overriding principle to deliver the Cambridge City Devolution Housing Programme within agreed quality, timescales and to budget;

b) Aligning delivery of agreed milestones to secure decision-making in a timely way;

c) Meeting the key performance indicators agreed with the CPCA

d) Ensuring the necessary technical ability, knowledge and skills amongst its team to deliver the Cambridge City Devolution Housing Programme; and

e) Keeping the Director and Portfolio Holder of the CPCA aware of any changes to the Programme which may impact the delivery, success, funding or timescales of the Programme and informing the Director of the CPCA of such change immediately upon becoming aware of the same

11.3 In signing this SPW, the CPCA agrees to fully co-operate with the Executive Councillor of Housing, Strategic Director and Delivery Team of CCC to meet the obligations to support the delivery of the Cambridge City Devolution Housing Programme by:

a) Adopting the overriding principle to support the work of the delivery team in bringing sites forward for development;

b) Aligning delivery of agreed milestones to secure decision-making in a timely way;

c) Ensuring the necessary funding is transferred to CCC promptly on request, to support delivery of the programme. Funding will be transferred quarterly in advance based on estimated spend (with details of land acquisitions, contract payments etc as appropriate) as agreed between the CCC Strategic Director and the CPCA Strategic Client Team;

d) Keeping the CCC Strategic Director aware of any CPCA matters that may impact on delivery, success, funding or timescales and informing the CCC Strategic Director of such change immediately upon becoming aware of the same.

PART 5: ESCALATION & EXIT STRATEGY

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12. Escalation

12.1 If either Party has any issues, concerns or complaints about the delivery of the Cambridge City Devolution Housing Programme, the Parties shall seek to resolve the issue by a process of consultation between the relevant director of the Strategic Client Team and the CCC Strategic Director ("Initial Meeting").

12.2 If the issue cannot be resolved within one calendar month of the Initial Meeting, the matter shall be deemed to be a deadlock matter ("Deadlock Matter"). In the occurrence of a Deadlock Matter, the Partner Authorities agree that the Deadlock Matter shall be referred by either Party to senior representatives of both bodies being, the Portfolio Holder or the Chief Executive of the CPCA ("CPCA Representative") and the Leader or Chief Executive of CCC ("Partner Representative") who shall meet within one calendar month of having the Deadlock Matter referred to themselves, with a view of meeting in good faith to resolve the Deadlock Matter ("Senior Representative Meeting").

12.3 If the Deadlock Matter cannot be resolved within 14 days of the matter being discussed at the Senior Representative Meeting, the Parties agree that the Deadlock Matter shall be escalated to the CPCA Board for final determination. The **Parties** acknowledge and agree that the decision of the CPCA Board shall be final and binding upon each Party.

12.4 If either Party receives any formal inquiry, complaint, claim or threat of action from a third party (including, but not limited to, claims made by a supplier or requests for information made under the Freedom of Information Act 2000 in relation to the Project, the matter shall be dealt with by CCC as the lead partner.

13. Term and termination

13.1 This SPW shall commence on the date of signing and shall expire on completion of the Project.

13.2 Either Party may terminate this SPW by giving at least three months' prior notice in writing to the other Party at any time.

PART 6: STANDARD TERMS

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14. Reliance on partner procedures

14.1 In the delivery of the Cambridge City Devolution Housing Programme , CCC shall rely upon its procedures to regulate:

(a) data protection, FOI and confidentiality of information held on behalf of the CPCA
(b) procurement and contracting
(c) prevention of fraud, bribery and adherence to the Modern Slavery Act
(d) adherence to the Transparency Code

15. Publicity and branding

15.1 CCC shall lead on all publicity for the Cambridge City Devolution Housing Programme in liaison with the CPCA.

16. Intellectual property

16.1 The Parties agree that any intellectual property rights created during the Programme shall remain with Cambridge City Council. Where any intellectual property rights vest in CCC it shall grant an irrevocable licence to CPCA to use that intellectual property for the purpose of the programme.

17. Variation

17.1 This SPW, including the Appendices, may only be varied by written agreement of the CPCA and the written agreement of the Chief Executive of Cambridge City Council

18. Charges and liabilities

18.1 CCC is responsible for providing insurance for the duration of the Cambridge City Devolution Housing Programme

18.2 The Parties remain liable for any losses or liabilities incurred due to their own or their employee's actions or omissions and neither Party intends that the other Party shall be liable for any loss (other than such losses which liability can never be limited or held harmless by a Party at law) it suffers as a result of this SPW.

19. Status

19.1 This SPW is not intended to be legally binding, and no legal obligations or legal rights shall arise between the Parties from this SPW. The Parties enter into the SPW intending to honour all their obligations

19.2 This SPW represents the entire agreement in relation to the Programme between the Parties and replaces any previous agreement in writing or otherwise which may or otherwise exist in relation to the same.

19.3 Nothing in this SPW is intended to, or shall be deemed to, create any joint committee, establish any legal partnership or commercial joint venture between the Parties, constitute either party as the agent of the other party, nor authorise either of the Parties to make or enter into any commitments for or on behalf of the other party.

20. Governing law and jurisdiction

20.1 This SPW shall be governed by and construed in accordance with English law and, without affecting the escalation procedure, each party agrees to submit to the exclusive jurisdiction of the courts of England and Wales.

Signed for and on behalf of [CPCA]	
Signature:	.....
Name:	.....
Position:	.....
Date:	.....

Signed for and on behalf of [the Partner]	
Signature:	.....
Name:	.....
Position:	.....
Date:	.....
CONTACT POINTS	
CPCA	
Name:	.....
Office address:	.....
	.....
Tel No:	.....
E-mail Address:	.....
the Partner	
Name:	.....
Office Address:	.....
	.....
Tel No:	.....
E-mail Address:	.....

APPENDIX A: CAMBRIDGESHIRE AND PETERBOROUGH DEVOLUTION NEW HOMES BUSINESS CASE

Appendix 1

Cambridge City Housing Plan

The Delivery Plan for the £70m Devolution Housing Grant

1. Summary

Recognising the exceptional housing market conditions in the city of Cambridge the Government has agreed to provide the Combined Authority (CA) an additional £70m capital grant over five years ring fenced for Cambridge City Council to meet housing needs. This grant will be matched with any capital receipts retained by the City Council from Right to Buy sales and will deliver at least 500 new additional affordable homes to start on site within a five-year period commencing from April 2017.

2. Strategic Alignment and the Need for Intervention (Counterfactual)

The strategic needs data highlighted in the main body of the report demonstrates that Cambridge City Council is at the epicentre of the housing affordability issue in the south of the CA, with businesses reporting impact on economic growth of the issues their staff face in obtaining housing. The Objectively Assessed Housing Need for Cambridge City is 14,000 of which 5,600 are affordable homes. The constraints of the broad market area mean that LHA rates are much lower than privately rents making private rented housing inaccessible to lower paid workers in the local economy, therefore housing social rents is the only option for many. High land and property values and high build costs mean that it is even more critical than elsewhere across the CA to utilize the Council's own land to deliver social rented housing to complement new affordable housing being brought forward by house-builders and Registered Providers. The latter require significant cross-subsidy from shared ownership and other higher cost intermediate housing to supplement the limited grant that is available.

To deliver lower cost social rented housing in Cambridge requires significant grant input. An estimate of what could be delivered as the counterfactual position would be no more than 50 homes over the five-year period. This would represent a significant imbalance in the new affordable housing that is needed in Cambridge if local growth is to be sustained.

3. Delivery Programme Criteria

Mirroring the five criteria used for the £100m fund outside of Cambridge the following illustrates the way that they will be used in the city for allocation of the £70m.

Added value – Mainly;

- Ensuring delivery of social rented housing on Council land that increases the number of homes available to rent at social rents in Cambridge;
- The ability of the investment to stretch future development funding capacity of the local authority as a social housing provider.
  Also;

- The ability of the investment to unlock stalled or new schemes
- The ability of the investment to achieve either affordable housing policy compliant applications particularly where this may be a barrier to achieving planning approval or at a minimum to enhance the percentage of affordable housing achievable within viability calculations

Size of site – There will be no site size criteria in the city. The indicative programme includes sites ranging from one unit to nearly 200.

Deliverability - Ability to start on site in the timeframe – particularly planning certainty.

Affordability ratios – The programme in the city will be focused on those most in need to complement affordable housing being brought forward by others.

Value for money assessment- The City Council has set up a joint venture partnership with a leading local house-builder/developer, Hill, called the Cambridge Investment Partnership (CIP) (see below). It is in the interests of both parties to drive the best value for money from new developments to achieve the best return on their investments therefore, value for money will be at the core of CIPs assessment of which schemes are progresses.

4. Delivery Mechanism

As mentioned above the City Council has set up a joint venture partnership called the Cambridge Investment Partnership (CIP). This will be the main delivery mechanism for the £70m. CIP will combine the Council's land assets with the development expertise and capacity of the private sector partner.

Opportunities on land that is not owned by the Council may be considered for delivery, subject to deliverability and a robust assessment of value for money. Where necessary, the Council will refer to the delivery mechanisms set out for the wider CA programme.

5. Governance

The Cambridgeshire and Peterborough Combined Authority will provide overarching governance arrangements for all devolved housing grants. The Combined Authority will use the existing Cambridge City Council committee structure processes to provide governance for the Cambridge Housing Plan. Having had a direct house-building programme for the last five years the Council has a well established assurance framework that includes individual project option and financial appraisal; resident consultation and officer and councillor scrutiny prior to sign off by the Executive Councillor and subsequent scheme and programme monitoring. The Cambridge City Housing Plan will be subject to section 151 officer scrutiny; internal and external audit review; and value for money assessments.

6. Risks and Dependencies

As with the £100m fund there are risks associated with the availability of building materials; planning delays and unexpected site issues. However, the formation of CIP provides a mitigation to many of the other risks highlighted in the main body of the report. Of critical value, will be access to Hill's supply chain. CIP will produce and manage a programme risk register as well as individual project risk maps.

The indicative programme shown in the table in the next section shows potential schemes that will deliver 592 additional new homes. The Council will continue to work through CIP to develop a long list of sites as a 'buffer' should some of the sites on the current list prove problematic to bring forward for whatever reason. CIP is about to refresh the Council's audit

of sites in its ownership and nine new sites have been identified since November that are now shown in the table below.

7. Indicative Programme and Grant Requirement

An indicative schedule of all the sites identified is set out below. The potential total number of additional homes that may be delivered on these sites is 592.This demonstrates that the CA and the Government can be confident that the City Council will deliver at least 500 new homes using the £70m devolution housing grant.

Scheme name	Total Exisiting CCC Rented Units	Total New Homes (number)	Net Additional Homes (number)
Anstey Way	23	50	27
Akeman Street	2	22	20
Walpole Road	0	2	2
Colville Road Ph.2 (66-80b)	21	32	11
Lichfield Road Infil	0	10	10
52 Wulfstan Way (Land to Rear)	0	4	4
Aylesborough Close Ph.2	34	40	6
Ventress Close (9-10a and adjacent land)	2	19	17
QEW GW 61 - 67	0	2	2
Hawkins Road (Garages - 1-20 & 81-91)	0	6	6
Northfield Ave Garages	0	2	2
Davy Road Garages	0	6	6
Ditton Fields 131	5	19	14
Garden/Infill (Queen's Meadow & Hills Avenue)	0	3	3
Colville Road Garages	0	4	4
Mill Road	0	84	84
Park Street Car Park	0	24	24
RW SS	12	33	21
PW ERG	0	30	30
ECW HS	0	6	6
AW ARCP	0	4	4
KHW AC	0	30	30
PW QAT	0	50	50
CW J	0	20	20
Tedder Way	0	2	2
Wiles Close	0	3	3
Kendal Way	0	2	2
Nunns Way	0	8	8
BH (NHS)	0	33	33
MC (CC)	0	25	25
BS (CC)	0	11	11
VR (NHS)	0	9	9
PS (CPO)	0	4	4
Ch WMC	0	8	8
EC Lib	0	4	4
CPFT	0	80	80
Total	**99**	**691**	**592**

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APPENDIX B: ASSURANCE FRAMEWORK / MONITORING & EVALUATION FRAMEWORK/ PERFORMANCE MANAGEMENT AND FINANCIAL CONTROL FRAMEWORK

1. Introduction and Purpose

1.1 The CPCA is responsible for monitoring progress of the objectives/deliverables set out in the devolution deal. Monitoring and evaluation reports will be provided regularly to the CPCA's governance structures to inform decision-making and if necessary additional interventions to deliver the agreed outcomes.

1.2 The Management and Financial Control Framework is designed in accordance with the Assurance, Monitoring and Evaluation Frameworks agreed by the CPCA to demonstrate probity, propriety and value for money in the delivery of projects in order to:

- **Provide local accountability** to the public by demonstrating: how devolved funding is spent and the benefits achieved; and tracking progress against local strategies and action plans. Accordingly, M&E will be important to demonstrate the value and effectiveness of local decision-making and to shape future priorities;

- **Comply with external scrutiny requirements** i.e. to satisfy conditions of the devolution deal. Specifically, M&E will be used to demonstrate local progress and delivery to senior government officials and ministers who are ultimately accountable to parliament for devolved funds;

- **Understand which policies/interventions work and are effective**; and justify reinvestment or further funding. M&E will provide a useful feedback loop and enable this to be communicated to relevant stakeholders;

- **Develop an evidence base** for input into future business cases and land use/transport models; and can also be used for developing future submissions when competing for funds. M&E will collect, collate and analyse data which can be utilised for future.

1.3 The Framework is structured around the main stages in the progress of the programme and the key events likely to occur at each stage.

- ***Pre-contract*** **-** To confirm that the project is really necessary, the selected solution meets the need in the most cost effective way and award the contract in a suitable form to the most suitable contractor at the most advantageous price.

- ***Construction -*** To make certain that the system of project management ensures that the work is being properly supervised and executed and ensures that where possible the project is completed on time within the tender price to a satisfactory standard.

- ***Post Completion Review -*** To collect all relevant information on the various stages of the project, evaluate it and use it to improve performance on any future projects.

2. Performance Management and Financial Control Requirements

Stage	Requirements	Monitoring activity	Owner	Reports to Frequency
Pre Contract	• CCC to demonstrate that appropriate contractual controls are in place with its JV • CCC to demonstrate that management and financial controls are in place to monitor JV outputs and outcomes as applied to the project as a whole • CCC to satisfy itself that appropriate due diligence processes are in place in the consideration of all schemes including for example the procurement and appointment of consultants	Due diligence prior to investments	CCC Head of HDA CCC Principal Accountant (Housing) CCC Head of HDA	CCC Strategic Director CPCA Director of Housing Quarterly
Construction	• Start on sites within time and budget • Completions within time and budget **Reports to CCC Member/Officer Committees (not open to public) and to the CPCA Director of Housing** For all schemes CCC will provide the following information: • Quarterly financial control reporting of all schemes **Reports to All Member Committees & Board (open to public)** • Six monthly reporting of financial control of schemes • Six monthly reporting of all schemes in progress • Six monthly reporting of the status of schemes not yet started but approved for commencement • Six monthly reporting of developing forward programme/pipeline	Financial & budgetary control and tracking of financial commitments consistent with the accounting processes adopted by the CPCA Performance information Confirmation of start on sites Confirmation of completions	CCC Head of HDA CCC Principal Accountant(Housing) CCC Head of HDA	CCC Strategic Director CPCA Director of Housing Quarterly

Stage	Requirements	Monitoring activity	Owner	Reports to Frequency
	Payment Arrangements • Payment quarterly in arrears • Submission of CCC invoices for payment quarterly • Adjustment invoice or credit note for actual spend in prior period Note: CCC has in place: • Contract management procedures • Cost monitoring systems • Governance arrangements – progress reporting: - On an 'exception' basis, that is, regarding significant slippage, variations in cost and time; - In summary form in accordance with S.151 Officer requirements as to detail, format and frequency in particular drawing attention to costs compared with progress on the works, variations in time and cost, cost compared with budget etc; - Random 'spot check' reports on selected projects, or particular aspects of the development process.		CCC Principal Accountant (Housing)	
Post Contract	• A detailed analysis of the financial outturn of each contract in accordance with CCC practice giving information on variations, claims and price fluctuations. Variations and claims should be investigated and the reasons for any delays caused by administrative problems detailed so that improvements can be made in the future.	Tracking and confirmation of additionality achieved & overall performance	CCC Head of HDA CCC Principal Accountant (Housing)	CCC Strategic Director CPCA Strategic Director of Housing Quarterly

Stage	Requirements	Monitoring activity	Owner	Reports to Frequency
	• The adequacy of contract documentation should be examined and points of weakness and uncertainty identified and rectified. • The Government's National Evaluation Panel (NEP)may select projects for external post contract appraisal Examination of outputs and outcomes re NEP Monitoring & Evaluation Strategy <u>Outputs</u> • Housing units started • Housing units completed • Land assembled for housing development • Planning permissions / agreements secured • Progress against project milestones and spend profile and intermediate outcomes i.e. 'progress evaluation' • Capacity development and partnership –to demonstrate the effects being achieved in terms of the development of local capacity, cross-area and partnership working <u>Outcomes</u> Theme-specific • Has the project succeeded in achieving the expected benefits? • The results of reviews of the performance of: the scheme as a whole; the management team; contractors and sub-contractors; consultants and project managers; and the management and financial control procedures applied to the project.		CCC Head of HDA CCC Principal Accountant (Housing) CCC Head of HDA CCC Principal Accountant (Housing)	CCC Strategic Director CPCA Director of Housing *Timing: Measurable within 12 months of completion, but full effects may take time to flow through* CCC Strategic Director CPCA Director of Housing *Timing: expected to take 3-5 years to be delivered following completion*

Stage	Requirements	Monitoring activity	Owner	Reports to Frequency
	• Lessons learnt and data generated in evaluation to inform future policy Broader economic outcomes as appropriate and aligned to the Assurance Framework.			

APPENDIX C: £70 MILLION CAMBRIDGE CITY DEVOLUTION HOUSING PROGRAMME - DELIVERY PLAN

1.0 **PURPOSE**

1.1 This Appendix sets out the Delivery Plan for the delivery of the £70 million Cambridge City Devolution Housing Programme.

1.2 The Delivery Plan will direct the activities of CCC for the duration of the Programme. The Delivery Plan will be reviewed on an annual basis as part of the annual review of the SPW.

2.0 BACKGROUND

2.1 The Mayor and the Combined Authority are committed to accelerating affordable housing delivery to meet local and UK need and support economic growth.

2.2 Recognising the exceptional housing market conditions in the city of Cambridge the Government has agreed to provide the Combined Authority (CA) £70m capital grant over five years ring fenced for Cambridge City Council to meet housing needs. This grant will be matched with any capital receipts retained by the City Council from Right to Buy sales and will deliver at least 500 new additional affordable homes to start on site within a five-year period commencing from April 2017.

Devolution - Affordable Housing Business Case

2.3 The Business Case presented to government in January 2017 highlighted that Cambridge City Council is at the epicentre of the housing affordability issue in the south of the region, with businesses reporting its impact on economic growth and the issues their staff face in obtaining housing. The Objectively Assessed Housing Need for Cambridge City is 14,000 of which 5,600 are affordable homes. The constraints of the broad market area mean that LHA rates are much lower than privately rents making private rented housing inaccessible to lower paid workers in the local economy, therefore housing social rents is the only option for many. High land and property values and high build costs mean that it is even more critical than elsewhere across the CA to utilise the Council's own land to deliver social rented housing to complement new affordable housing being brought forward by house-builders and Registered Providers. The latter require significant cross-subsidy from shared ownership and other higher cost intermediate housing to supplement the limited grant that is available.

2.4 The £70m fund will be deployed in Cambridge City to start on site with 500 new council homes in the period April 2017 to March 2022.

2.5 The Delivery Framework outlines:

a. Investment criteria

b. Delivery mechanisms

c. Governance

d. Milestones

e. Performance monitoring and reporting

f. Risks and Dependencies

g. Quality Management

h. Change Control

Investment Criteria

2.6 The criteria for the £70m Cambridge City Devolution Housing Programme mirror the criteria used in the £100m Affordable Housing Programme:

(a) **Added value**:

Mainly:

- Ensuring delivery of social rented housing on Council land that increases the number of homes available to rent at social rents in Cambridge;

- The ability of the investment to stretch future development funding capacity of the local authority as a social housing provider.

Also:

- The ability of the investment to unlock stalled or new schemes

- The ability of the investment to achieve either affordable housing policy compliant applications particularly where this may be a barrier to achieving planning approval or at a minimum to enhance the percentage of affordable housing achievable within viability calculations

(b) **Size of site** – There will be no site size criteria in the city. The indicative programme includes sites ranging from one unit to nearly 200.

(c) **Deliverability -** Ability to start on site in the timeframe – particularly planning certainty.

(d) **Affordability ratios** – The programme in the city will be focused on those most in need to complement affordable housing being brought forward by others.

(e) **Value for money assessment-** The City Council has set up a joint venture partnership with a leading local house-builder/developer, Hill, called the Cambridge Investment Partnership (CIP). It is in the interests of both parties to drive the best value for money from new developments to achieve the best return on their investments therefore, value for money will be at the core of CIPs assessment of which schemes are progressed.

Delivery Mechanisms

2.7 CCC's programme delivery office is the Housing Development Agency (HDA). This team is led by a Strategic Director who has responsibility for the overall programme, working closely with internal and external stakeholders to accelerate delivery and ensure effective public consultation on specific sites.

2.8 The programme will use three core routes to delivery:

(a) **In-house delivery:** using the Council's Estates and Facilities Team to deliver directly on small sites that would otherwise be expensive to deliver.

(b) **Direct Procurement:** This option requires significant supervision to ensure effective contract management.

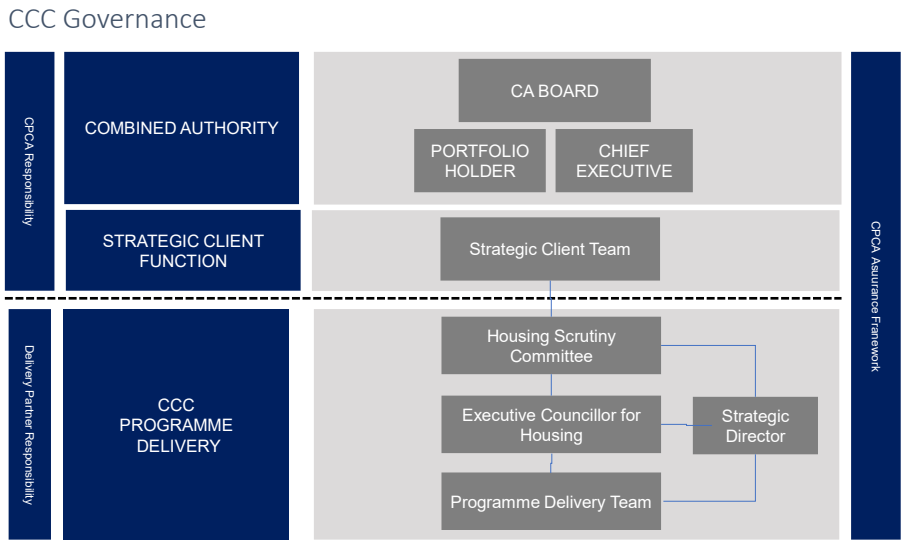
(c) **Cambridge Investment Partnership**: Cambridge City Council has set up a joint venture partnership with Hill Residential called the Cambridge Investment Partnership (CIP). This will be the main delivery mechanism for the £70m. CIP will combine the Council's land assets with the development expertise and capacity of the private sector partner. It is in the interests of both parties to drive best value for money from new developments to achieve the best return on investment. Value for money will be at the core of CIP's assessment of schemes.

Governance

2.9 The CPCA will provide overarching governance for the £70 Cambridge City Devolution Housing Programme (alongside the £100m Affordable Housing Programme).

2.10 The CCC governance structure is illustrated in the figure below. CCC will use its existing committee structure processes to provide governance for the programme. CCC's experience through its direct house-building programme means that the Council has a well-established assurance framework that

includes individual project option and financial appraisal; resident consultation and officer and councillor scrutiny prior to sign off by the Executive Councillor and subsequent scheme and programme monitoring. The programme will be subject to section 151 officer scrutiny; internal and external audit review; and value for money assessments.



2.11 The programme flow chart in the figure below summarises the consideration of proposals and the associated governance:

2.12 The table below summarises the membership and key responsibilities for each of the governance bodies:

Governing Body	Membership	Role & Responsibilities
CPCA Board	Mayor Leaders of the seven member local authorities	Providing strategic direction for the Housing Investment Fund Programme Overseeing delivery of the programme

Governing Body	Membership	Role & Responsibilities
	Chair of the Greater Cambridge & Greater Peterborough LEP	Considering and approving grants, investments, and variations to individual schemes within the programme delegations outlined below
CCC Housing Scrutiny Committee	Elected members and elected tenant and leaseholder representatives	Pre-scrutiny of investment decisions taken by the Exec Councillor for Housing; scrutiny of programme delivery and budgets
CCC Executive Councillor for Housing		Providing strategic direction for the Cambridge Devolution Programme, including decisions on sites to be included and investment.
CCC Strategic Director		Oversight of programme, and investment decisions. Ensures compliance with monitoring and evaluation requirements and liaison with the CPCA.
CCC Programme Delivery Team		Day-to-day management and delivery of the Programme in accordance with the Delivery Plan. This includes: site identification and appraisal, local consultation, progression of site through the pre-planning, planning and delivery phases.

Milestones.

2.13 The key indicator for the programme is the number of homes which are started-on site (i.e. where planning permission has been granted and construction is underway).

Start on sites will be reported to the CPCA every six months. At present, the programme for years 1 and 2 is definitive, sites for later years are indicative so milestones may be revised in consultation between the parties.

	Yr 1 2017/18	Yr 2 2018/19	Yr 3 2019/20	Yr4 2020/21	Yr 5 2021/22
April – Sept	0	20	65	65	65
Oct - March	25	105	65	65	30
Total for Year	25	125	130	130	95
Cumulative Total	25	145	275	405	500

Performance Management: Monitoring and Evaluation

2.14 CCC monitoring and performance management arrangements will be consistent with the Assurance Framework and the Monitoring and Evaluation Framework arrangements of the CPCA.

2.15 Progress on the £70m Cambridge City Devolution Housing Programme will be reported regularly to Government (through the local lead in the Cities and Local Growth Unit) as part of the area's wider reporting arrangements to Government on its shared local growth and devolution programmes. This will be a responsibility of the CPCA and consists of regular reporting and annual 'conversations' to discuss progress of implementation. Any issues with the implementation of the programme will be raised as appropriate within DCLG Cities and Local Growth and Housing colleagues.

2.16 The monitoring arrangements for the programme are set out in Appendix B: Performance Management and Financial Control.

Risks and Dependencies

2.17 The programme will maintain a programme risk register as well as individual project risk registers. The risk registers will be monitored by the Executive Councillor for Housing and the Housing Scrutiny Committee.

Quality Management

2.18 All supported schemes require homes to be built to agreed housing standards as approved by CCC Housing Scrutiny Committee. This includes the Cambridge Sustainable Housing Design Guide (February 2017)). This Guide already has regard to BREEAM standards and other national guidelines and was based on the Cambridgeshire Quality Charter developed by Cambridgeshire Horizons.

2.19 All homes built will be subject to the national Building Regulation standards and other national regulations.

2.20 A sample set of properties will be visited to ensure that the required standards have been adhered to.

Change Control

2.21 Delivery of the programme, including any changes required will be monitored by the Executive Councillor for Housing and the Housing Scrutiny Committee.

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	AGENDA ITEM No: 2.6
28 MARCH 2018	PUBLIC REPORT Appendices A, B, C, D are exempt by virtue of category 3 within schedule 12A of the Local Government Act 1972

£100M AFFORDABLE HOUSING PROGRAMME

1.0 PURPOSE

1.1. The Combined Authority successfully secured £100million from the Government as part of the devolution deal to deliver 2,000 affordable homes across Cambridgeshire and Peterborough. This report provides an update on the programme.

DECISION REQUIRED	
Lead Member:	**Mayor James Palmer**
Lead Officer:	**Martin Whiteley, Chief Executive**
Forward Plan Ref: 2018/004 *(previously titled Affordable Housing Programme (£100m) – Housing Scheme Approvals)*	**Key Decision: Yes**
The Combined Authority Board is recommended to: (a) Note the progress of the Phase 1 housing scheme approvals agreed by the Board in July 2017.	**Voting arrangements** Simple majority of all Members

(b) Note the forward pipeline of affordable housing schemes, including emerging strategic sites. (c) Commit grant funding of £3.66m for the next Phase 2 of affordable housing schemes. (d) Agree to receive further progress reports on a quarterly basis.	

2.0 BACKGROUND AND CONTEXT

Cambridgeshire and Peterborough 2030 Ambition

2.1. The Mayor and the Combined Authority are committed to accelerating affordable housing delivery to meet local and UK need and support economic growth. This is reflected in the 2030 Ambition for coordinated, interventions and investment tailored to local need across housing, transport and infrastructure, planning and land use and skills.

Affordable Housing Business Case

2.2. In March 2017 the Combined Authority Board agreed the business case for £100m to enable an additional 2,000 new affordable homes to start on site in the Combined Authority area during the five year period commencing 1 April 2017. The £100m fund will be deployed in the four local authority districts and the unitary excepting Cambridge City, which has received a separate ring-fenced £70m grant fund.

2.3. The Business Case recognised that in some cases the deployment of Combined Authority funding could accelerate the delivery of new affordable homes.

2.4. The Business Case also envisaged that funding to support the construction of new homes would average up to £25k per unit, and between £16k and £25k per unit for infrastructure.

2.5. The Business Case recognised the high levels of growth and exceptional housing market conditions facing Cambridgeshire and Peterborough including predicted job and population growth, housing supply and affordability challenges. The Business Case committed the £100m to delivering schemes which create added value by:

(a) Accelerating the delivery of new affordable homes.
(b) Enabling new, or stalled schemes to proceed.
(c) Achieving otherwise unviable Local Authority affordable housing and planning policy compliant outcomes
(d) Creating future development funding capacity.

2.6. The Business Case also recognised that in the first instance "New homes will be delivered through the direct grant funding initially, however, this funding is expected to enable a fully revolving local fund in the Combined Authority which outlasts the initial five year period". It is anticipated that the programme will support a mixed portfolio of schemes including strategic sites, sites brought forward by Housing Associations and developers and community land trusts.

2.7. This report provides an update on the £100m Affordable Housing Programme:

(a) An overview of the £100m affordable housing programme.

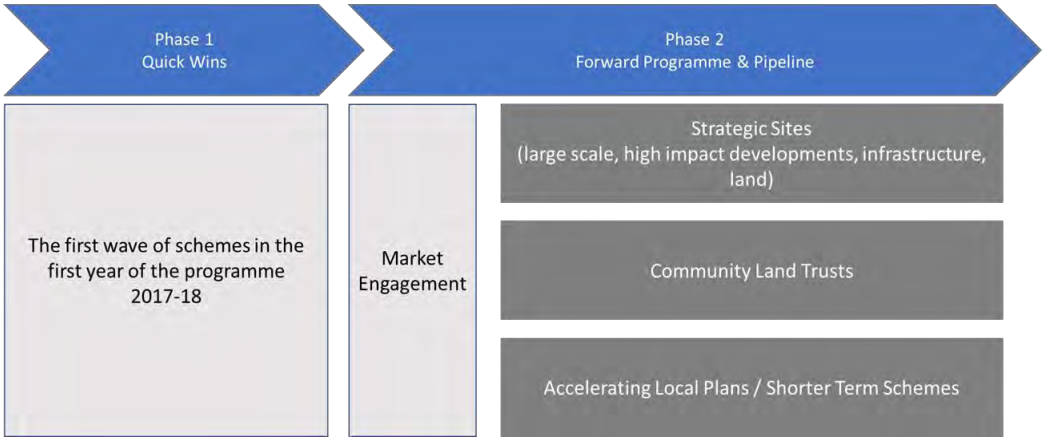
(b) An update on the Phase 1 Quick Win schemes approved in July 2017.

(c) An overview of the forward pipeline of affordable housing schemes.

(d) The next Phase 2 of affordable housing schemes for approval.

3.0 £100m AFFORDABLE HOUSING PROGRAMME OVERVIEW

3.1. The figure below provides an overview of the programme. The Combined Authority together with the Greater Cambridge Greater Peterborough (GCGP) Enterprise Partnership and the private and voluntary sectors will work together strategically, with a single plan and approach, to deliver housing schemes. This will include bringing together funding streams secured through the devolution agreement with other investments and the funds secured through Growth Deals. The approach to housing delivery will move beyond the simple aggregation of a number of locally determined housing schemes and instead take a strategic and collective view on which developments will best serve the overall objectives of growing the economy.



4.0 PHASE 1 QUICK WINS UPDATE

4.1. The Board approved the allocation of £4.56m of grant funding for the first wave of 253 affordable homes across the Combined Authority area at its meeting in July 2017. Progress meetings have been held with each of the providers. Confidential Appendix A provides a summary of the quick wins programme, the starts on site achieved to date and the current status and budgetary position for each scheme. 73% of the approved new homes across eight schemes will start on site by 31 March 2018.

4.2. The table below shows the current completion forecasts by local authority area:

Completions Forecast for Quick Wins schemes									
	2018/19				2019/20				
LA	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	TOTAL
ECDC	18				8				26
FDC							37		37
HDC		10							10
PCC						10	54		64
SCDC		24	15					9	48
TOTAL	**18**	**34**	**15**	**0**	**8**	**10**	**91**	**9**	**185**

5.0 FORWARD PROGRAMME & PIPELINE DEVELOPMENT

(a) Market Engagement

5.1. The programme has undertaken an extensive programme of engagement to:

(a) Stimulate the market, communicating the aspirations of the Combined Authority and encouraging private sector providers, community land trusts, land owners and housing associations to bring forward affordable housing schemes.

(b) Identify a series of strategic, high impact sites where Combined Authority intervention and investment will bring forward proposals for large scale (>3000 new homes) developments, major enabling infrastructure, use of

surplus public sector land, initiatives targeted at key workers, and innovative capital investment models.

(c) Enable collaboration with central government and its agencies to optimise investment across funding streams in Cambridgeshire and Peterborough.

(d) Help shape the Combined Authority Housing Strategy, which will be presented to the Board later in the year.

5.2. **Local Authorities** – director level meetings have been held with each constituent local authority to examine local affordable housing priorities and the constraints to local housing delivery. The programme has also engaged with the Cambridgeshire Regional Housing Board, the Chief Planning Officers Group, and the Housing Leads in Cambridgeshire County Council, and the Greater Cambridge Partnership to ensure that the programme is taking a coordinated strategic approach.

5.3. **Housing Associations** – Housing Associations are private, non-profit making organisations that provide low-cost "social housing" for people who are unable to afford housing for either rent or sale in the local market. Any trading surplus generated by Housing Associations is used to maintain existing housing and to help finance new homes. Although independent they are regulated by the state and commonly receive public funding. Housing Associations predominantly provide new housing for rent, while many also run shared ownership schemes to help those who cannot afford to buy a home outright.

The programme has engaged with local, regional, national and London-based Housing Associations to explore the potential for schemes identified in Local Plans and other opportunities to bring forward for consideration.

5.4. **Community Land Trusts (CLTs)** – CLTs are non-profit organisations that develop and steward affordable housing, community gardens, civic buildings, commercial spaces and other community assets on behalf of a community. CLTs balance the needs of individuals to access land and maintain security of tenure with a community's need to maintain affordability, economic diversity and local access to essential services. The Combined Authority has recognised the scope for CLTs as a core component of the Affordable Housing Programme. The programme is exploring options to promote and stimulate further CLT developments across Cambridgeshire and Peterborough.

5.5. **Landowners and Developers** – discussions with major landowner/developers and land agents have examined the scope for mutually beneficial collaborative working. There are many potentially productive linkages between Combined Authority transport and infrastructure and housing objectives to be explored with major developers. The Combined Authority has presented its housing objectives to the Cambridgeshire Development Group, chaired by Lord Lansley and comprising leading private sector developers, house builders, land agents and consultants. The Combined Authority will continue to pursue discussions to develop interventions on important strategic sites.

5.6. **Major Employers -** engagement has taken place with some of the area's major employers and Cambridge Ahead to ascertain where the Combined Authority might directly support economic growth by helping with affordable housing schemes to support employee recruitment and retention in areas of stretched housing affordability.

5.7. **Homes England** – dialogue has focused on ensuring strategic and operational alignment to optimise the funding for new affordable homes in the area including scheme collaboration. The Combined Authority is currently in early stage discussions for a strategic, high impact site and anticipates bringing forward a proposal to the Board.

5.8. The programme of engagement with the network of public, private and voluntary sector organisations has built on the strong foundations laid in the summer by the Mayor's 100 Day Plan, the Housing Summit, and Phase 1 of the Affordable Housing Programme. It is resulting in a flow of new scheme proposals and demonstrates the enthusiasm of stakeholder organisations to work with the Combined Authority to deliver its housing objectives.

(b) Forward Programme and Pipeline

5.9. The £100m Affordable Homes Programme commitment to Government is to achieve at least 2,000 new affordable home starts by the end of March 2022.

5.10. The forward programme and pipeline is focused on three core components:

- **Local Plan sites and shorter-term schemes** as identified through the programme of market engagement outlined above and illustrated in the pipeline below.

- **Community Land Trusts** (CLTs) – East Cambridgeshire District Council, South Cambridgeshire District Council, and Cambridge City Council are working with local communities interested in bringing forward community-based schemes. Palace Green Homes is developing ambitious new proposals for building market and affordable homes and further scheme proposals are expected. In parallel the Combined Authority is planning to host a Rural Housing Conference to generate further interest and stimulate the appetite to deliver affordable rural homes.

- **Strategic Sites** - the Combined Authority is engaged in early stage dialogue with a range of organisations for the development of a number of strategic sites (i.e. sites or groups of sites delivering at least 3000 new homes). Whilst strategic sites have the potential to deliver significant numbers of new homes, not all of the new homes will be deliverable within the £100m Affordable Housing Programme period to March 2022; significant numbers will be in future years, thus impacting the investment the Combined Authority may make under the auspices of the programme. The Combined Authority is actively exploring the options to attract further funding from

government and other sources. A summary of the strategic sites currently under consideration is provided at Confidential Appendix B; owing to the commercially sensitive nature of early stage negotiations this information is confidential.

It is expected that further strategic site opportunities will be identified during the course of the programme through the implementation of policies on Land Value Capture, Compulsory Purchase, Combined Authority land acquisition and Joint Ventures etc. Proposals will be brought forward to the Board in due course.

5.11. The current status of the pipeline is summarised in the table below; this does not include potential strategic sites. The pipeline will continue to be developed and refined as the programme progresses.

All Pipeline Schemes - Projected start on site							
LA	**2017/18 Phase 1 Quick Wins**	**2017/18 Phase 2 Schemes for Approval**	**2018/19**	**2019/20**	**2020/21**	**2021/22**	**Total**
ECDC	26	0	32	18	75	0	**151**
FDC	37	0	92	152	0	0	**281**
HDC	0	39	39	84	82	90	**334**
PCC	74	33	309	90	0	0	**506**
SCDC	48	270	50	0	25	270	**663**
Total	**185**	**342**	**522**	**344**	**182**	**360**	
Cumulative Total	**185**	**527**	**1049**	**1393**	**1575**	**1935**	

5.12. The Board is asked to note that the nature of new build development means that it is inevitable that final numbers will be subject to change as some schemes will fall away, and new proposals come forward. The programme will ensure that the flow of proposals into the pipeline remains a key area of focus. The Combined Authority will continue to work with the various housing market stakeholders to develop further pipeline schemes to meet the Devolution Deal commitment of at least 2,000 new homes.

5.13. The pipeline, along with the delivery of approved schemes will be tracked and monitored and quarterly progress reports will be bought forward to the Board to provide assurance that the Combined Authority is on track to deliver against its devolution deal commitments.

6.0 PROPOSED PHASE 2 SCHEMES FOR APPROVAL

6.1. Four schemes which meet the requirements of additionality, deliverability, meeting identified priority needs and value for money are recommended for approval. £3.66m of Combined Authority grant funding is recommended to provide 612 new affordable homes. Full details are provided in Confidential Appendix C.

Phase 2 Schemes for Approval					
LA	**Provider**	**Scheme**	**Affordable Rent**	**Shared Ownership**	**Total No of Units**
HDC	Cross Keys Homes	Ramsey	22	10	32
HDC	Cross Keys Homes	Offord D'arcy	7	0	7
PCC	Accent Nene	Paston Reserve	0	33	33
SCDC	Combined Authority	Mare Fen N'stowe	180	360	540
TOTALS			**209**	**403**	**612**

Note: * Total Number of affordable homes 1750 unlocked by investment in off site infrastructure; 270 start on sites in 2019; 270 start on sites in 2021 (360 Shared Ownership; 180 Affordable Rent)

6.2. The four schemes are fully supported by each respective Local Authority Housing Enabling Manager.

6.3. All four schemes provide concrete additionality to the delivery of affordable homes in the Combined Authority area:

- St Mary's Road, Ramsey will provide 32 units of affordable housing on a new developer-led site. Following a viability challenge under the provisions of the National Planning Policy Framework[1], the Valuation Office undertook an independent evaluation of the scheme and advised that the site was unviable on economic grounds and the S106 agreement should be reduced to zero. The programme has worked with colleagues at Huntingdon District Council and the provider to develop a policy compliant scheme that will deliver 32 affordable homes, comprising 22 affordable rent and 10 shared ownership.

- The Offord D'arcy scheme will deliver seven affordable family homes (3 and 4 bed). The provider is utilising its reserves of Disposal Proceeds Funds to subsidise the scheme alongside the Combined Authority grant provision on a 50/50 basis. There is pressure for this type of accommodation across the District, providing affordable homes for those who wish to stay in the District and continue to be economically active or who would otherwise be homeless. The scheme provides much needed affordable family homes in a rural village with strong community support, managed by a provider with an increasingly strong presence in the District and a track record of effective delivery and management.

- The Paston Reserve site in Peterborough will deliver 33 affordable shared ownership homes (2, 3 and 4 bed family homes and I apartment) on a site that had been earmarked for private sale with full planning consent, thus providing 100% additionality. The scheme will start on site by the end of 2017/18.

[1] The National Planning Policy Framework includes provision to challenge the percentage of affordable housing; it says that plans should be deliverable and that the sites and scale of development identified in the plan should not be subject to any financial burden that threatens viability.

- The ‘funding gap’ and associated grant requirement on both the Offord D’arcy and Paston sites has been assessed and validated by utilising the Government ‘Development Appraisal Tool’ (DAT) model.

- For the St Mary’s Road, Ramsey and Paston Reserve sites, future grant repayments, received by providers from shared owners acquiring further shares of the equity in their homes, will be held by the provider in a Recycled Capital Grant Fund (RCGF). The provider will have a three year period in which to spend RCGF on building more affordable homes, or return the grant to the Combined Authority. Providers must use ‘best endeavours’ to spend RCGF in the local authority area in which it originated, or the wider Combined Authority area if this cannot be achieved.

- Northstowe Phase 2 - Grant funding to provide off site infrastructure improvements preventing flood risk will enable the planning consent for Northstowe Phase 2 to be implemented unlocking 3,500 new homes including 1,750 affordable homes, 540 of these will start on site by 2022. This is consistent with the devolution deal “The Combined Authority will work with Government and its agencies to co-invest in new homes, unlock barriers to growth, and plan and prioritise investment in associated infrastructure (including transport, schools and healthcare)”.

6.4. It is proposed that the Board will further develop and agree the investment principles and detailed criteria that will apply to the programme going forward. Confidential Appendix D provides a first draft.

7.0 FINANCIAL IMPLICATIONS

7.1. The table below summarises the budget position based on financial commitments for Phases 1 and 2 and the projected pipeline.

7.2. The Phase 1 Quick Wins project is proceeding satisfactorily in terms of both time and cost. A high proportion of the new homes will have started on site by the end of the financial year and completion of 185 new homes is expected by the end of 2019/20. Assuming this progress is maintained the Authority's intervention will represent an efficient and effective way of progressing housing development by achieving starts on site earlier than would be possible in the absence of financial support.

7.3. A review of the proposed Phase 2 schemes outlined in Section 6 has confirmed that they meet the project objectives and represent value for money. Therefore the recommendation for approval of £3.66m Combined Authority grant for the delivery of the schemes is fully supported

7.4. The table below summarises the budget based on the financial commitments for Phases 1 and 2 and the projected pipeline. The analysis indicates a gap in the target of 2000 homes at this stage of the programme. However, the pipeline does not at this stage include the strategic sites where proposals are currently under

development (Appendix B) and which will bring forward significant numbers of new affordable homes. Proposals on strategic sites will come forward to the Board in due course.

£100M Affordable Homes Programme Budget						
	Phase 1 Quick Wins	Phase 2 Schemes for	Forward Programme to 2022	Total	Gap to Target (2000)	Available Budget £m
# Homes	185	612	1138	1,935	65	
Total £m	4.05(i)	3.66	39.83(ii)	47.54		52.46
Notes						
(i) average grant per unit £22k						
(ii) based on average grant per unit £35k						

8.0 LEGAL IMPLICATIONS

8.1 The devolution deal of June 2016 set out an ambitious target for increasing new homes delivery, jointly agreed with the Department for Communities and Local Government, reflecting the assessments of local housing need.

8.2 To achieve this the Combined Authority was given authority under Article 11 of the Cambridgeshire and Peterborough Combined Authority Order 2017 to exercise a general power of competence to deliver the terms of the deal.

8.3 The housing target is to be achieved through this programme which is supported by a housing fund. The funding of housing to be let or sold is very likely to constitute incompatible state aid, and therefore be unlawful, unless it is structured to comply with a number of "exceptions" under State Aid law. State aid law does, however, recognise that it is appropriate in a number of circumstances for public funding/resources to be given to what is termed "Services of General Economic Interest" (SGEI) (which loosely translates as in the public interest). SGEIs include public support for social and affordable housing. English social and affordable tenures (including low cost home ownership) are all referred to as social housing under state aid law and therefore this funding does not constitute unlawful state aid.

9.0 SIGNIFICANT IMPLICATIONS

9.1 There are no specific implications for this report.

APPENDICES

Exempt Appendix A : Phase 1 Quick Wins progress report
Exempt Appendix B: Strategic Sites
Exempt Appendix C: Phase 2 Schemes
Exempt Appendix D: Draft objectives and investment criteria

Source Documents	**Location**
Quick Wins Report – 2017 July Combined Authority Board	Cambridgeshire and Peterborough Combined Authority, The Grange, Nutholt Lane, Ely CB7 4EE

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	AGENDA ITEM No: 2.7
	PUBLIC REPORT Appendices 1 and 2 are exempt by virtue of category 3 within schedule 12A of the Local Government Act 1972

EAST CAMBRIDGESHIRE STRATEGIC COMMUNITY LAND TRUST (CLT) PROGRAMME – PROVISION OF LOAN FACILITY

1.0 PURPOSE

1.1 The purpose of this report is to seek the approval of the Board for the provision of a two year commercial loan facility capped at £6.5m to East Cambs Trading Company Ltd to facilitate the development of a CLT scheme of 54 homes (35 open market sale and 19 CLT owned affordable homes) at West End Gardens, Haddenham.

1.2 In addition, to bring forward further proposals currently in development to facilitate a ten year commercial loan of £40m loan to East Cambs Trading Company Ltd to deliver the East Cambs Strategic Community Land Trust Programme. These proposals will come to the next meeting of the Combined Authority Board.

DECISION REQUIRED		
Lead Member:	Mayor James Palmer	
Lead Officer and Author:	Martin Whiteley, Chief Executive	
Forward Plan Ref: 2018/004	**Key Decision: YES**	
The Combined Authority Board is recommended to (a) Approve the provision of a commercial loan facility capped at £6.5m from the £100m Housing Programme for a period of two years to East Cambs Trading Company Ltd for the CLT scheme at West End Gardens, Haddenham.		***Voting arrangements*** Simple majority of all Members.

Approval is subject to completion of the business case, due diligence and agreement of loan terms to the satisfaction of the Chief Executive, Monitoring Officer and Section 151 Officer. (b) Authorise the Chief Executive to bring forward detailed proposals and the business case to the next Board meeting for the provision of a ten year £40m commercial loan facility capped at £40m to fund the East Cambs Strategic CLT Programme.	

2.0 BACKGROUND

2.1 The Cambridgeshire and Peterborough Combined Authority Devolution deal included a commitment to work with Community Land Trusts[1] to deliver new schemes recognising the benefits of these schemes to the community. The Combined Authority has already approved £120,000 grant funding from the £100m housing programme for 8 CLT owned affordable units at The Shade, Soham.

2.2 East Cambs Trading Company Ltd (ECTC) (a development company wholly owned by East Cambridgeshire District Council) was established in April 2016. Using its available financial resources (a £5m loan facility from the Council), ECTC is currently building its first 24 homes at Ely and Soham.

3.0 PROPOSALS

3.1 There are two aspects to this report, specifically, the approval of a £6.5m commercial loan facility from the £100m Housing Programme to ECTC for a CLT scheme for 54 homes in Haddenham and then to bring forward proposals for a £40m commercial loan facility to fund the East Cambridgeshire Strategic CLT programme of up to a level of 250 homes per annum for 10 years.

3.2 The Haddenham scheme has the benefit of planning permission to ECTC for a CLT scheme of 54 homes. There are 19 (35%) CLT affordable homes and 35 homes for open market sale within the scheme.

3.3 The Haddenham CLT scheme is now ready to build but ECTC is unable to commence construction until all the sales income has been received from the sale of homes at Ely and Soham (see para 2.2) given the constraints on the funding from the shareholder.

3.4 Through the provision of a commercial loan facility to ECTC, the Combined Authority can speed up the delivery of new homes.

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[1] Devolution Deal: New Homes and Communities, Para 22 (d) e. Work with Community Land Trusts to deliver new schemes recognising the benefits these schemes bring to the community.

- Current ECTC finances mean that the Haddenham scheme will be built out over two phases, with housing completions commencing October 2019 and completing in October 2021

- With a loan facility from the Combined Authority, ECTC can deliver the project quicker with housing completions commencing June 2019 and completing in September 2020.

3.5 There is no requirement for a grant towards this scheme as the CLT programme uses a 'land value capture' mechanism to provide the cross subsidy necessary to build CLT owned affordable homes and other community benefits/assets within the scheme. These will be held in perpetuity by the local CLT and the income streams derived from the completed affordable homes will enable the local CLT to bring forward additional sites in future years.

3.6 The cash flows for the Haddenham CLT scheme and development appraisal are detailed in Appendices 1 and 2 (these are based on an interest rate of 1.5% per annum).

3.7 The scheme provides an opportunity to recycle funding, enabling the CPCA to reuse capital to fund a continuing pipeline of development within the timeframe for the £100m Housing Programme.

EAST CAMBRIDGESHIRE STRATEGIC CLT PROGRAMME

3.8 The Haddenham scheme is part of the East Cambridgeshire Strategic CLT Programme delivered through the East Cambs Trading Company. The target for the programme is to increase production over the period until 250 homes are being built each year.

3.9 The ten year pipeline from 2018/19 to 2027/28 is expected to complete 1850 homes (553 affordable CLT homes and 1297 market homes).

10 year pipeline (housing completions per year)										
2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Total
24	**75**	**141**	**185**	**215**	**233**	**240**	**238**	**250**	**249**	1850

- The ECTC have already begun construction on 24 homes. Together with sites already secured at pre-construction and planning stage, the current secured pipeline totals 554 homes.

- On top of the above, additional sites have been identified that are currently under negotiation that could deliver a further 342 homes, bringing the total development pipeline to 920 homes (274 CLT owned affordable and 646 market).

- It is expected that over the term of the programme, further sites will become available to further build the pipeline so that the target of 1850 homes can be achieved.

The provision of a loan facility over 10 years will enable the schemes not yet already commenced and those under negotiation to be delivered and provide the necessary finance for the target of 1850 homes outlined above.

3.10 The Combined Authority's new borrowing powers for housing enable it to provide the necessary loan finance to ECTC without impacting on the £100m housing and infrastructure fund. The loan to Haddenham recommended in this report would be refunded immediately to the £100m Housing Programme when the medium term loan facility has been agreed.

4.0 FINANCIAL IMPLICATIONS

LOAN FACILITY – HADDENHAM

4.1 It is proposed that the Combined Authority provides a £6.5m commercial loan for a two year period commencing drawdown in June 2018 from the £100m Housing Programme. In May 2020, ECTC would repay any outstanding amounts from the loan facility in full if not before. (In the event of the ten year commercial loan of £40m being secured, the initial £6.5m would be included in that facility and the £100m Housing Programme would be repaid immediately).

FUNDING OPTIONS

4.2 There are two potential mechanisms for the Combined Authority to provide the £6.5m loan facility:

(a) **A policy investment** - to provide a capital payment to the trading company; this would be subject to compliance with European State Aid rules, with an appropriate market rate of interest charged on the loan. Initial indications suggest an appropriate rate would be likely to be based on the EU LIBOR base rate plus an additional margin rate dependent on the level of perceived risk.

(b) **A treasury investment** - to provide funds to the Local Authority for them to 'on-lend' to the trading company. However, this is not acceptable to East Cambridgeshire District Council due to the adverse impact on the MTFS given the requirements of MRP.

INTEREST RATE

4.3 As CPCA is a public body, any loan made by CPCA is expected to be subject to European State Aid rules, with an appropriate rate of interest to be charged on the loan.

4.4 The interest rate payable is likely to have two elements, a base rate and a margin.

The base rate is expected to be the prevailing EU LIBOR base rate. The margin is expected to be in line with the parameters used by Homes England for its Home Building Fund, with margins depending on the creditworthiness of

the applicant. As a wholly owned local authority trading company, ECTC is expecting to be able to demonstrate strong creditworthiness.

On this basis, the margin charged is expected to be at the lower end of the range for this reason. The attached appraisal and cash flow has been on an interest rate of 1.5% p.a.

4.5 The Chief Executive, Monitoring Officer and Section 151 Officer are currently working with ECDC and ECTC to complete the business case and due diligence and to define the loan terms to support the investment in loan funding for the scheme in advance of the Combined Authority Board meeting at the end of the month. Approval of the loan facility is subject to completion of the business case, due diligence and agreement of loan terms to the satisfaction of the Chief Executive, Monitoring Officer and Section 151 Officer. In the event that there are issues requiring the consideration of the Board these will be brought forward as an exempt item to the Board.

5.0 LEGAL IMPLICATIONS

5.1 The Combined Authority has the ability to lend under s.12 Local Government Act 2003 “power to invest” as well as under the general power of competence, provided that it is compliant with European State Aid rules.

5.2 In making any such investment the Authority is required to have regard to the Government’s statutory Guidance on Local Government Investment (section 15 Local Government Act 2003), and specific guidance published by the Chartered Institute of Public Finance and Accountancy

5.3 The devolution deal of June 2016 placed no particular restrictions on the use of the £100m Housing Programme for such purposes. The £100m must be used for the purpose of delivering infrastructure for housing and growth.

5.4 In addition, the devolution deal provides that the gainshare funding of £20m may be used to support provision of a loan facility as the purpose of this funding is to ‘unlock investment in infrastructure and deliver growth’.

5.5 The Combined Authority does not currently have the power to borrow for these purposes, although legislation is currently passing through Parliament to enable this.

6.0 APPENDICES

6.1 Exempt Appendix 1 – Haddenham CLT Scheme – Cashflow

6.2 Exempt Appendix 2 – Haddenham CLT Scheme – Development Appraisal

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	AGENDA ITEM No: 2.8
28 MARCH 2018	PUBLIC REPORT

THE BUSINESS BOARD AND BUSINESS TRANSFER AGREEMENT (FROM THE GREATER CAMBRIDGE GREATER PETERBOROUGH LOCAL ENTERPRISE PARTNERSHIP)

1.0 PURPOSE

1.1 The Combined Authority Board, with the support of Government, have agreed to form a new model of strategic leadership through the creation of a Business Board. This report sets out an exciting vision of how it is proposed that the Business Board will operate. This includes its main areas of focus, and its relationship with the Combined Authority Board.

1.2 The paper also describes the arrangements for the formal transfer of business from the Greater Cambridge Greater Peterborough Local Enterprise Partnership (GCGP LEP) to the Combined Authority. This includes funding, staffing and programmes of investment. The details are set out in a Business Transfer Agreement. The transfer will take effect from 1st April 2018, and it is expected that the GCGP LEP company will be successfully wound up by 30th April 2018 through a process known as a members voluntary liquidation (MVL).

1.3 In order to ensure that the GCGP LEP company has sufficient funds in the bank at the exact date and time of its closure the Mayor has used his general power of competence of under Article 12 Cambridgeshire and Peterborough Combined Authority Order 2017 to take a decision on 20th March 2018 to make additional cash available to enable the GCGP LEP to pay several existing short-term liabilities. This amount of £400,000 is identified in the Business Transfer Agreement.

1.4 In addition, the Mayor has agreed to underwrite all other known and unknown liabilities of the LEP going forward in the MVL process. These have been identified in a side letter, which also assesses how any further liabilities that might arise during the finalisation of the voluntary liquidation process will be

covered. The Mayor's decision will enable the Chief Executive to progress the decisions of the GCGP LEP Board on 19 December 2017.

1.5 The Combined Authority is asked to agree, in conjunction with the Business Transfer Agreement, the attached Accountable Body Transitional Agreement which will facilitate the transfer of the rights and responsibilities of the accountable body from Cambridgeshire County Council to the Combined Authority with effect from 1st April 2018.

1.6 The Combined Authority Board is asked to note the work of the Shadow Business Board so far and the plans that are in place for the Business Board to launch formally on 1st April 2018.

DECISION REQUIRED		
Lead Member:	**Councillor Charles Roberts, Deputy Mayor**	
Lead Officer:	**Martin Whiteley, Chief Executive**	
Forward Plan Ref: None	**Key Decision: Yes**	
The Combined Authority Board is requested to: (a) Agree the vision of how the new Business Board will operate. (b) Agree in principle the Business Transfer Agreement between the Greater Cambridgeshire Greater Peterborough Local Enterprise Partnership to the Cambridgeshire and Peterborough Combined Authority. (c) Ratify the commitment of £400,000 in cash to the GCGP LEP which was made by the Mayor on the 20 March 2018 in order to ensure a successful winding up of the GCGP LEP company. (d) Agree the longer-term indemnity around the GCGP LEP liabilities as set out in the attached side letter. (e) Agree that Legal Counsel and the Section 151 Officer can make any required changes and sign-off on the final fund amount (Schedule 1) in the Accountable Body Transitional Agreement. (f) Agree that any final insubstantial amendments that are required prior to signing the Business Transfer Agreement, Deed of Indemnity and Authorised Body Transitional Agreement can be made by the Legal		**Voting arrangements** Simple majority of all Members

Counsel, in consultation with the Mayor as portfolio holder for governance. (g) Agree that the Legal Counsel be authorised to sign the Business Transfer Agreement, Deed of Indemnity and Authorised Body Transitional Agreement for and on behalf of the Combined Authority.	

2.0 VISION FOR THE NEW BUSINESS BOARD

2.1 The Shadow Business Board is chaired by Deputy Mayor Cllr Charles Roberts and draws input from key business advisors. It has been tasked with overseeing the development of the governance framework for the new Local Enterprise Partnership. A fundamental aspect of this role is defining and agreeing the key principles and objectives of the Business Board and its relationship with the Combined Authority Board.

2.2 The core purpose of the Business Board will be to ensure that the Combined Authority and all those with an interest in our region are working within a single strategic framework and plan for the future economic growth of the area. In line with Government policy this means that the Business Board will be the custodians of the Local Industrial Strategy, along with the key strategies and plans which directly support it.

2.3 To fulfil its purpose the Local Industrial Strategy must act as a centre of gravity for all major elements which contribute to economic growth. This can most effectively be achieved by using place as the anchor within our economic strategy – it is places where policies and plans becomes reality for people. It is in each of our cities, towns and villages that new homes, new transport links, new college courses, new job vacancies and every other facet of economic strategy have real life impact.

2.4 By taking lead responsibility for place-based growth plans within the context of our Local Industrial Strategy, the Business Board will have a clear and effective role in working alongside and bringing proposals forward to the Combined Authority to shape programmes that achieve our five big ambitions for the area:

(a) The UK's capital of innovation and productivity
(b) Access to a good job within easy reach of home
(c) Healthy, thriving and prosperous communities
(d) A workforce for the modern world founded on investment in skills and education
(e) A high quality sustainable environment

2.5 This will include the Business Board bringing clarity to the key metrics that will be most important to judge the impact and success of the Local Industrial Strategy – suggested at this time to include boosting the productivity of jobs and increasing the levels of export from our area.

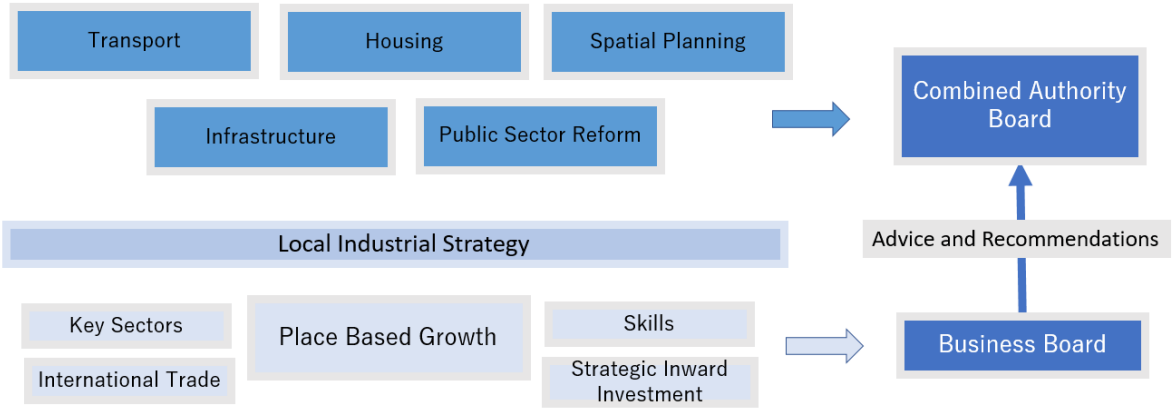
Main areas of focus for the Business Board

2.6 It is proposed that as the custodians of the Local Industrial Strategy the Business Board will be clear about what it presents as the main areas of focus in having a direct and main impact on economic growth, building upon the strengths of established LEP services to create a stronger new model. This will include:

- **Local Industrial Strategy** – strategy development, implementation oversight, and monitoring of key objectives
- **Place-based growth plans** – including master plan development for our market towns, oversight of implementation, making investment recommendations, strategically managing business growth zones (including Enterprise Zones)
- **Key sectors** – determining our priority sectors, agreeing plans for their growth, overseeing the products and services that directly stimulate sector growth
- **International trade and exports** – import and export strategies, fostering key places in the world for trade accords, with particular focus on post-Brexit trade and export planning
- **Skills** – strategy and delivery plans to achieve a pipeline of people with skills required by business
- **Major investment opportunities** – maintaining an overview and management of the pipeline of the single most direct investment opportunities facing the area
- **Devolution** – employment improvement and increased exporting impacting on GVA

Business Board relationship with the Combined Authority Board

2.7 The Business Board will lead the development of these areas and will provide strategic advice and recommendations to the Combined Authority Board for decision-making and investment:



2.8 To fulfil this purpose the Business Board should be treated by the Combined Authority as a primary consultee on the development of key strategies and plans, to ensure that these are brought forward in line with the guidance of the Local Industrial Strategy and with place as the fundamental anchor.

2.9 The Business Board will also therefore adopt a key relationship with the Independent Economic Commission which is currently producing the Cambridgeshire and Peterborough Independent Economic Review (CPIER). The Business Board will have an immediate priority to translate the findings of the CPIER into the Local Industrial Strategy, and an ongoing relationship with the Commission to commission any future independent expert input.

2.10 The Combined Authority becoming the Accountable Body for all business growth funding streams and the transfer of LEP business from GCGP LEP to the Business Board from 1 April 2018 will support this new direction and programme of work.

3.0 FINANCIAL POSITION ON BUSINESS TRANSFER

3.1 This section of the report deals with the financial aspects of the transfer of business from GCGP LEP to the Combined Authority.

Capital funding

3.2 Discussions have taken place on the existing capital funding for the LEP programmes of work. These funds are currently held by Cambridgeshire County Council as the Accountable Body. Based on the profiled spend to the end of 2017/18, £8,603,514 is to be transferred on Growth Deal and £7,697,602 on Growing Places with both programmes running to 2021/22. An additional £12,346,916 was transferred by the Department for Business, Energy and Industrial Strategy (BEIS) in March 2018. This provides a total of £28,648,032 which will be transferred from Cambridge County Council to the Combined Authority on 1 April 2018

3.3 The rights and responsibilities connected with the arrangements for the transfer of accountable body status from Cambridgeshire County Council to the Combined Authority are set out in a separate draft Accountable Body Transitional Agreement (attached at Appendix C).

3.4 The Combined Authority is also working with the current Accountable Body to ensure that there is a smooth handover and clear understanding of the current working arrangements to get the new arrangements up and running.

Short and Long-Term Liabilities

3.5 The Combined Authority and the GCGP LEP have also been working closely with the Government over the past three months to reduce the level of liabilities. Assistance has been provided by BEIS in reducing the level of debtors and therefore simplifying the GCGP LEP financial arrangements. The net financial liabilities of the GCGP LEP have been quantified by Grant Thornton. Whilst the GCGP LEP has a positive position in terms of cash at the Bank of £767,434 (as at 15 March 2018), in order to enable Member Voluntary Liquidation to proceed there must be sufficient cash to cover all known financial liabilities. Currently when all the figures are considered there is a £322,235 shortfall. The decision by the Mayor on the 20 March to commit £400,000 has therefore addressed this short term financial liability and will enable most of the creditors to be paid.

The assets, liabilities and equity have been identified as on and off-balance sheet. There are detailed accounting definitions for how these items are split between those appearing as on balance sheet and off-balance sheet items.

Off balance sheet items are typically those which were not recorded on the balance sheet at 31 December 2017. There is £309,701 in on-balance sheet liabilities and £2,099,225 in off-balance sheet liabilities associated with the Business Transfer Agreement. Most of the off-balance sheet liabilities represent five schemes that have been funded from the Growing Places Fund with repayments to be made from future Enterprise Zone receipts. These five schemes in total add up to £1,907,000 of which £1,067,159 will have been spent by 31 March 2018.

3.6 There is £928,845 in on-balance sheet assets and £1,137,436 in off balance sheet assets associated with the Business Transfer Agreement. However, the off-balance sheet assets do not include the receipts for Alconbury Weald Enterprise Zone which are still under discussion for the current financial year.

Unidentified Liabilities

3.7 In addition to the financial amounts above there is the question of unidentified liabilities. Whilst significant work has been undertaken within the GCGP LEP and by Grant Thornton to clarify the finances and commitments there is a risk that something additional could materialise during the MVL process.

3.8 It is anticipated that there will be a contingency of £110,767 in the account at transfer and additional outstanding debtors of £374,948 to be followed up by the Combined Authority. Therefore, a separate indemnity in the form of a side letter to cover any other long-term liabilities (particularly unknown liabilities) has also been produced and is attached at Appendix B for agreement.

Governance Changes

3.9 The GCGP LEP Articles of Association will be revised to ensure that any cash left at the end of the MVL process is ultimately paid to the Combined Authority.

3.10 A letter has also been sent to BEIS to make future payments of revenue and capital to the Combined Authority as the new Accountable Body from the 1 April 2018.

4.0 BUSINESS TRANSFER AGREEMENT

4.1 The Agreement will transfer all assets and liabilities apart from the money in the GCGP LEP bank account to the Combined Authority effective from the 1 April 2018, subject to third party consents required to transfer the relevant contracts. Points to highlight in the Agreement attached at Appendix A are:

- Clause 4 covers the Price payable by the Buyer for the Business and Assets at Completion which is currently £400,000 and reflects the upfront cash that the Mayor has made available.

- Clause 9 covers TUPE. The agreement provides for wide ranging indemnities in respect of the transfer of employees and the TUPE process. The CGCP LEP currently employs 25 FTE and it is proposed that these staff will transfer on their existing terms and conditions on 1 April 2018.

- Clause 13 covers the business and supplier contracts. A review of the contracts has taken place and copies of the contracts made available to the legal advisors. The various types of contract and agreement have been reviewed externally to highlight the transferability of such contracts, the consents required for a transfer and the risks and liabilities for the Combined Authority once the business is transferred to the Combined Authority.

  Currently the GCGP LEP has 74 live contracts or agreements in place and 99 arrangements that have concluded since the GCGP LEP was established in 2012. In addition, there are 11 monthly recurring contracts.

  The external legal advice has been to progress the novation of contracts once the business transfer has taken place as this will take time to conclude. From the 1 April 2018, the Combined Authority will assume all obligations to perform under all contracts that were previously with the LEP, pending agreement with the relevant counterparties to a formal novation of these contracts. The performance of such obligations is underpinned by a wide-ranging indemnity from the Combined Authority in the Business Transfer Agreement.

  As highlighted previously, a separate agreement has also been produced on the wide-ranging indemnities in respect of the Combined Authority meeting the known and unknown liabilities of the GCGP LEP in the MVL process.

- Schedule 1 covers the leasehold arrangements The GCGP LEP currently rents property from Urban and Civic, a new lease has been agreed with the Combined Authority from 1 April 2018. As a result, there will be no need to transfer the existing leases of the GCGP LEP to the Combined Authority at completion of the Business Transfer Agreement.

4.2 The attached Business Transfer Agreement will need to be approved by the Combined Authority on 28 March 2018 in order to enable the Chief Executive,

acting in his capacity as a Board member of the GCGP LEP to agree the terms of transfer at the subsequent GCGP LEP Meeting and enter into the Business Transfer Agreement on behalf of the GCGP LEP on 29 March 2018. The Business Transfer Agreement will then become effective from 1 April 2018.

4.3 Given that the Chief Executive is a Director of the GCGP LEP Legal Counsel will sign the Business Transfer Agreement on behalf of the Combined Authority to prevent any conflict of interest. Legal Counsel can, by delegated powers, make any minor amendments in discussion with the Mayor, as portfolio holder for governance, prior to signing. (see proposed resolutions on page 2 above).

4.4 For completeness, the GCGP also invested in the Medtech Accelerator in 2016/17 which will transfer to the Combined Authority. This has a value of £500,000 and is covered in a separate share transfer agreement. Please note this should be regarded as an illiquid asset and therefore is not be available as cash to help meet the funding requirement for the other liabilities.

5.0 ACCOUNTABLE BODY TRANSITIONAL ARRANGEMENT

5.1 The Accountable Body Transitional Agreement (Appendix C) transfers Accountable Body Status together with the associated rights and responsibilities from Cambridgeshire County Council to the Combined Authority with effect from 1st April 2018.

5.2 Specific points to highlight are as follows:

- Clause 5 confirms that the funds held by Cambridgeshire County Council as accountable body on behalf of GCGP will be transferred to the Combined Authority with effect from the planned completion date (currently 1st April 2018).

- Clause 6 confirms that once the transfer has taken place, the Combined Authority will indemnify CCC against any financial liability arising as a result of it having acted as the accountable body and provided that it is notified to them within 9 months of the date of the ABT Agreement and other prescribed criteria.

- Clause 7 requires CCC to permit the Combined Authority access to any records held in connection with it having acted as the accountable body for a period of 12 months following the transfer.

- Clause 8 requires CCC to provide such assistance as the Combined Authority may require in fulfilling its role as accountable body for a period of 12 months following the transfer.

- Schedule 1 contains a list of the funds held by CCC on behalf of GCGP and which will transfer to the Combined Authority in accordance with clause 5. Given the ongoing payments to schemes a delegation has

been sought to the Section 151 Officer and Legal Counsel to finalise the fund amounts prior to transfer.

6.0 NEW BUSINESS BOARD

6.1 A Shadow Business Board has been established under the leadership of Cllr Charles Roberts as previously agreed by the Combined Authority Board. The Shadow Business Board also has representatives from business, education and the public sector (Richard Tunicliffe CBI, Professor Andy Neely Cambridge University, Cllr Wayne Fitzgerald Peterborough City Council, Cllr Lance Stanbury, Forest Heath District Council).

6.2 The Shadow Board have to date developed the vision and areas of focus for the Board, as set out earlier in this paper. It is also considering draft terms of reference, membership of the full Board and the process for engaging appropriate members. Details on these later items will be brought back to the Combined Authority Board for approval in the near future.

7.0 FINANCIAL IMPLICATIONS

7.1 The financial implications have been detailed in the previous sections and set out in the Business Transfer Agreement. In summary the position for the Combined Authority is as follows:-

For Member Voluntary Liquidation purposes, the Liquidation Statement proposes the transfer of £829k liabilities to Cambridgeshire and Peterborough Combined Authority (CPCA). This includes £1,907k of liabilities which represent commitments made by the LEP, funded initially through CCC held capital funds, but ultimately which were to be funded from future enterprise zone receipts by 2020/21 at the latest.

Therefore, the true result of the transfer of assets and liabilities from GCGP LEP, results in a net surplus position of £1,078k. After the contribution transfer CPCA to GCCP LEP of £400k, this leaves a residual surplus of £678k. Further details are set out in the table over the page.

Greater Cambridge and Greater Peterborough Enterprise Partnership Limited

	Forecast as at 31 March 2018/£k	GCGP - MVL/£k	Transfer to CA/£k
Net Position per the MVL Statement	(851.510)	296.213	(1,147.723)
Corporation Tax Adjustment	(300.000)	(300.000)	0.000
Delayed Debtor receipts	0.000	(318.448)	318.448
Member Voluntary Liquidation Position	**(1,151.510)**	**(322.235)**	**(829.275)**
CCC Capital Fund Liabilities to be repaid from Enterprise Zone receipts			
2016/17 due 2017/18			39.671
2017/18 due 2018/19			915.511
2018/19 due 2019/20			801.743
2019/20 due 2020/21			150.075
Total liabilities covered by EZ receipts	**1,907.000**		**1,907.000**
Net Financial Position of CPCA			**1,077.725**
Contribution to GCGP - MVL		400.000	(400.000)
2018/19 CPCA position	**755.490**	**77.765**	**677.725**

8.0 LEGAL IMPLICATIONS

8.1 These are contained within the body of the report

9.0 SIGNIFICANT IMPLICATIONS

9.1 In agreeing the Business Transfer Agreement the Combined Authority will take on:-

- 25 FTE new members of staff who will TUPE from the GCGP LEP.
- 173 contracts and agreements for programmes of work across a wider economic area

- known and unknown liabilities and costs as set out in the attached paper and indemnify the GCGP LEP against these in the future. Significant funding will also be available locally through the enterprise zone receipts

- Assets totalling £918,899, excluding enterprise zone receipts for Alconbury Weald

10.0 APPENDICES

Appendix A - Draft Business Transfer Agreement

Appendix B - Deed of Indemnity

Apprendix C - Accountable Body Transitional Agreement

Source Documents	Location
Minutes and papers from the previous Combined Authority Board Meeting.	Combined Authority website http://cambridgeshirepeterborough-ca.gov.uk
Minutes and papers from the GCGP LEP meetings	Local Enterprise Partnership website http://www.gcgp.co.uk/

APPENDIX A

DATED 2018

(1) GREATER CAMBRIDGE AND GREATER PETERBOROUGH ENTERPRISE PARTNERSHIP LIMITED

(2) CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

AGREEMENT
for the transfer of the undertaking and certain of the assets of the Business of Greater Cambridge and Greater Peterborough Enterprise Partnership Limited

Pinsent Masons

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THIS AGREEMENT is made on 2018

BETWEEN:-

(1) **GREATER CAMBRIDGE AND GREATER PETERBOROUGH ENTERPRISE PARTNERSHIP LIMITED** (No.07553554) whose registered office is at The Incubator Alconbury Weald Enterprise Campus, Alconbury, Huntingdon, Cambridgeshire, PE28 4WX (the "**Company**")

(2) **CAMBRIDGE AND PETERBOROUGH COMBINED AUTHORITY** whose registered office is at The Grange, Nutholt Lane, Ely, Cambridgeshire, CB7 4EE (the "**Buyer**")

WHEREAS:-

(A) The Company sells and the Buyer buys with effect from the Effective Date such right title and interest (if any) as the Company may have in the Business and the Assets subject to the following terms and conditions.

IT IS AGREED as follows:-

1. **DEFINITIONS AND INTERPRETATION**

1.1 In this Agreement these words shall mean:-

"**Assets**"	the assets details of which are set out in Clause 2
"**Assumed Liabilities**"	All debts, liabilities and obligations of any nature of the Company relating to the Business, whether actual, prospective or contingent, which are due or outstanding on or have accrued at the Effective Date, including but not limited to, without limitation, any and all liabilities and obligations in respect of Employees, Pension matters, Business Contracts and Supplier Contracts.
"**Business**"	the business of the Company as a local enterprise partnership in the Greater Cambridge and Greater Peterborough area
"**Business Contracts**"	all contracts, grants, undertakings, arrangements, orders and engagements placed by central government, government bodies, local authorities, councils, combined authorities and any other customers of the Business, under which any obligation of the Company to supply any grant funding, other funding, lending, goods or services is in any respect wholly or partly unperformed at the Effective Date
"**Business Day**"	a day (other than a Saturday or Sunday) on which clearing banks in the city of London are open for the transaction of normal sterling banking business
"**Buyer's Solicitors**"	Pinsent Masons LLP of 30 Crown Place, Earl Street, London, EC2A 4ES
"**Claims**"	any action, proceeding, claim, damages or demands of any kind whatsoever (actual or contingent) which may be alleged, brought or made against any of the Company
"**Completion**"	completion of the sale and purchase in accordance with Clause 8

"**Data Protection Laws**"	the Data Protection Act 1998, the Data Protection Directive (95/46/EC), the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2426/2003) as amended from time to time and all applicable laws and regulations and any successor legislation relating to processing of personal data and privacy
"**Debts**"	(a) in relation to the Business Contracts, the right to receive and recover all payments due to be made to the Company for grants, loans, goods and services supplied prior to the Effective Date, whether or not invoiced at the Effective Date; (b) in all other respects all book and other debts, all choses in action and all rights of action whatsoever arising prior to the Effective Date, irrespective of their due date for payment, including, without limitation, claims for damages or other remedies, or under any policy of insurance, in respect of matters occurring at any time; and (c) any security, guarantee, bill of exchange or other negotiable instrument held by or available to the Company in respect of any of the foregoing
"**Directive**"	the European Acquired Rights Directive 2001/23/EC (or Business Transfer Directive)
"**Effective Date**"	means 1st April 2018
"**Employees**"	all individuals engaged in or assigned to the Business at the Effective Date
"**Encumbrance**"	any encumbrance or security interest of any kind whatsoever including any mortgage, charge, pledge, lien, hypothecation, guarantee, restriction, third party right or interest, right of set off or counterclaim, equities, trust arrangement, lease, loan, hire purchase or rental agreement, conditional sale agreement, finance leasing arrangement or other like agreements having similar effect
"**Equipment**"	the office equipment, furniture and other like articles owned by the Company and used in connection with the Business on the Effective Date (but excluding any landlord's fixtures and fittings)
"**Excluded Assets**"	the assets and rights referred to in Clause 3
"**Goodwill**"	the goodwill of the Company in connection with the Business as at the Effective Date and the right for the Buyer to represent itself as carrying on the Business in succession to the Company and to use the name "Greater Cambridge and Greater Peterborough Local Enterprise Partnership"
"**Intellectual Property**"	any and all of the following used in connection with the Business:- (a) patents, trade marks, service marks, domain names, registered designs, utility models, applications for and the right to make applications for any of such rights, inventions, know how, trade secrets, unregistered trade marks and service marks, trade and business names, including rights in any get-up or trade dress, copyrights, (including rights in computer software and in websites)

unregistered design rights and other rights in designs and rights in databases

(b) rights under licences, consents, orders statutes or otherwise in respect of any rights of the nature specified in paragraph (a) above and

(c) rights of the same or similar effect or nature as or to those in paragraphs (a) and (b) above

in each case in any jurisdiction

"**Interest**"	interest on any sum for the period specified in relation to it, at a rate equal to the Bank's base rate from time to time during such period (before and after any judgment) plus 4% calculated on a daily basis and compounded on the last days of March, June, September and December in each year
"**IT System**"	All computer hardware (including network and telecommunications equipment) and software (including associated preparatory materials, user manuals and other related documentation) owned, used, leased or licenced by or in relation to the Business by the Company at the Effective Date
"**Loss(es)**"	any loss, damage, cost, charge, expense or liability (contingent or actual) of whatever nature including properly incurred legal costs on an indemnity basis that any of the Company has incurred or sustained or may, directly or indirectly, incur or sustain
"**Price**"	the total consideration payable for the Business and Assets under Clause 4
"**Records**"	all stationery, books and records, accounts, including sales and other commercial information used in the Business and other documents, excluding all VAT Records of the Business and excluding the Statutory Books
"**Regulations**"	the Transfer of Undertakings (Protection of Employment) Regulations 2006
"**Statutory Books**"	those books and records of the Company usually described as statutory books and records
"**Supplier Contracts**"	all contracts, arrangements and outstanding orders, entered into by the Company in the course of the Business for the supply of goods or services to the Business to the extent that the same remain outstanding and uncompleted at the Effective Date
"**Value Added Tax**" **and** "**VAT**"	Value Added Tax or any equivalent tax which may at any time during the currency of this Agreement be imposed in substitution for, or in addition to, it
"**VAT Records**"	the records relating to VAT referred to in section 49(1) of the Value Added Tax Act 1994

1.2 In this Agreement a reference to:-

1.2.1 the singular includes the plural and vice versa and reference to any gender includes the other genders;

1.2.2 a "**person**" includes any individual, partnership, firm, bodies corporate, unincorporated associations, wherever incorporated or situate, and includes a reference to that person's legal representatives and successors;

1.2.3 words and phrases defined in the Companies Act as amended by the Companies Act 2006 or the Insolvency Act 1986 have the same meanings in this Agreement;

1.2.4 a "**Clause**" or a "**Schedule**" is a reference to a clause or schedule to this Agreement and references within a Schedule to "**paragraphs**" are to paragraphs or sub-paragraphs of that Schedule;

1.2.5 obligations undertaken by a party that comprise more than one person shall be deemed to be made jointly and severally; and

1.2.6 except as expressly set out in this Agreement, any lists contained in any Schedule are for guidance only and shall not constitute any warranty in respect of the Company's ownership of the listed items or otherwise.

1.3 Any reference to any statute or statutory instrument, or any section or part thereof, includes any enactment that has replaced or amended it or any instrument, order or regulation made under it that is now in force and also includes any past statutory provisions which such provision has directly or indirectly replaced.

1.4 Headings are for reference purposes only and shall not affect the construction of anything in this Agreement.

1.5 References to documents "in the agreed form" are to documents in the form of a draft initialled for the purpose of identification by or on behalf of each party to this Agreement.

1.6 The Schedules shall be treated as an integral part of this Agreement and references to this Agreement shall include the Schedules.

2. **SALE**

2.1 The Company shall sell and the Buyer shall purchase for the Price at the Effective Date the Business and Assets, free from Encumbrances, set out below:-

2.1.1 the benefit, subject to the burden, of the Business Contracts and Supplier Contracts

2.1.2 Debts;

2.1.3 Equipment;

2.1.4 Goodwill;

2.1.5 Intellectual Property;

2.1.6 Records

2.1.7 the IT System

2.1.8 the benefit (so far at the same can be lawfully assigned or transferred to or held in trust for the Buyer) of all statutory and other licences held by the Company in so far at they relate to the Business; and

2.1.9 all other property, rights and assets owned by the Company and used, enjoyed or exercised exclusively in the Business at the Effective Date

2.2 If any of the Assets are subject to any Encumbrance (including a retention of title arrangement) the Company will not be deemed to sell such Assets with full title guarantee and the Company's right, title and interest in such Assets will pass to the Buyer when the Company is able to pass such right, title and interest on.

3. **EXCLUDED ASSETS**

3.1 The Excluded Assets set out below are excluded from the sale and nothing in this Agreement operates as a sale or transfer of any right title or interest in or right to possession of the Excluded Assets:-

3.1.1 any cash, stocks, shares, cheques, bills, negotiable instruments or other securities held by the Company or in which it has any interest;

3.1.2 the benefit of any contract of insurance (including insurance as to credit risk and claims arising prior to the Effective Date), assurance, indemnity or surety;

3.1.3 the VAT Records, and the Statutory Books;

3.1.4 any property interests of the Company, wherever situated and whether freehold, leasehold or otherwise;

3.1.5 the issued share capital beneficially owned by the Company of any subsidiaries or associated companies of the Company.

4. **PRICE**

4.1 The Price payable by the Buyer for the Business and Assets at the Effective Date is £400,000.

4.2 The Price is payable by the Buyer to the Company at Completion in accordance with the provisions of Clause 8.

5. **ASSUMED LIABILITIES**

5.1 The Buyer shall, to the extent not otherwise paid by the Company, with effect from the Effective Date assume responsibility for and pay, satisfy or perform the Assumed Liabilities.

6. **FURTHER ASSURANCE**

Subject to the terms of this Agreement, the Company agrees that it will, for a period of nine (9) months after the Effective Date (at the cost of the Buyer), execute and deliver such other documents as may be reasonably required from time to time by the Buyer to vest in the Buyer the Business and Assets in accordance with the terms of this Agreement.

7. **VALUE ADDED TAX**

7.1 The Price is exclusive of VAT and any VAT chargeable in respect of the supply constituted by the sale of the Business and Assets under this Agreement is payable in addition to the Price PROVIDED THAT VAT shall only be payable on the Price in accordance with this Clause 7.

7.2 The Company and the Buyer intend that the Business and Assets shall be transferred to the Buyer as a going concern with effect from the Effective Date and that Article 5 of the Value Added Tax (Special Provisions) Order 1995 ("Article 5") shall apply to the sale of the Business and Assets under this Agreement, so that the sale is treated as neither a supply of goods nor a supply of services pursuant to the provisions of that article and with a view to procuring that that article shall apply, the Buyer:-

7.2.1 declares that it is duly registered for VAT purposes;

7.2.2 declares that with effect from the Effective Date the Business and Assets will be used by the Buyer in carrying on the same kind of business as that carried on by the Company prior to the Effective Date.

7.3 If HM Revenue & Customs rule that VAT is chargeable on any supply by the Company under this Agreement, the Buyer shall indemnify the Company for the amount of that VAT and any related interest and penalties by the later of the Effective Date and five (5) days after the Company gives the Buyer written notice of the ruling.

7.4 The Company shall issue to the Buyer a valid VAT invoice in respect of any VAT payable in accordance with Clause 7.3.

7.5 If the Buyer fails to pay the amount of the VAT on the due date under Clause 7.3, it shall pay interest on that amount from the due date until actual payment (excluding any period for which interest indemnified under Clause 7.3 runs) at the rate of 4% per annum above the base rate for the time being of Barclays Bank Plc compounded monthly.

7.6 The Company and the Buyer intend that section 49 of the Value Added Tax Act 1994 shall apply to the sale of the Business and Assets under this Agreement and accordingly the Company shall preserve the VAT records for such period as may be required by law and shall during that period permit the Buyer or its agents reasonable access to them to inspect or make copies of them.

7.7 The Buyer agrees to indemnify and keep indemnified the Company from and against all Claims and Losses of whatsoever nature or howsoever arising directly or indirectly out of a breach by the Buyer of this Clause 7.

8. COMPLETION

Completion shall take place on the Effective Date and at Completion the Buyer shall pay the Price by electronic funds transfer for value that day to the Company's account and subject thereto, the Company shall be deemed to have made delivery of all those Assets title to which is capable of passing by delivery.

9. TITLE AND RISK

Risk in and such right title and interest as the Company may have in the Assets shall pass to the Buyer on the Effective Date (but only upon payment in full being made at the Effective Date of all sums then owed pursuant to the terms of this Agreement).

10. EMPLOYEES

10.1 The Buyer acknowledges that, pursuant to the Regulations, the contracts of employment made between the Company and the Employees will have effect after the Effective Date as if originally made between the Buyer and the Employees.

10.2 The Buyer shall have no recourse or right of action whatsoever against the Company in respect of any claims made or liabilities or obligations by or in relation to any Employee, whether under the Regulations or otherwise.

10.3 The Buyer will assume the outstanding obligations of the Company in respect of any accrued holiday entitlements and accrued holiday remuneration of the Employees at the Effective Date and shall further be responsible for all emoluments and outgoings in respect of the Employees (including without limitation all wages, bonuses, commissions, PAYE, national insurance contributions and pension contributions) for all periods prior to and after the Effective Date.

10.4 The Buyer shall indemnify the Company against all Claims and Losses incurred in connection with or as a result of:-

10.4.1 any claim or demand by any Employee in respect of redundancy, unfair dismissal or any other claim within the jurisdiction of an employment tribunal, any claim for wrongful

dismissal or breach of contract, any claim in tort or any other claim whatsoever, whether arising at common law, under statute or otherwise (in all cases whether arising under UK law or European law) and whether arising directly or indirectly from any act, fault or omission of the Company in relation to any Employee and whether arising prior to, on or at any time after the Effective Date and which shall be deemed to include (without limitation) the cessation of the Employee's employment with the Company as contemplated by this Agreement (whether or not the Regulations do in fact apply); and

10.4.2 any claim (including any individual employee entitlement under or consequent on such a claim) by any trade union, staff association (whether or not recognised by the Company in respect of all or any of the Employees) or by any other employee representatives within the meaning of Regulation 13(3) of the Regulations arising from or connected with any failure by the Company to comply with any legal obligation to such trade union, staff association or employee representatives whether under Regulation 13 of the Regulations, under the Directive or otherwise and whether any such claim arises or has its origin before or after the Effective Date.

10.5 The Buyer hereby waives any Claims which it may have against the Company pursuant to Regulation 12 of the Regulations and warrants that it will not pursue any such Claims. The Buyer acknowledges that the Company has entered into this Agreement in specific reliance upon this warranty. Without prejudice to any other remedy which the Company may have for breach of this warranty, the Buyer shall indemnify the Company against all Claims and Losses incurred in connection with or as a result of any claim by the Buyer or any transferee pursuant to Regulation 12.

11. INTELLECTUAL PROPERTY

11.1 The Company assigns to the Buyer whatever right, title and interest it has in and to the Intellectual Property Rights, including (without prejudice to the generality of the foregoing):

11.1.1 the Goodwill;

11.1.2 the Records

11.1.3 the IT System; and

11.1.4 the right to bring, make, oppose, defend, appeal proceedings, claims or actions and obtain relief (and to retain any damages recovered) in respect of any infringement, or any other cause of action arising from ownership, of any of the Intellectual Property Rights whether occurring before, on, or after the Effective Date.

11.2 Save as set out in Clause 11.1 above, it shall be the sole responsibility of the Buyer to contact and make arrangements with the owners of the appropriate rights in all such software and the Intellectual Property.

11.3 The Buyer agrees to indemnify and keep indemnified the Company from and against all Claims and Losses of whatsoever nature or howsoever arising directly or indirectly out of the use or possession by the Buyer of any such software or the infringement of any person's rights by the Buyer or any person gaining access thereto through the Buyer.

12. RECORDS

12.1 The Buyer shall, for a period of twelve (12) months after the Effective Date, allow the Company and its agents to have reasonable rights of access to and authority to take copies of any Records relating to the Business prior to the Effective Date.

12.2 The Statutory Books shall be retained by the Company at all times and for all purposes.

13. **DEBTS**

13.1 If the Company receives after the Effective Date any cheque or payment from any person that is in respect of, or includes any sum in respect of, a Debt then the Company shall hold the same on trust for the Buyer and shall forthwith deliver the cheque, or pay any payment, to the Buyer in full.

14. **BUSINESS CONTRACTS AND SUPPLIER CONTRACTS**

14.1 Subject to the other provisions of this Clause 14, the Buyer shall assume the obligations and liabilities and become entitled to the benefits, of the Company under the Business Contracts and Supplier Contracts with effect from the Effective Date.

14.2 The Company hereby assigns to the Buyer with effect from the Effective Date all its rights, title and interest under or pursuant to all the Business Contracts and Supplier Contracts which are capable of assignment without the consent of other parties.

14.3 The Buyer acknowledges that the Company may not have the power at law to transfer any Business Contracts or Supplier Contracts to the Buyer without the consent of the other parties to such contract. Accordingly, it shall be the sole responsibility of the Buyer to make arrangements with such parties for their future dealings with the Buyer and (without limitation):-

14.3.1 to issue purchase orders to suppliers in place of those previously issued by the Company;

14.3.2 to obtain from customers replacement orders, or confirmation that orders placed on the Company may be treated as orders placed on the Buyer insofar as the Buyer wishes to do so; and

14.3.3 to obtain any permission necessary for it to perform under, and realise any benefit from, any Business Contracts or Supplier Contracts. The benefit of each of the Business Contracts and Supplier Contracts is sold subject to the burden thereof, and to any claims or rights which the other party or parties thereto may have under them.

14.4 Notwithstanding the provisions of Clause 14.1, if required by the Buyer, the Company shall execute any document reasonably required to novate a Customer Contract or Supplier Contract to the Buyer, provided that the document is in a form approved by the Company (and any subsequently appointed liquidator of the Company) and contains a full release of the Company from any past, present or future obligations arising out of or in connection with the relevant Customer Contract or Supplier Contract.

14.5 The Buyer shall, as from the Effective Date, assume, pay, perform, satisfy and discharge (in each case as and when the same falls due to be paid, performed, satisfied or discharged) all obligations and liabilities which fall due to be paid, performed, satisfied or discharged under any Business Contract and Supplier Contract before, on and after the Effective Date and the Buyer shall indemnify and keep indemnified the Company at all times from and against all Losses suffered or incurred by the Company arising out of, or in connection with, any such obligation or liability.

15. **ANNOUNCEMENTS**

No announcements to any third parties may be made by the Buyer concerning this Agreement without the consent of the Company. The terms of this Agreement shall not be disclosed by the Buyer to any person without the prior consent of the Company, save as such disclosure may be compelled by law.

16. **DATA PROTECTION**

The Buyer warrants and represents that it will comply with all relevant provisions of the Data Protection Laws in its processing of any personal data held on any databases acquired with the Business and Assets. The Buyer will indemnify and keep indemnified the Company against any Claims or Losses arising from or in relation to the Buyer's breach of warranty set out above.

17. **GENERAL**

17.1 This Agreement shall as to any of its provisions remaining to be performed or capable of having effect following the Effective Date remain in full force and effect after the Effective Date and the payment in full of the consideration payable hereunder.

17.2 This Agreement sets forth the entire agreement between the Company and the Buyer in connection with the sale and purchase of the Business and Assets referred to herein and this Agreement shall not be capable of being varied except in writing signed by or on behalf of the Company and the Buyer. The Buyer acknowledges that it has not relied on any representation, warranty or undertaking (whether written or oral) in relation to the subject matter of this Agreement. Nothing in this clause will exclude or limit any liability for fraud or fraudulent misrepresentation.

17.3 All conditions, warranties and liabilities on the part of the Company whether express or implied by statute or otherwise as to any Assets and any other asset of which the Buyer is given possession or use and in particular (without limitation) warranties as to title, quiet possession, satisfactory quality, fitness for any purpose and correspondence with any description are excluded.

17.4 Any notice to be given in connection with this Agreement shall be in writing and (without prejudice to proof that it has been effectively given in any other manner) shall be deemed duly served if delivered at or posted by recorded delivery to the address of the party concerned which is set out in this Agreement or such other address for service as that party may have notified to the other party in accordance with the provisions of this Clause. Any such notice shall be deemed to be served if delivered personally, on the day on which it is delivered or if posted, at 9am on the second business day after the day of posting. Evidence that the notice was properly addressed stamped and put into the post shall be conclusive evidence of service.

17.5 Failure by the Company to require performance of any terms or conditions of this Agreement shall not prevent the subsequent enforcement of such terms or conditions nor shall such failure be deemed to be a waiver of any or any subsequent breach of this Agreement or of any right or remedy granted by this Agreement or by the general law.

17.6 If any provision of this Agreement is held to be unenforceable or illegal, in whole or in part, such provision or part shall to that extent be deemed not to form part of this Agreement but the enforceability of the remainder of this Agreement shall remain unaffected.

17.7 This Agreement may be executed in any number of counterparts and by each of the parties as separate counterparts, each of which, when executed and delivered, shall be deemed to be an original but all the counterparts together shall constitute one and the same agreement.

17.8 All obligations of any party in this Agreement, being obligations imposed by this Agreement, shall if they have not been performed at the Effective Date or are capable of operating or taking effect after the Effective Date, remain in full force and effect notwithstanding execution of this Agreement and the satisfaction of the Price.

17.9 Any payments to be made by the Buyer under this Agreement shall be made in full without any set-off or deduction or any counterclaim or claim to a lien whether any such set-off deduction, counterclaim or lien in favour of the Buyer arises under this Agreement or otherwise and if not paid on the due date shall bear the Interest.

17.10 The benefits of this Agreement shall continue for the benefit of the successors or assignees of each of the parties.

17.11 This Agreement is personal to the parties and neither it nor any benefit arising under it may be assigned without the prior written consent of the other party and neither party shall purport to assign or transfer the same.

17.12 A person who is not a party to this Agreement shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to rely upon or enforce any term of this Agreement PROVIDED THAT this does not affect any right or remedy of the third party that exists or is available apart from that Act.

17.13 This Agreement shall be governed by and construed in accordance with the laws of England and the parties submit to the exclusive jurisdiction of the High Court of England in relation to any dispute or claim arising out of or in connection with this Agreement.

SIGNED by or on behalf of the parties on the date which first appears in this Agreement.

[DN: SIGNATURE BLOCKS TBC]

SIGNED by)
)
[ ])
)
duly authorised on behalf of)

GREATER CAMBRIDGE AND GREATER PETERBOROUGH ENTERPRISE PARTNERSHIP LIMITED

in the presence of:-

Signature of Witness:

Name of Witness:

Address:

SIGNED by)
)
[ ])
)
duly authorised on behalf of)

CAMBRIDGE AND PETERBOROUGH COMBINED AUTHORITY

in the presence of:-

Signature of Witness:

Name of Witness:

Address

THIS DEED OF INDEMNITY is made the day of March 2018

BETWEEN

1 Cambridgeshire & Peterborough Combined Authority, whose registered office is at The Grange, Nutholt Lane, Ely, Cambridgeshire, CB7 4EE **('the Combined Authority')**

2 Greater Cambridge and Greater Peterborough Enterprise Partnership Limited (No.07553554) whose registered office is at The Incubator, Alconbury Weald, Enterprise Campus, Alconbury, Huntingdon, Cambridgeshire, PE28 4WX ('**the Company**")

4 Sean K Croston, of Grant Thornton UK LLP, 1020 Eskdale Road, Winnersh, Wokingham, RG41 5TS, the prospective liquidator of **the Company** ('**the Liquidator**').

WHEREAS

(A) The Board of directors of **the Company** have taken the decision to transfer its business to **the Combined Authority** on 29 March 2018, to be followed by placing **the Company** into members' voluntary liquidation ('MVL')

(B) **The Combined Authority** will upon the transfer of the assets of **the Company** on 1 April 2018 become the owner of those assets

(C) **The Liquidator** has agreed to act as liquidator of **the Company,** subject to **the Combined Authority** agreeing to indemnify the Liquidator on the terms set out below.

NOW THIS DEED WITNESSES AS FOLLOWS:

1 **The Combined Authority** hereby undertakes and agrees with **the Company** that it will at all times hereafter indemnify and keep indemnified **the Company** against any and all liability falling upon **the Company** including those arising out of or in any way connected with the members' voluntary liquidation of **the Company** and all claims by creditors, costs (including legal and accounting costs on a full indemnity basis) and expenses claims whatsoever against it.

2 In consideration of **the Liquidator** agreeing to act as liquidator of **the Company**, **the Combined Authority** hereby undertakes and agrees to:

2.1 indemnify and keep indemnified **the Liquidator** against any and all liability falling upon **the Liquidator** arising out of or in any way connected with the appointment or purported appointment of **the Liquidator** as liquidator of **the Company** or his conduct of the members' voluntary liquidation of **the Company** including any distribution by **the Liquidator** to **the Combined Authority** (or any other party as required by **the Combined Authority**) in the members' voluntary liquidation and all claims by creditors, costs (including legal and accounting costs on a full indemnity basis) and expenses;

2.2 Pay **the Liquidator** on demand such sums as **the Liquidator** may at any time and from time to time require to settle or cover the claims (plus interest thereon) of any creditors of **the Company** (whether such claims are present or future, certain or contingent, ascertained or sounding only in damages); and

2.3 pay **the Liquidator** on demand such sums as **the Liquidator** may at any time and from time to time require to settle or cover **the Liquidator**'s own fees (plus Value Added Tax) and the disbursements and expenses (plus any Value Added Tax) which (in each case) have been or will be or may be incurred in connection with the winding-up of **the Company**.

3 This Deed shall enure for the benefit of the successors, assigns and personal representatives of **the Liquidator** and shall continue to be effective after **the Liquidator** has

ceased to act as liquidator of **the Company** and for a period of six years after the dissolution of **the Company.**

5 This Deed shall be without prejudice to and in addition to any right of indemnity to which by law **the Liquidator** is entitled and shall apply whether or not the appointment of **the Liquidator** is valid and effective.

6 This indemnity shall be governed by and construed in accordance with English law and **the Combined Authority** hereby agrees to submit for all purposes in connection with this indemnity to the exclusive jurisdiction of the English courts. **IN WITNESS WHEREOF** the parties have executed this Deed the day and year first before written.

EXECUTED as a **DEED** by
Cambridgeshire & Peterborough Combined Authority
acting by

_____ Signature of Authorised Person

_____ Name of Authorised Person

_____ Signature of Witness

_____ Name of Witness

EXECUTED as a **DEED** by
Greater Cambridge and Greater Peterborough Enterprise Partnership Limited

acting by

_____ Signature of Director

_____ Name of Director

_____ Signature of Witness

_____ Name of witness

EXECUTED as a **DEED** by
Sean K Croston

_____ Signature of Sean K Croston

In the presence of:

_____ Signature of Witness

_____ Name of Witness

_____ Address of witness

_____

APPENDIX C

DATED

ACCOUNTABLE BODY TRANSITIONAL AGREEMENT

between

Greater Cambridge and Greater Peterborough Enterprise Partnership Limited

and

Cambridgeshire County Council

and

Cambridgeshire and Peterborough Combined Authority

THIS AGREEMENT is dated [DATE]

PARTIES

(1) Greater Cambridge and Greater Peterborough Enterprise Partnership Limited a company limited by guarantee with company registration number 07553554 whose registered office address is the Incubator, Alconbury Weald, Enterprise Campus, Huntingdon, Cambridgeshire, PE28 4WX (**"the GCGP"**);

(2) Cambridgeshire County Council of Shire Hall, Castle Street, Cambridge, CB3 0AP (**"CCC"**); and

(3) Cambridgeshire and Peterborough Combined Authority ("**the Combined Authority"**) of The Grange, Nutholt Lane, Ely, CB7 4EE.

BACKGROUND

(A) The GCGP is a company limited by guarantee and is currently the Local Enterprise Partnership in the Greater Cambridge and Greater Peterborough area.

(B) It is intended that the GCGP will enter into a business transfer agreement with the Combined Authority dated 29 March 2018 but with effect from 1st April 2018.

(C) It is also intended that a new Local Enterprise Partnership will be formed as an unincorporated association ("**the New LEP"**) with effect from 1st April 2018, and its Board will provide strategic advice to the Combined Authority in supporting continued economic growth.

(D) On 19th December 2017 the Board of the GCGP voted unanimously for the adoption of a strategy to facilitate the above processes with the intention of the GCGP being placed (or placed and delete being) into Members' Voluntary Liquidation with effect from 29 March 2018. It is currently intended that the Members' Voluntary Liquidation will be effected in as soon as reasonably practicable after the effective date.

(E) At a meeting of the Combined Authority's Board on 20 December 2017, it was unanimously agreed that the Combined Authority would become the Accountable Body for all business growth funding streams from 29 March 2018.The Combined Authority has therefore agreed to become the Accountable Body with effect from 29 March 2018.

(F) At a meeting of the Combined Authority's Board on 28 February 2018 it was subsequently resolved that it would become the accountable body for the Greater South-East Energy Hub with immediate effect.

(G) CCC as the current Accountable Body has formally agreed in a letter to BEIS dated 19 March 2018 to relinquish its responsibilities as Accountable Body within the timeframes described above.

(H) The parties have agreed to effect the change of Accountable Body on the following terms.

IT IS HEREBY AGREED as follows:

1. INTERPRETATION

1.1. In this Agreement the following terms shall have the following meanings:

"Accountable Body" means a Local Authority who receives and accounts for grant funding paid by Government on behalf of a Local Enterprise Partnership;

"Bank Account" means the account with details as follows:
Account Name: Cambridgeshire & Peterborough Combined Authority
Bank Name: Barclays Bank
Address: Barclays Bank, 1 Church St, Peterborough, PE1 1XB
Account Number: 50718645
Sort Code: 20-67-45;

"Business Day" shall mean a day other than a Saturday or a Sunday on which banks are generally open for business in England;

"Business Transfer Agreement" means the agreement which the GCGP and the Combined Authority intend to enter into on 29 March 2018 relating to the transfer of the business of the GCGP;

"Completion" means the change in Accountable Body contemplated by this Agreement;

"Current Accountable Body Agreement" means the agreement made between the GCGP and CCC on 18 March 2016 contractually governing the relationship between CCC as the current Accountable Body and the GCGP;

"Funds" shall mean the funds held by CCC as Accountable Body on behalf of the GCGP as set out in Schedule 1;

"Liabilities" means all claims, liabilities, and obligations, whether or not presently known to the parties or to the law including but not limited to claims arising from rights acquired from third parties, and whether in law or equity, that a party ever had, may have or hereafter can, shall or may have to any of the other parties;

“Records” means all stationery, books, records, accounts, and other information used in the fulfilment by CCC of the roles and responsibilities of the Accountable Body.

"Relevant Contracts" means any contracts other than the Current Accountable Body Agreement to which CCC is a party and which arise out its acting as Accountable Body for the GCGP.

1.2. In this Agreement unless otherwise stated:

1.2.1. words importing the masculine gender only shall include the feminine gender and the neuter and vice versa;

1.2.2. words importing the singular number only shall include the plural number and vice versa;

1.2.3. words importing persons shall include natural persons, firms, companies, bodies corporate and any entity or group of persons capable of recognition as a legal entity;

1.2.4. a reference to a statute or statutory provision includes a reference to any statutory amendment, consolidation or re-enactment of it and all orders, regulations, instruments or other subordinate legislation (as defined in section 21(1) of the Interpretation Act 1978) made under it, both to the extent in force from time to time; and any statute or statutory provision of which it is an amendment, consolidation or re-enactment;

1.2.5. references to clauses, sub-clauses and Schedules are to clauses, sub-clauses and Schedules of this Agreement;

1.2.6. a reference to “including”, “includes” or “included” shall be read as if it is followed by the words “without limitation”;

1.2.7. if the time for giving any notice, making any payment or doing any other act required or permitted by the Agreement does not fall on a Business Day, then the time for giving the notice, making the payment or doing the other act shall be deemed to be on the next Business Day; and

1.2.8. the headings in this Agreement shall not form part of, nor be used in the interpretation of the Agreement.

2. TRANSFER OF ACCOUNTABLE BODY STATUS

The parties hereby agree that Accountable Body status in respect of all remaining growth funding streams relating to the GCGP will transfer from CCC to the Combined Authority with effect from 1st April 2018.

3. THE CURRENT ACCOUNTABLE BODY AGREEMENT

3.1. GCGP and CCC hereby each severally warrants to the Combined Authority that it is not aware of any default committed by it under the Current Accountable Body Agreement.

3.2. CCC shall as soon as reasonably practicable after every other party to a Relevant Contract has consented to its being novated from CCC to the Combined Authority execute any document reasonably required to novate such Relevant Contract to the Combined Authority, PROVIDED THAT no payment is required of CCC and the document is in a form approved by CCC.

3.3. The GCGP and CCC hereby each severally warrants to the Combined Authority that it will until such time as the Current Accountable Body Agreement is terminated in accordance with Clause 3.5 below, to the extent not inconsistent with the terms of this Agreement, comply with all the terms and conditions of the Current Accountable Body Agreement.

3.4. The GCGP and CCC hereby agree that the Current Accountable Body Agreement shall be deemed varied to the extent necessary to give effect to this Agreement. If there is any inconsistency between the terms of this Agreement and the Current Accountable Body Agreement the terms of this Agreement shall prevail.

3.5. The GCGP and CCC agree that the Current Accountable Body Agreement shall be terminated with immediate effect upon Completion.

3.6. Upon termination of the Current Accountable Body Agreement the GCGP and CCC shall be released from all Liabilities to each other under this Agreement and/or the Current Accountable Body Agreement.

4. TERM AND TERMINATION

This Agreement shall commence on the date of signature by the parties and shall, save in relation to Clause 3.2, expire 12 months from the date of this Agreement.

5. TRANSFER OF FUNDS

The Funds shall be transferred by the CCC by electronic funds transfer for value to the Combined Authority on Completion to the Bank Account.

6. INDEMNITY

In consideration of and with effect from the transfer of the Funds in accordance with Clause 5, the Combined Authority agrees to indemnify CCC against any reasonable financial liabilities to which it may be or become subject as a result of its having acted as the Accountable Body and which it notifies to the Combined Authority before the expiry of this Agreement under Clause 4 unless such liability has been caused or substantially contributed to by a breach by CCC of its obligations under the Current Accountable Body Agreement or by its wilful neglect.

7. RECORDS

CCC shall, for a period of 12 months after Completion, allow the Combined Authority and its agents to have reasonable rights of access to and authority to take copies of any Records relevant to the fulfilment of its roles and responsibilities as an admitted body.

8. FURTHER ASSISTANCE

Subject to the terms of this Agreement, CCC agrees that it will for a period of 12 months after Completion provide such further assistance as may reasonably be required to assist the Combined Authority in meeting its role and responsibilities as the Accountable Body to include the delivery of documents and/or the provision of any other information requested either verbally or in writing

9. MISCELLANEOUS

9.1. This Agreement including the Schedule may only be varied by written agreement of the parties.

9.2. Except as otherwise provided, the parties shall each bear their own costs and expenses incurred in complying with their obligations under this Agreement.

9.3. This Agreement shall be governed by and construed in accordance with English law and each party without affecting the dispute procedure under Clause 9.4 below agrees to submit to the exclusive jurisdiction of the courts of England and Wales.

9.4. The Combined Authority and CCC shall attempt to resolve any disputes or differences between them by negotiating in good faith, in the first instance through day to day consultation. If they fail to resolve a dispute within 21 days from it arising, either such party may refer the matter for determination to a meeting of the following representatives of the parties:

. CCC - Chief Executive

. Combined Authority - Chief Executive

If the dispute is not resolved within 28 days of its referral to the above group, then those parties agree to identify, within 14 days thereafter, a suitable independent third party as an expert or as a facilitator of consideration of the dispute. The identity of this third person may vary in order to provide the parties with flexibility to select a person who is appropriate to the particular circumstances of the issue but by way of example, this may include another local authority, legal Counsel or a mediator. Once the parties have agreed on a suitable third person, they will refer the matter to that third person within 14 days of agreement and will use their best reasonable endeavours to ensure that the dispute is considered as quickly as possible thereafter and in any event, within 21 days of referral. The parties will have the flexibility to decide on the terms of reference of the relevant third person.

9.5. Any notice to be given in connection with this Agreement shall be in writing and (without prejudice to proof that it has been effectively given in any other manner) shall be deemed duly served if delivered at or posted by recorded delivery to the address of the party concerned which is set out in this Agreement or such other address for service as that party may have notified to the other party in accordance with the provisions of this Clause. Any such notice shall be deemed to be served if delivered personally, on the day on which it is delivered or if posted, at 9am on the second Business Day after the day of posting. Evidence that the notice was properly addressed stamped and put into the post shall be conclusive evidence of service.

9.6. If any provision of this Agreement is held to be unenforceable or illegal, in whole or in part, such provision or part shall to that extent be deemed not to form part of this Agreement but the enforceability of the remainder of this Agreement shall remain unaffected.

9.7. This Agreement may be executed in any number of counterparts and by each of the parties as separate counterparts, each of which, when executed and delivered, shall be deemed to be an original but all the counterparts together shall constitute one and the same agreement.

9.8. The benefits of this Agreement shall continue for the benefit of the successors or assignees of each of the parties.

9.9. This Agreement is personal to the parties and neither it nor any benefit arising under it may be assigned without the prior written consent of the other parties and no party shall purport to assign or transfer the same.

9.10. A person who is not a party to this Agreement shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to rely upon or enforce any term of this Agreement PROVIDED THAT this does not affect any right or remedy of the third party that exists or is available apart from that Act.

SIGNED by or on behalf of the parties on the date which first appears in this Agreement.

Greater Cambridge and Greater Peterborough Enterprise Partnership Limited

Signature: .....
Name: .....
Position: .....
Date: .....
Witness:
Name
Address
Occupation

Signed for and on behalf of
Cambridgeshire County Council

Signature: .....
Name: .....
Position: .....
Date: .....

Signed for and on behalf of
The Cambridgeshire and Peterborough Combined Authority

Signature: .....
Name: .....
Position: .....
Date: .....

SCHEDULE 1

FUNDS

Schedule 1: Funds held by CCC as Accountable Body for GCGP LEP as at 29-03-18

Growth Deal Capital		
15-16 Allocation of Funds	£21,100,000.00	
16-17 Allocation of Funds	£29,939,252.00	
17-18 Allocation of Funds	£12,346,916.00	
		£63,386,168.00
less		
15-16 project expenditure	-£4,031,303.25	
16-17 project expenditure	-£14,880,362.46	
17-18 project expenditure	-£23,178,757.32	
4% topslice of funds	-£2,535,446.72	
		-£44,625,869.75
add		
16-17 capital loan repayments received	£375,000.00	
17-18 Loan repayments received	£625,000.00	
		£1,000,000.00
Balance to be transferred		**£19,760,298.25**

Growth Deal revenue topslice		
4% topslice of Growth Deal capital funds	£2,535,446.72	
		£2,535,446.72
less		
15-16 claimed programme costs	-289,418.02	
16-17 claimed programme costs	-585,341.78	
17-18 claimed programme costs	-470,555.35	
		-1,345,315.15
Balance to be Transferred		**£1,190,131.57**

Growing Places Fund (GPF)	Revenue		Capital	
			10,685,674.0	
GPF capital grant 1	0.00		0	
GPF capital grant 2	0.00		4,213,287.00	
GPF revenue grant 1	1,001,177.00		0.00	
GPF programme cost grant	218,075.00			
		1,219,252.00		**14,898,961.00**
less				
2% topslice of Revenue grant 1 and capital grant 2	-20,023.54		-84,265.74	
GPF programme cost grant paid to LEP	-218,075.00		0.00	
12-13 project expendiutre	0.00		-2,607,490.00	
13-14 project expenditure	0.00		-4,936,115.98	
14-15 project expenditure	0.00		-7,373,560.68	
15-16 project expenditure[1]	-81,130.00		-296,250.00	
16-17 project expenditure[1]	-422,119.89		-336,617.76	
17-18 project expenditure[1]	-610,913.83		-291,387.47	
		-1,352,262.26		**-15,925,687.63**
add				
13-14 loan repayments	0.00		4,100,000.00	
14-15 loan repayments	0.00		1,262,891.00	
15-16 loan repayments	0.00		2,687,000.00	
16-17 loan repayments	0.00		8,000.00	
17-18 loan repayments	0.00		799,447.67	
		0.00		**8,857,338.67**
Balances to be transferred[2]		**-133,010.26**		**7,830,612.04**

[1] Capital project expenditure includes revenue expenditure that can be funded by loan repayments as projects commenced before Government issued guidance on the eligible use of loan receipts.

[2] The negative revenue figure represents over commitment of revenue funding to be repaid by EZ receipts. The total amount committed to 31 March 2018 is £1,907,000.

Total balance to be transferred	
Growth Deal Capital	£19,760,298.25
Growth Deal Topslice	£1,190,131.57
Net GPF	7,697,601.78
Total	**£28,648,031.60**

CAMBRIDGESHIRE
& PETERBOROUGH
COMBINED AUTHORITY

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	**AGENDA ITEM No: 3.1**
28 MARCH 2018	**PUBLIC REPORT**

MARKET TOWN MASTERPLANS FOR GROWTH

1.0 PURPOSE

1.1. Every one of our market towns should be a vibrant and thriving place in its own right, with its own distinct identity and set of ambitions for the future. This report sets out how the Combined Authority will support every town to make this a reality by developing Market Town Masterplans for Growth, and ensuring that these are interconnected in an overall plan for the region's future prosperity.

1.2. A Masterplan for Growth will mean that in every single town there is;

- a shared ambition for the future which authorities, businesses and communities can unite behind;
- which focuses collective resources against the same priorities, and crucially;
- which unlocks new investment from the Combined Authority and other agencies.

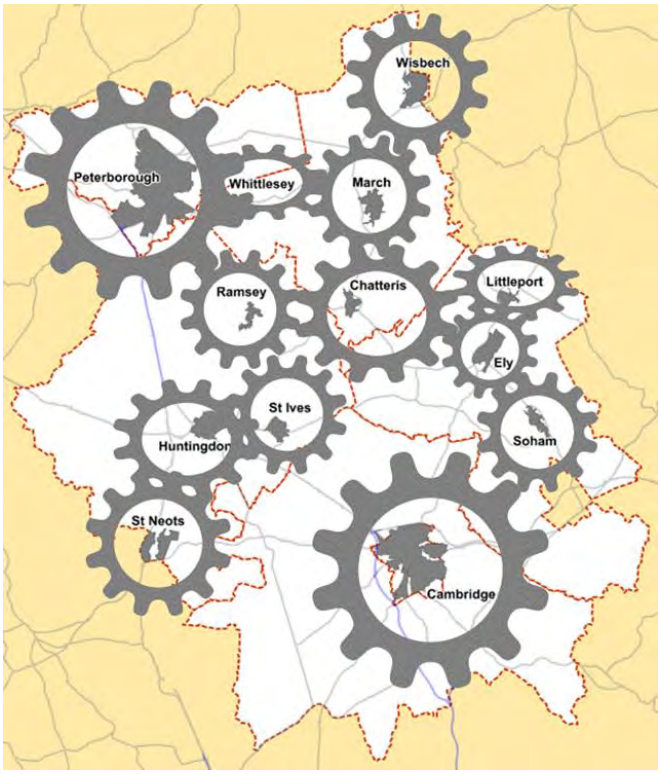
1.3. This report recommends that the Combined Authority agree a programme to develop Masterplans for Growth in the remaining nine Market Towns over 2018 and 2019 for a total programme cost of up to £450,000.

DECISION REQUIRED	
Lead Member:	**Cllr Charles Robert, Deputy Mayor**
Lead Officer:	**Dan Thorp, Interim Assistant Director**
Forward Plan Ref: N/A	**Key Decision: No**
The Combined Authority Board is recommended to: (a) Note the proposed principles and role of Market Town Masterplans for Growth as set out in this report (b) Approve the sum of £50,000 to develop a Masterplan for each of the nine market towns (total budget of £450,000) (c) Note that each Masterplan is to be reported to a subsequent Combined Authority Board for approval (d) Note the collaborative arrangements of a Partnership Team with the relevant District Council to develop and subsequently lead the Masterplans	**Voting arrangements** Simple majority of all Members

2.0 OVERVIEW

2.1. The Combined Authority's core ambitions can only become a reality by being translated into specific plans for specific places, and these plans need to be owned and driven by local communities.

2.2. There are eleven Market Towns, or similarly sized areas, in the Combined Authority which are currently home to around 190,000 people and are expected to grow significantly to over 250,000 by 2036. However, strategies to date have not always managed to recognise the scale and importance of the role that our towns play, or their future potential.



2.3. This sits within a context of national trends that can as a whole present a worrying future for towns, if greater attention and investment is not given. For example, across the country between 1981 and 2011 towns and villages lost over a million people under the age of 25. In contrast core cities gained 300,000. Over the same period the number of over 65s in towns grew by over 2 million.

2.4. Each of our towns should be a vibrant and thriving place in its own right, with an evidence-based ambition that describes the new job opportunities, education and skills provision, community facilities, local attractions, and other reasons for enthusiasm that will exist in the future. These ambitions should act as the antidote to fears around town centre decline and economic displacement.

2.5. Furthermore, the development of these ambitions should be the collective effort of authorities, businesses and communities – and should be driven forward by local leaders. The Combined Authority should be a strategic partner in this process, so that each market town plays into our overall economic strategy and so that all critical activities like housing, skills, infrastructure and public service reform can be brought together with place as the anchor.

St Neots Masterplan for Growth

The ST NEOTS Hunts Post

www.huntspost24.co.uk The county paper for Huntingdonshire since 1870 Wednesday, January 24, 2018 £1.30

Enjoy a seaside break from £10pp*

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» Page 6

Much-needed funds will unlock town's potential

ST. NEOTS

2.6. St Neots became the first market town backed by the Combined Authority with a Masterplan for Growth that was developed and reported to the Board in October last year. This established an initial priority investment programme of £5.8m short, medium and long-term actions.

2.7. The St Neots Masterplan for Growth struck upon a number of key priorities which the local community collectively recognise the importance of, for example; the core proposition of creating more job opportunities within St Neots so that less people feel the need to commute out and more economic value is retained locally.

2.8. As requested by the Board a local delivery partnership has been established which brings all local authorities together with business and community representatives to jointly oversee the delivery of the Masterplan under the leadership of Huntingdonshire District Council. This St Neots Masterplan Steering Group is well underway in the development of Strategic Business Case which will be brought to the Combined Authority, and other funding partners, to unlock the first tranche of investment.

2.9. The work to develop the St Neots Masterplan for Growth also made clear that the process does not stop when the document is produced – the first Masterplans should be seen as foundations. There is firstly a need to ensure that all partners are working together to optimise current growth plans, for each town there will then be a need to look beyond these and the Masterplan for Growth principle will provide a robust local and strategic vehicle for doing so.

2.10. The lessons learned so far in St Neots, and from the Wisbech 2020 initiative, have informed the propositions below for how the remaining programme should be rolled out.

Proposed Programme for Market Town Masterplans for Growth

2.11. It is proposed that Masterplans for Growth are produced with the following three-stage principles:

1. The Combined Authority commissions the development of the Masterplan and requests the District Council to form a Partnership team. The Partnership team will be led by the District Council and bring together local representatives from across public, private and community sectors.

Combined Authority investment brings additional capacity and expertise into this process

2. Nine-month programme of engagement, evidence gathering, and idea generation is undertaken to scope the ambitions of the town.

   Attention is focussed around the game-changing interventions that can make the most difference for the town, and the creation of jobs in and around towns. The Combined Authority will use its relationship with the Business Board and the new LEP to develop bespoke growth products for towns, such as locally-designed versions of Enterprise Zones.

3. Approval by the Combined Authority of a Masterplan for Growth and associated Action Plan which have the collective backing of the town and acts as:

   - An evidence-base to unlock new investment
   - A focussing of collective resources
   - A prospectus attracting and inviting new interest in the town

Programme Roll-Out

2.12. It is recommended that the programme is rolled out in two waves over 2018 and 2019 so that every town has a Masterplan in place by Summer 2019.

April 2018 – December 2018	January 2018 – September 2019
Chatteris	Ramsey
March	Ely
Littleport	Soham
St Ives	Huntingdon
Whittlesey	
Programme capacity investment: Up to £250,000	Programme capacity investment: Up to £200,000

2.13. In the case of Wisbech, the Combined Authority will work with Fenland District Council and other partners to build upon the work to date of the well-established Wisbech 2020 Vision and the priorities it has identified. To date, this has included a commitment in June 2017 from this Board of £6.5m for the Wisbech Garden Town feasibility project.

2.14. As new developments come forward of the same scale as existing market towns, such as Northstowe, it is suggested that the relevant authorities work alongside the Combined Authority to establish Masterplan for Growth principles from the point of concept, where there is an ambition to do so.

2.15. It is recommended that the Board approved the programme set out in paragraph 2.10 and allocate a budget of up to £50k per market town, totalling £250k in 2018-19 and £200k in 2019-20 (this equates to a reprofiling of the programme across two, rather than three, years).

3.0 FINANCIAL IMPLICATIONS

3.1. The Board is asked to approve funding of £250k in 2018-19 and £200k in 2019-20 for the development of the nine Market Town Masterplans.

4.0 LEGAL IMPLICATIONS

4.1. The devolution deal in June 2016 committed the Combined Authority to delivering increased economic growth for the area. In order to achieve this the Combined Authority intends to focus on market towns as a driver for growth and therefore it may rely upon the general power of competence under Article 11 of the Cambridgeshire and Peterborough Combined Authority Order 2017 to approve these recommendations.

4.2. The Combined Authority has an obligation to comply with its contract rules (constitution) and procurement legislation when commissioning for the delivery of the Masterplans. In this regard the Combined Authority may commission separately for each Masterplan or collectively for two or more Masterplans. The number of Masterplans being commissioned will dictate the appropriate procurement exercise to undertake. Where the commissioning exceeds EU procurement thresholds, a relevant framework may be used to call-off the appropriate contract subject to compliance with the rules relevant to that framework. As a compliant procurement process will be followed there are no state aid implications for this decision.

4.3. The Combined Authority will work with the leadership of each District Council to develop a Partnership Team. The District Council will set its own criteria for the membership of the Partnership Team and follow its constitutional rules relating to the nomination of councillors to this Partnership Team. In each case the Combined Authority will expect to play a strategic partner role and will work with the District Council to agree a partnership working agreement in compliance with our Assurance Framework.

5.0 SIGNIFICANT IMPLICATIONS

No significant implications have been identified.

6.0 APPENDICES

None

Source Documents	Location
St Neots Masterplan for Growth	www.cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/St-Neots-Masterplan-Phase-1.pdf