



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

Wednesday, 31st October 2018

10:30am – 1:00pm

Council Chamber, Peterborough City Council Town Hall,

Bridge Street, Peterborough PE1 1HG

AGENDA

Open to Public and Press

Number	Agenda Item	Mayor/ Lead Member/ Chief Officer	Key Decision	Pages
	Part 1 – Governance Items			
1.1	Announcements, Apologies and Declarations of Interests	Mayor	Non-key	oral
1.2	Minutes – 26 September 2018	Mayor	Non-key	4-27
1.3	Petitions	Mayor	Non-key	oral
1.4	Public Questions	Mayor	Non-key	oral
1.5	Forward Plan	Mayor	Non-key	To follow
1.6	Appointment to Business Board	Mayor	Non-key	28-29
1.7	Membership of the Combined Authority and Committees - Amendments	Mayor	Non-key	30-31

	Part 2 – Combined Authority Matters			
2.1	£100m Housing Programme - Scheme Approvals	Mayor	Key	32-40
2.2	Commission of the Local Transport Plan	Mayor	Key	41-54
2.3	East-West (North) Corridor – A47 Dualling Study – Strategy, Phasing and Prioritisation Stage 0	Mayor	Key	55-66
2.4	Cambridge Autonomous Metro: Update	Mayor	Non-Key	67-71
2.5	A605 Kings Dyke Level Crossing Closure	Mayor	Key	72-85
2.6	Performance Reporting	Mayor	Non-Key	86-89
	Part 3 – Date of Next Meeting			
3.1	Wednesday, 28 November 2018 Council Chamber, 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 B Smith

Substitute members: Councillors A Bailey, W Fitzgerald, R Fuller, R Hickford, D Oliver, A Smith & A Van de Weyer

Chair of the Business Board: Aamir Khalid

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 Richenda Greenhill, Democratic Services Officer 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 Richenda Greenhill at Richenda.Greenhill@cambridgeshire.gov.uk or on 01223 699171.



Agenda Item No: 1.2

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY: MINUTES

Date: Wednesday, 26 September 2018

Time: 10.30a.m. – 13.50p.m.

Present: J Palmer (Mayor)

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

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

225. ANNOUNCEMENTS, APOLOGIES AND DECLARATIONS OF INTEREST

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

226. MINUTES – 25 JULY 2018

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

227. PETITIONS

No petitions were received.

228. PUBLIC QUESTIONS

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

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

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

229. FORWARD PLAN

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

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

It was resolved unanimously to:

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

230. MEMBERSHIP OF THE COMBINED AUTHORITY AND COMMITTEES - AMENDMENTS

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

It was resolved unanimously to:

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

231. REVIEW OF CONSTITUTION – COMMITTEES AND OTHER RELATED MATTERS

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

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

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

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

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

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

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

It was resolved by a majority:

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

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

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

It was resolved unanimously to:

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

233. OVERVIEW AND SCRUTINY COMMITTEE - RECOMMENDATIONS

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

It was resolved unanimously to:

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

234. GOVERNMENT REVIEW OF LEPS – STRENGTHENED LOCAL ENTERPRISE PARTNERSHIPS

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

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

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

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

It was resolved unanimously to:

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

235. APPOINTMENT OF INTERIM CHIEF FINANCE OFFICERS (S73)

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

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

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

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

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

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

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

It was resolved unanimously to:

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

236. INTERIM ARRANGEMENTS FOR CHIEF EXECUTIVE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

It was resolved by a majority to:

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

237. HOUSING STRATEGY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

On being put the vote, the amendment was lost.

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

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

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

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

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

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

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

It was resolved by a majority to:

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

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

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

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

It was resolved unanimously to:

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

239. PUBLIC SERVICE REFORM: HEALTH AND SOCIAL CARE PROPOSAL

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

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

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

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

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

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

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

It was resolved to:

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

240. SOHAM RAIL STATION – BUDGET UPDATE

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

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

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

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

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

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

It was resolved unanimously to:

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

241. BUSINESS RATE PILOT

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

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

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

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

It was resolved unanimously to:

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

242. BUSINESS BOARD RECOMMENDATIONS OF THE LAST MEETING

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

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

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

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

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

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

It was resolved unanimously to:

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

243. MEMBERSHIP OF BUSINESS BOARD

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

It was resolved unanimously to:

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

244. CAMBRIDGESHIRE & PETERBOROUGH INDEPENDENT ECONOMIC REVIEW

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

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

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

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

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

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

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

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

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

It was resolved unanimously to:

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

245. GROWTH PROSPECTUS 2018/19

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

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

It was resolved unanimously to:

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

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

246. MOTION FROM COUNCILLOR BRIDGET SMITH

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

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

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

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

On being put to the vote the motion was lost.

247. DATE OF NEXT MEETING

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

Mayor

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY – 26 SEPTEMBER 2018

PUBLIC QUESTIONS

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

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

			<p>infrastructure for housing.</p> <p>2)31TEN met with representatives from various local authorities in the early stages of their work. The collaborative approach then took the form of an open presentation and discussion at two leaders strategy sessions on the 10th May and 26th June to which all council leaders were invited and the evolving strategy was presented and discussed. I understand that the Overview and Scrutiny Committee drew attention to a spelling error in the document which referred to West Sussex instead of West Suffolk. To focus on a minor typing error is to miss the important and innovative approaches that the Strategy delivers.</p> <p>3) The Report has relied upon the analysis in the interim CPIER. 31Ten have drawn attention in the report to the fact that they have relied on their analysis [pages 17 &18]. Other data quoted is from national data sets (as set out in the report) and ongoing work and data from transport projects.</p> <p>4) When Housing Associations submit application for grant they also supply a financial appraisal upon which the need and request for grant is calculated and articulated. Assuming a grant is approved and proceeds, the clawback provision will ONLY come into effect if the final project outcome improves from the original financial appraisal submitted. For example, if a scheme included some market sale houses and the value of those houses goes up significantly when they are sold, then the Housing Association has received more revenue than originally predicted when applying for grant. In that situation it seems fair that a proportion of that additional value should be returned as a grant refund, to be re-invested into additional future housing schemes, rather than considered to be profit for Housing Associations.</p> <p>5) The strategy is seeking to be flexible to both the diverse geography and markets within the CPCA area, to build additional homes to tackle severe shortages and to address the issue of a large section of working people not earning enough to afford high house prices. Earning levels means that many do not qualify for traditional social housing and means that they are pushed into the private rental sector, where rents are often too high.</p>
--	--	--	---

	Question from:	Question to:	Question
2.	Cambridge City Councillor, Dave Baigent	Mayor James Palmer	Constituent Councils agreed to the establishment of a Combined Authority on the basis of a number of factors. One of these was that each leader would have a portfolio. This no longer appears to be happening. Would the Mayor explain the rationale behind this change and how and to whom portfolios are now allocated?
	Response from:	Response to:	Response
	Mayor James Palmer	Cambridge City Councillor, Dave Baigent	<p>The Board agreed unanimously in July to move to committees.</p> <p>Each of the Committee chairs is also the portfolio holder for their committee: housing, transport and skills. We also have others who hold portfolios but are not committee chairs.</p> <p>So all members are actively engaged in the business of the Combined Authority.</p> <p>The rationale for the new committees is set out in the July Board paper. We agreed in July that the Board would be asked today to note and agree my nominations to portfolios and membership of committees.</p>



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	<u>AGENDA ITEM No: 1.6</u>
31 OCTOBER 2018	PUBLIC REPORT

APPOINTMENT TO BUSINESS BOARD

1.0 PURPOSE

- 1.1. The purpose of this report is to seek the Board's agreement to a change in its substitute member on the Business Board.

<u>DECISION REQUIRED</u>	
Lead Member:	Mayor
Lead Officer:	Patrick Arran, Legal Counsel and Monitoring Officer
Forward Plan Ref: Not applicable	Key Decision: No
The Combined Authority Board is asked to: Appoint Councillor Wayne Fitzgerald as substitute for Councillor Charles Roberts, Portfolio for Economic Growth on the Business Board.	Voting arrangements Simple majority of all members.

2.0 PUBLIC SECTOR MEMBERSHIP ON BUSINESS BOARD

- 2.1. In accordance with the Business Board constitution, the Mayor and the Portfolio for Economic Growth of the Combined Authority shall be members of the Business Board by virtue of their office. The Combined Authority may appoint at least one Substitute Member to act in their absence.

2.2. The public sector members and substitute members are as follows:

Member			Substitute Member
James Palmer	Mayor	Cambridgeshire and Peterborough Combined Authority	Councillor Steve Count
Councillor Charles Roberts	Economic Growth Portfolio Holder	Cambridgeshire and Peterborough Combined Authority	Councillor Anna Bailey

2.3. The term of office of public sector members and substitute members appointed by the Combined Authority is at their discretion; the Combined Authority Board may terminate their appointment or appoint a representative at any time, to take effect on receipt of a notice by the Combined Authority's Legal Counsel and Monitoring Officer.

2.4. The Monitoring Officer has been advised that Councillor Wayne Fitzgerald has been nominated by Councillor Charles Roberts to replace Councillor Anna Bailey as his substitute on the Business Board. Councillor Bailey is in agreement with this change.

3.0 FINANCIAL IMPLICATIONS

3.1. There are no financial implications.

4.0 LEGAL IMPLICATIONS

4.1. None

5.0 SIGNIFICANT IMPLICATIONS

5.1 None at this stage

6.0 APPENDICES

6.1. None

<u>Source Documents</u>	<u>Location</u>
Cambridgeshire and Peterborough Devolution Deal	https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/600239/Cambridgeshire_and_Peterborough_Devolution_Deal.pdf



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	<u>AGENDA ITEM No: 1.7</u>
31 OCTOBER 2018	PUBLIC REPORT

MEMBERSHIP OF THE COMBINED AUTHORITY AND COMMITTEES - AMENDMENTS

1.0 PURPOSE

- 1.1. The purpose of this report is to advise the Board of amendments to the substitute membership of the Combined Authority Board and Overview and Scrutiny Committee notified by Cambridgeshire County Council and Peterborough City Council.

<u>DECISION REQUIRED</u>	
Lead Member:	Mayor James Palmer
Lead Officer:	Patrick Arran, Legal Counsel and Monitoring Officer
Forward Plan Ref: Not applicable Key Decision: No	
<p>The Combined Authority Board is recommended to note:</p> <p>a) the appointment by Cambridgeshire County Council of Councillor Ian Bates temporarily as its substitute member on the Combined Authority Board.</p> <p>b) the appointment by Peterborough City Council of Councillor Shaz Nawaz as one of its substitute members on the Overview and Scrutiny Committee for the remainder of the municipal year 2018/19.</p>	<p>Voting arrangements</p> <p>No vote is required.</p> <p>Appointment is made by the constituent council.</p> <p>The Monitoring Officer has delegated powers to accept these appointments.</p>

2.0 BACKGROUND

- 2.1. In accordance with the Cambridgeshire and Peterborough Combined Authority arrangements, each constituent council must appoint one of its elected members and one named substitute member to the Combined Authority Board.
- 2.2. In accordance with the Cambridgeshire and Peterborough Combined Authority arrangements, each constituent council must appoint two of its elected members and two named substitute members to the Combined Authority Overview and Scrutiny Committee.
- 2.3. The Combined Authority has been advised that Councillor Roger Hickford has been replaced temporarily by Councillor Ian Bates as Cambridgeshire County Council's substitute member on the Combined Authority Board.
- 2.4. The Combined Authority has been advised that Councillor Alan Dowson has been replaced by Councillor Shaz Nawaz as one of Peterborough City Council's substitute members for the Overview and Scrutiny Committee.
- 2.5. The Monitoring Officer has delegated authority to accept changes to membership of committees notified by constituent councils during the municipal year to ensure there is a full complement of members or substitute members at committee meetings.

3.0 FINANCIAL IMPLICATIONS

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

4.0 LEGAL IMPLICATIONS

- 4.1. There are no legal comments.

5.0 OTHER IMPLICATIONS

- 5.1 None

6.0 APPENDICES

- 6.1. None

<u>Source Documents</u>	<u>Location</u>
Combined Authority Constitution	http://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/CPCA-Constitution-.pdf



CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	<u>AGENDA ITEM No: 2.1</u>
31 OCTOBER 2018	PUBLIC REPORT

£100M HOUSING PROGRAMME - SCHEME APPROVALS

1.0 PURPOSE

- 1.1. As part of the Devolution Deal, the Combined Authority successfully secured £100 million from Government to deliver 2,000 affordable homes across Cambridgeshire and Peterborough.
- 1.2. This report provides the Board with details of a new scheme to consider in the context of the overall investment pipeline for the Combined Authority's £100m programme.

<u>DECISION REQUIRED</u>	
Lead Member:	Councillor Charles Roberts, Portfolio Holder for Housing and Chair of Housing and Communities
Lead Officer:	Roger Thompson, Director of Housing and Development
Forward Plan Ref: 2018/004	Key Decision: Yes
The Combined Authority Board is recommended to: (a) Commit grant funding of £1.634m from the £100m Affordable Housing programme to support delivery of new affordable housing scheme at Lion Works, Station Road, Whittlesford.	Voting arrangements: Simple majority of all Members

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 in the region. This is reflected in the 2030 Ambition for coordinated interventions and investment tailored to local need across housing, transport, infrastructure, planning, land use and skills.

Cambridgeshire & Peterborough 2030 Ambition

The leading place in the world to live, learn and work



CAMBRIDGESHIRE
& PETERBOROUGH
COMBINED AUTHORITY

Access to a good job within easy reach of home



Healthy, thriving and prosperous communities



A workforce for the modern world founded on investment in skills and education



Environmentally sustainable

UK's capital of innovation and productivity



CPCA - In Confidence

Combined Authority Housing Programme

- 2.2. In 2017, the Combined Authority successfully negotiated £170 million from Government for delivery of an ambitious housing programme providing 2,500 new affordable homes by March 2022.
- 2.3. Within this programme, the City Council is leading on the delivery of 500 new council homes for Cambridge using £70 million, and the remaining £100 million is to be used within the wider Combined Authority area to deliver an additional 2,000 homes.
- 2.4. The Housing and Development Team at the Combined Authority is seeking to work with officers within all member authorities (via the Cambridgeshire and Peterborough Housing Board) to increase the number of schemes coming forward for support from the Affordable Housing Programme. The Team is also building relationships with landowners, developers and affordable housing providers to seek opportunities to influence, enable and accelerate delivery of new affordable housing across the authority's area.
- 2.5. The Devolution Deal's Housing Business Case recognised that in the first instance *"new homes will be delivered through 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"*.

- 2.6. In order to have a selection of tools and a flexible approach in which housing delivery will be achieved and accelerated, the Combined Authority Board has approved a flexible multi toolkit Housing Strategy. This was approved by the Board on 26th September 2018.

A flexible multi toolkit approach



31
ten

- 2.7. It is anticipated that the programme will support a mixed portfolio of schemes including strategic sites and projects brought forward by housing associations, developers and Community Land Trusts. It includes the use of grant as a tool to help unlock sites and deliver additional affordable housing.
- 2.8. To date, the Authority has approved 16 schemes / projects of which 10 are in contract. 8 schemes have started on site. 1 scheme has completed in August 2018, providing 8 affordable homes at The Shade, Soham. 298 units have so far been approved by the Board and allocated funding through the programme.
- 2.9. The programme pipeline has further schemes at various stages of development and due diligence which will be brought to the Board when ready.
- 2.10. Total grant approved to date is £9.072 million.

3.0 PROPOSED SCHEME FOR APPROVAL

LION WORKS, STATION ROAD, WHITTLESFORD – To be developed by CLARION HOUSING GROUP

- 3.1. Outline planning consent ref S/0746/15/OL was granted for this brownfield site by South Cambridgeshire District Council on 14th August 2018 for the delivery of 60 Open Market homes with no affordable housing provided, principally due to costs of clearing site contamination and improving access.



Site location (Google Maps)

- 3.2. The proposed scheme is located south of Cambridge, just north of the A505 west of Junction 10 of M11, adjacent to Whittlesford Parkway railway station, providing links to Cambridge and London. The site provides the opportunity for future residents to reduce the need to travel by car and make it easier to travel to jobs and key services from the adjacent railway station. It is also very well located for science parks at Babraham, Granta Park and the Genome Campus. The development will contribute towards enhancing Whittlesford as a prosperous and vibrant village.



View of adjoining railway station

- 3.3. Clarion Housing is England's largest housing association with 125,000 homes. The majority of these are in London, South East and East of England with a strong presence in the Combined Authority area. Clarion is seeking to acquire the site with the intention of delivering the whole scheme as affordable housing, with a mixture of homes for Shared Ownership and Affordable Rent, currently 43 and 17 units respectively. In additionality terms, this means that 60 new affordable homes will be delivered instead of 60 Open Market homes originally consented, as without the grant Clarion are advising that they would not take on the delivery of this scheme.
- 3.4. The application to the Combined Authority is for £1.634 million of grant, specifically to deliver the 43 Shared Ownership homes. The remainder of the affordable housing will be provided by Clarion.
- 3.5. Grant is sought from the Affordable Housing Programme to address viability issues within the project. The Lion Works scheme has very high multi-million remediation costs as it is a contaminated brownfield site formally used as a scrapyard. This has to be addressed before any type of residential construction can begin.



View of former scrapyard



Existing site layout (Source: planning application Design and Access Statement)

- 3.6. The Lion Works scheme is supported by the Head of Housing Strategy at South Cambridgeshire District Council as it will provide much needed affordable housing in a scheme which was originally providing none due to viability issues. It provides new affordable homes in an area of high need in immediate proximity to transport links into Cambridge. There are 2424 applicants on the housing register looking for affordable rented accommodation and around 800 applicants registered for shared ownership in South Cambridgeshire.

Proposed Conditions of Grant Approval

- 3.7. It is proposed that the grant of £1.634m at Lion Works, Whittlesford be approved subject to the following conditions;
- (a) Pre contract
 - 3.7.a.1. Confirmation of development programme, with a back-stop start on site no later than 31st March 2021.
 - (b) Post contract but pre draw-down of grant –
 - 3.7.b.1. evidence of site acquisition and start on site of remediation works;
 - 3.7.b.2. final remediation costs / evidence of agreed costs with contractor;
 - 3.7.b.3. achievement of full planning / reserved matters and S106.

4.0 FINANCIAL IMPLICATIONS

- 4.1. This application is supported by a financial appraisal. It clearly identifies the costs that Clarion are meeting and the specific abnormal decontamination costs due to the former re-cycling and industrial nature of the site. This was reflected in the original planning decision, granted with no affordable housing. The grant request for this site is £1.634m equating to £38k per shared ownership unit (43 No units) against our £100m programme long average target of £30k. This site has exceptional characteristics that we believe justifies this level of grant. This grant will enable Clarion to deliver 60 affordable homes in a key area utilising a contaminated brownfield site. Without this intervention, in view of the additional remediation costs and risk associated with the construction on this site, we cannot not be certain that the 60 Open Market homes will built by the private sector.

- 4.2. Supporting this application will approve £1.634m grant from the Affordable Housing Programme. The impact on this funding on the programme is set out below:

	Grant allocation /£m	Total number of units funded	Average grant per unit /£k
To date	9.072	298	30.4
Scheme Proposed	1.634	43	38
Total	10.706	341	31.4

5.0 LEGAL IMPLICATIONS

- 5.1. The Combined Authority has authority under section 1 Localism Act 2011 to exercise a general power of competence. The Combined Authority can exercise this power by virtue of the Cambridgeshire and Peterborough Combined Authority Order 2017. This power permits the Combined Authority to make grants to providers in order to deliver the terms of the devolution deal signed with Government.

6.0 SIGNIFICANT IMPLICATIONS

- 6.1. There are no significant implications to consider in this paper.

7.0 APPENDICES

- 7.1. Appendix 1 – Proposed Site Layout, Lion Works, Station Road Whittlesford


<u>Source Documents</u>	<u>Location</u>
£100m Affordable Housing Programme Update July 2018	http://cambridgeshirepeterborough-ca.gov.uk/meetings/show/2018-07-25



Site Area - 1.1131 ha
Dwellings - 60 (42 houses 18 flats)

ACCOMODATION SCHEDULE				
Plan ref	Count	House type	Beds	sq m
1	9	Detached	4	119.0
1a	3	Detached (integral garage)	4	127.0
4	14	Semi/Terraced	3	77.0
4a	14	Semi/Terraced (integral garage)	3	82.0
5	2	Semi/Terraced (integral garage)	2	72.0
6	18	Flat	2	61.0

Parking - Spaces/Garages - 114

Rev	Date	Notes
DRAFT		
		
<small>The Sail Loft, Limehouse Court, 3-11 Dod Street, London E14 7EQ - Tel: 020 7536 2100 Fax: 020 7538 4442 info@lbfarchitects.co.uk www.lbfarchitects.co.uk</small>		
Project: PROPOSED HOUSING DEVELOPMENT STATION ROAD EAST WHITTLESFORD, CAMBRIDGESHIRE		
Client: MR DAVID MILNE		
Drawing: PROPOSED SITE PLAN		
Scale:	Drawn:	Checked:
1:500@A1	DJW	BL
Drg no:		Date:
X1129-SK008		Jul-14
		Rev:
		40



CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	<u>AGENDA ITEM No: 2.2</u>
31 OCTOBER 2018	PUBLIC REPORT

COMMISSION OF THE LOCAL TRANSPORT PLAN

1.0 PURPOSE

- 1.1. The purpose of this paper is to seek confirmation of the scope and outputs proposed in the commission of the Local Transport Plan (LTP) for the Combined Authority area.

DECISION REQUIRED	
Lead Member:	James Palmer, Mayor and Portfolio Holder for Transport
Lead Officer:	Chris Twigg, Director of Transport
Forward Plan Ref: 2018/035	Key Decision: Yes
<p>The Transport and Infrastructure Committee recommends that the Combined Authority Board:</p> <p>(a) Agrees the scope of the Local Transport Plan for the Combined Authority;</p> <p>(b) Agrees the stakeholder engagement strategy.</p>	<p>Voting arrangements</p> <p>Simple majority of all members</p>

2.0 BACKGROUND

- 2.1. Following devolution, the Combined Authority is now the Local Transport Authority with strategic transport powers for the areas previously covered by Cambridgeshire County Council and Peterborough City Council.
- 2.2. The Mayor and the Combined Authority are together responsible for:
- (a) The Statutory requirement for delivery of the Local Transport Plan (LTP);

- (b) Establishing local transport budget for Cambridgeshire and Peterborough;
 - (c) Management and maintenance of a Key Route Network of local authority roads when established; and
 - (d) Passenger transport, including the ability to franchise bus services in the Cambridgeshire and Peterborough area.
- 2.3. The Combined Authority Board, at its meeting on the 28 June 2017, agreed to adopt the previous LTPs of Cambridgeshire County Council and Peterborough City Council into a single interim LTP, until a comprehensive statutory process could be undertaken. This process would review the Combined Authority's strategic transport planning role to produce a long term LTP for the Cambridgeshire and Peterborough area.
- 2.4. The LTP is essential to the Cambridgeshire and Peterborough Combined Authority's (CPCA) role in place shaping and delivery of public transport services in collaboration with other stakeholders. Whilst the interim LTP complies with the Authority's statutory requirements it is not fully aligned with the aspirations of the CPCA as set out by the Mayor and in the wider CPCA 2030 Strategy.

3.0 MAIN ISSUES

- 3.1. The Mayor and the Combined Authority are committed to addressing the historic deficit in transport investment and improving transport and the physical connections between communities including cities, towns and rural areas. This will provide a means to deliver sustainable growth across the area, and support housing and economic development.
- 3.2. The Mayor and the Combined Authority plan to significantly improve connectivity for the Cambridgeshire and Peterborough area through digital infrastructure and in tackling traffic congestion and pollution.
- 3.3. The interim LTP provides an overview of the area's aims and objectives, its strategies to address challenges and summarises the major transport schemes required to achieve targeted growth and place-making across the CPCA geography, contained within the existing LTPs for Cambridgeshire and Peterborough.
- 3.4. In May 2018 the Combined Authority Board approved the Mayoral Interim Transport Strategy Statement. The purpose of the statement is to guide the development of the new LTP and to provide clear direction to transport projects that are either underway or soon to be developed. By providing this direction the expectation is that all schemes will be consistent with the key features and strategic framework that will emerge from the new LTP. The aim is to improve immediate decision making, accelerate delivery and achieve long term value for money.
- 3.5. To ensure that the LTP outputs meet the requirements of the CPCA, including capturing opportunities for enhanced growth beyond that identified in the current Interim LTP and key stakeholders the Committee

is recommended to ask the Combined Authority Board on 31 October to agree the scope and outputs proposed for the LTP and approve the proposed stakeholder engagement strategy in delivery of the LTP.

4.0 FINANCIAL IMPLICATIONS

- 4.1. There are no financial implications arising from this report. A total budget for the development of the LTP was previously approved by the Board for £500,000 split over two financial years (18/19 and 19/20).

5.0 LEGAL IMPLICATIONS

- 5.1. The Transport Act 2000 requires the preparation of local transport plans.

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) Take into account guidance from the Secretary of State on climate change and the protection of the environment;
 - (c) implement those policies.
- 5.2. The Combined Authority must keep the LTP under review, alter it if it considers it appropriate to do so and replace it not later than five years after the date on which it was made. Given the recent adoption of the LTPs within Cambridgeshire County and Peterborough City Councils it is considered appropriate to adopt the current two plans into an interim single LTP for the Combined Authority area. The Secretary of State has been notified of this proposal.
- 5.3. The Combined Authority has committed to bringing forward plans for a new LTP in 2019. This will therefore meet its obligation to keep the plan under review. Any proposals to replace the interim plan will be required to meet statutory consultation requirements which will be detailed in the future report.

6.0 EQUALITIES IMPLICATIONS

- 6.1. The existing LTPs have been developed to ensure open and transparent consultation and decision making and the ability of residents and communities to provide feedback.
- 6.2. The DfT provides guidance about the need for LTPs to address key policy guidelines and statutory requirements such as the transport needs of older people with mobility difficulties and people with disabilities, climate change and others.

7.0 APPENDICES

7.1 Appendix 1 - Proposed Scope and outputs

7.2 Appendix 2 – Engagement Strategy

<u>Source Documents</u>	<u>Location</u>
1. Transport Act (2000)	1. https://www.legislation.gov.uk/ukpga/2000/38/introduction
2. Local Transport Act (2008)	2. https://www.legislation.gov.uk/ukpga/2008/26/contents
3. Cambridgeshire Local Transport Plan	3. https://www.cambridgeshire.gov.uk/residents/travel-roads-and-parking/transport-plans-and-policies/local-transport-plan/
4. Peterborough Local Transport Plan	4. https://www.peterborough.gov.uk/council/strategies-policies-and-plans/transport-strategies/local-transport-plan/
5. DfT's guidance on Local Transport Plan (2009)	5. Department for Transport Great Minster House 76 Marsham Street London SW1P 4DR Telephone 020 7944 8300. ISBN 978-1-84864-023-8
6. CA Board paper June 2017	6. http://cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/280617-Decision-Summary.pdf
7. CA Board paper July 2017	7. http://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/Decision-statement-26th-July-2017.pdf
8. CA Board May 2018	8. http://cambridgeshirepeterborough-ca.gov.uk/meetings/cambridgeshire-and-peterborough-combined-authority-board-11/

APPENDIX 1

PROPOSED SCOPE AND OUTPUTS

Statutory requirements

The Transport Act (2000), Local Transport Act (2008) and LTP guidance (2009) place the following statutory requirements on local authorities with regards to LTPs:

- a) A duty to consult when formulating plans and policies, for at least 12 weeks.
- b) A duty to involve citizens in local decision making and service provision.
- c) European legislation requires that a Strategic Environmental Assessment (SEA) be undertaken of all LTPs. Local transport authorities should ensure that a SEA is an integral part of developing and delivering the its LTP. A Health Impact Assessment is also key part of a SEA.
- d) Habitats Regulation Assessment (HRA) - Local transport authorities need to consider if their LTP is likely to have a significant effect on a European site. If a significant effect is likely, the plan must be subject to an appropriate assessment. Statutory environmental bodies should be consulted.
- e) Equality Impact Assessment to be undertaken.

Process

It is anticipated that the LTP will be developed in four phases as outlined below, noting that phase three and four will overlap in timescale. In addition, we will expect the consultant to play a central role in co-ordinating third-party delivery partners to enable the wider suite of LTP documents to be developed in coherent and consistent fashion. This includes the development of the SEA and HRA by other consultants as well as any engagement with the highway authorities or planning authorities who may be involved in developing documents or have existing documents such as Highway Asset Management Policies and Network Management Duty.

Phase 1 – Initiation, issues and options

This phase will look to establish the high-level context for the LTP. Developing a long term vision for transport, it will provide the platform needed to support a bold and ambitious transport plan and how this will support the wider demographic, social and economic aspirations of the area. It should consist of the following tasks:

- Develop aims and objectives – working closely with the CPCA, the Local Highway Authorities and other key stakeholders, it will set out and articulate the vision and objectives. Early agreement on these is required to set the tone for the whole process.
- Determine policy / topic areas that need to be included.
- Develop / update evidence base and determine key challenges.
- Review existing LTPs and other policies.
- Research into smart transport and technological advances.
- Establish stakeholder groups / workshops at an early stage.

Phase 2 – Produce Draft LTP and LTTS documents

This phase should follow a high-level modelling / formulaic approach to allow consideration of the relative merits of alternative strategic packages along with the identification of any trade-offs associated with various courses of action. The following are necessary tasks associated with this stage:

- Development of a draft plan – overarching strategies, policies and delivery plans
- Statutory consultation required

It is anticipated that the LTP documents will be shaped around people, place and mode but the approach will be developed with the consultant.

Phase 3 – Produce Full LTP, LTTS and Implementation Plan documents:

This phase requires developing the previously worked through programme of priorities to deliver the LTP objectives to a deliverable implementation plan. This should take account of individual organisation accountabilities, statutory responsibilities, delivery capacity, funding availability and risk management to identify a robust delivery and commercial strategy and programme schedule. To complete this phase the following will be required:

- Finalise overarching strategy and policies, including the consolidation and consideration of feedback from the consultation

Phase 4: Consultation response and finalisation of plan

- Revise Local Transport Plan document
- Sign-off of Local Transport Plan

Complementary Strategies

There are a number of complementary strategies which do not form part of this commission but retain significance. Primarily these include those plans and duties set out in Annex A of the LTP Guidance, covering areas such as the Transport Asset Management, Network Management Duty, and Air Quality Action Plan. Whilst the consultant is not directly involved in the refresh of these documents it is important that the consultant works collaboratively with these other parties to ensure consistency and alignment with the LTP. Many of these documents remain the responsibility of CCC or PCC as the Highways Authority. Similarly, there may be more detailed mode- and place-specific strategies that emerge from the LTP. This could cover detailed proposals such as Smarts Cities or Rail, or more targeted area-based strategies. It is important that the consultant sets out in its proposal the level of detail to which these strategies will be developed within the LTP and where it is expected that such strategies will be developed outside of the LTP.

Scope

It is essential to have early agreement on the scope of the LTP, particularly regarding aims, objectives, and overall policy and strategy direction. This sets the tone for the whole process and will shape the content of the LTP. Other issues which require early clarity include:

- Project governance – early agreement will be needed on how the CA will steer the development of the CPCA LTP, and clarity will be needed on the roles that the constituent partners will have.
- Horizon year:
 - It is suggested that the CPCA LTP Policies and Strategies document has a horizon year of 2031/36 (in line with Local Plans).
 - It is suggested that the new CPCA LTTS is developed for Cambridgeshire and Peterborough to 2050.
 - It is suggested that a 3-5 year rolling programme for smaller schemes be developed
 - It is suggested that a 7-10 year rolling programme for major schemes be developed.

Assumptions

The following assumptions have been made in developing this proposal.

- The new LTP policies and strategies, will be a fundamental review of the current Peterborough and Cambridgeshire LTPs to:
 - Support inclusion growth in all areas of the CPCA. Spreading prosperity across the whole of Cambridgeshire and Peterborough
 - Enable a stronger focus on strengthening the economy in the north of the Combined Authority area and improving north / south transport links
 - Reflect the new governance and leadership arrangements of the CPCA Authority as well as the new funding opportunities available
 - Reflect digital and technological advances
- Take account of business cases and feasibility studies already being undertaken by the CPCA
- The new LTP will contain overarching policies and strategies, while detailed strategies will be described in separate appendices
- A new LTTS, and supporting Implementation Plan will be developed, focusing on the opportunity to deliver key transport improvements through CPCA's funding opportunities
- A SEA and HRA will be undertaken by a different organisation which will require cross-organisational collaboration
- Public consultation will be carried out for a minimum of 12 weeks
- Transport modelling will be required, principally for the LTTS, and will need to be scoped and agreed as part of the process. It is expected that modelling information from the feasibility studies currently being undertaken can be used to inform the development of the LTP.

Consultation

Good relationships must be established from the outset and maintained throughout to aid effective consultation. Opportunities for consultation should be assessed at various stages and acted upon where required, such as when defining objectives, strategy and policy, major schemes, or programme and priorities. During the project inception phase, early communication is needed to agree the timing and scope of the consultation to safeguard participation.

The consultant will submit a recommended proposal based on good practice from other LTP developments and adhering to statutory timescales.

The SEA and HRA legislation requires formal consultation with statutory bodies at several stages in the process. These documents will be produced separately but must form part of the programme for the new LTP.

A list of statutory stakeholders are set out in the LTP Guidance. Other key stakeholders will be identified during the early stages of the commission. The consultant will be responsible for the statutory consultation including:

- Preparing consultation material
- Stakeholder consultation covering meetings, workshops and presentations
- Public consultation covering online channels, exhibitions
- Fielding stakeholder and public queries as well as collating, assimilating and considering feedback from the consultation process

In undertaking the above tasks, it is essential that the consultant works closely with the CPCA communications team.

APPENDIX 2

ENGAGEMENT STRATEGY FOR THE CAMBRIDGESHIRE AND PETERBOROUGH LOCAL TRANSPORT PLAN - SUMMARY

Introduction

1. This memo provides recommendations regarding the strategy for stakeholder engagement and consultation to be used to inform the Cambridgeshire and Peterborough Local Transport Plan (LTP), and sets out the context and background to these recommendations.
2. The engagement strategy needs to deliver three primary objectives:
 - To meet the statutory requirements for consultation for the development of a Local Transport Plan (public consultation);
 - To provide elected officials assurance that there has been sufficient opportunity for the public and business communities to input and influence the LTP (public consultation); and
 - To build understanding and consensus across a broad stakeholder group engendering ownership for the policies and interventions identified in the final implementation programme (stakeholder engagement).

Statutory Consultation

3. This section focuses on the role of public consultation to:
 - ensure the needs of all impacted groups are taken into consideration;
 - make best use of local knowledge and relevant technical expertise; and
 - raise awareness and understanding of the issues (and thereby the rationale behind proposed policies and interventions).
4. The statutory public consultation period will commence as soon as possible in 2019 and will last for 12 weeks. The consultation will be based upon a full draft of the 2050 Vision and 2036 Local Transport Plan (Long Term Transport Strategy) document, and will be supported by a series of structured questions seeking feedback on the draft material.
5. The following promotional and supporting materials will be produced to inform an online consultation (with more traditional document-based options being available to those without online access):
 - a consultation 'version' of the core LTP document described above;
 - a concise 'consultation brochure', suitable for inclusion as a high-level introduction to the draft document itself, or as introductory text online;
 - a series of consultation questions to help frame and channel public responses to any specific areas of focus - we anticipate that there would be no more than 15 questions in total; and
 - a one-page press release for local press, directing readers to the consultation portal or to locations where hard copies are held for the public.
6. In advance of the consultation launch, it will be important for all interested parties to understand the nature and timing of the consultation process and, as far as possible in advance, the range of topics likely to be consulted upon. In order to fulfil this requirement, we recommend that:

- there should be a section dedicated to the Local Transport Plan on the Combined Authority website;
 - a dedicated Cambridgeshire and Peterborough Combined Authority inbox is set up for members of the public and stakeholders to contact the project team during the development of the Local Transport Plan;
 - a webpage providing links to documents, strategies and articles relevant to the Local Transport Plan should be provided; and
 - a Frequently Asked Questions (FAQ) and answers webpage is provided. These can be expanded upon if necessary, once we begin to receive emails from stakeholders and the public.
7. Further details and draft website material is provided in conjunction with CPCA communications.
 8. Notwithstanding the above, traditional opportunities for consultees to provide their opinions and feedback will be needed. We therefore propose to staff fourteen half-day public consultation events to support the interpretation of the draft document, providing further detail on the methods, data sources and expected impacts of the identified options.
 9. Suitable venues for these events will need to be identified and secured as soon as possible following approval of the engagement strategy. We propose that events are held in Cambridge (x2), Peterborough (x2), Wisbech, St Neots, Huntingdon, March, Ely, St Ives, Cambourne, Histon, Whittlesey and Soham.

Key Stakeholder Engagement Activities

10.

Table 1: Types of consultee

Group	Membership
Public sector	
Partner bodies	Authorities responsible for developing and delivering the LTP including all those organisations involved in the Project Team, Working Group and Steering Group
Local Highway Authorities	As per local geography – members only
Local Planning Authorities	As per local geography – officers and members
Parish / town councils	As per local geography – officers and members
Neighbouring councils	County and districts / boroughs potentially affected by the LTP
National / regional bodies	e.g. Highways England, Network Rail, Sub-national Transport Bodies, Homes England, Environment Agency, English Heritage
Educational establishments	Higher Education Institutions, Further Education colleges, schools
Emergency services / health sector	e.g. police, fire, ambulance, hospitals, GPs, public health
Private sector	
Industry representative groups	e.g. Chambers of Commerce, Federations of Small Businesses, CBI, town centre managers, visitor information centres
Employers	Individual businesses
Developers and land owners	Individual land owners and property developers
Transport operators	e.g. Bus operators, rail operators, taxi and private hire companies
Third sector	
Disadvantaged groups	Organisations representing disadvantaged groups e.g. Disability Cambridge, Mencap, RNIB
Community organisations	Local not for profit organisations e.g. residents' associations, Community Rail Partnerships
Transport interest groups	e.g. Freight Transport Association, RAC, Sustrans, Transport Focus, National Private Hire & Taxi Association, Campaign for Better Transport
Other charities	e.g. RSBP, Historic England, Wildlife Trust
Local residents	People living within the Cambridgeshire and Peterborough LTP area

The proposed methods through which engagement with these different types of organisation are set out in Table 2. This illustrates the point that all consultees will be encouraged to visit the Combined Authority LTP website, with emails sent to them providing background information and a link to the relevant pages within the CPCA website, where possible.

Table 2: Methods of engagement by type of consultee

Stakeholder groups	Category	Project governance	Website / email / social media	Press Release	Workshops / meetings	Exhibition	Brochure
PUBLIC SECTOR							
Partner bodies	PARTNER	✓					
Local Highway Authorities	INVOLVE		✓		✓		
Local Planning Authorities	INVOLVE	tbc	✓	✓	✓		
Parish / town councils	CONSULT		✓	✓			
Neighbouring authorities	CONSULT		✓	✓			
National / regional bodies	INVOLVE	✓	✓		✓		
Educational establishments	CONSULT		✓	✓			
Emergency services / health sector	CONSULT		✓	✓			
PRIVATE SECTOR							
Industry representative groups	INVOLVE		✓	✓	✓		
Employers	CONSULT		✓	✓			✓
Developers and land owners	INVOLVE		✓		✓		✓
Transport operators	INVOLVE		✓		✓		
THIRD SECTOR							
Disadvantaged groups	INVOLVE		✓	✓	✓		
Community organisations	INVOLVE		✓	✓	✓	✓	✓
Transport interest groups	INVOLVE		✓	✓	✓		
Other charities	CONSULT		✓	✓			✓
Local residents	INFORM		✓			✓	✓

Table 3: Proposed engagement activities

Engagement Phase	Relevant project tasks	Activities	Purpose	Participants	Timing
1. Vision, goals and objectives	Task 1: Establish Long-Term Vision and Objectives Task 2: Compile the evidence base	Internal workshop s/ governance	To invite feedback upon the evidence base (which highlights the challenges and opportunities), along with the draft vision, goals, and objectives	Consult and Inform stakeholders (Partners will be involved in developing the content)	Sep- Oct 18
2. Scope	Task 3: Identify Potential Options Task 4: Develop Candidate Packages	Workshops / meetings	To determine the scope of the LTP, and the projects, policies and programmes to be taken forward	Involve stakeholders (national/regional bodies, industry representative groups, developers and landowners, transport operators, special interest groups)	Oct 18- Nov 18
3. Option selection	Task 5: Assess Strategic Options	Workshops / meetings	To confirm the selection of projects, policies, and programmes prior to the production of the draft LTP	Involve stakeholders (Local Highway Authorities, Local Planning Authorities, national/regional bodies)	Nov 18
4. Draft LTP	Task 7a: Prepare consultation materials Task 7b: Consultation delivery	Workshops / meetings, exhibitions, brochures, meetings, press release, website	To raise awareness of the draft LTP consultation and to provide additional feedback on its content	All (via different methods)	Jan 19 – May 19

5. Pre-launch	Task 6: Develop funding scenarios Task 8: Prepare delivery programme	Workshops / meetings	To consult on proposed funding options, delivery plan and key findings from consultation period	Involve stakeholders (Local Highway Authorities, Local Planning Authorities, national/regional bodies)	Feb 19 – May 19
6. Launch	Task 9: Finalise LTP documentation	Website	To explain how views and opinions raised through the consultation process have been considered/accommodated within the LTP	All	spring/summer19



CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	<u>AGENDA ITEM No: 2.3</u>
31 October 2018	PUBLIC REPORT

EAST-WEST (NORTH) CORRIDOR – A47 DUALLING STUDY – STRATEGY, PHASING AND PRIORITISATION STAGE 0

1.0 PURPOSE

- 1.1. The Mayor, Combined Authority and partner organisations have long recognised the strategic importance of the A47 to the regional and national economy. During his election, the Mayor committed to a number of ambitious and strategic transport improvements including the dualling of the A47.
- 1.2. This scheme will provide vital connectivity to the north of the Combined Authority area and will complement other Combined Authority transport and infrastructure priorities such as extending the M11 to the A47 and the development of a new Garden Town at Wisbech.
- 1.3. The commissioning of study work was a key commitment as part of the 100 day programme which led to £500,000 of Combined Authority funding being approved by the Board in June 2017 for the development of a Strategic Outline Business Case (SOBC) and Options Appraisal Report (OAR).
- 1.4. In June 2018 the initial SOBC was produced utilising local plan growth assumptions of approximately 20,000 homes for this corridor. This demonstrated a strong strategic case for dualling the A47 between Thorney and Walton Highways, and was presented to the Board in the June 2018 paper.
- 1.5. As the study has progressed the full growth potential of the corridor has emerged. This could lead to significant new employment opportunities and a further 30,000 new homes, as a contribution to the Combined Authority ambition of 100,000 new homes across the Cambridgeshire and Peterborough Combined Authority region as detailed in the recent Cambridgeshire and Peterborough Independent Economic Review (CPIER). This has been sensitivity tested and further strengthens the case for dualling and has been factored into the revised SOBC which is presented in this paper.

- 1.6. The Options Appraisal Report (OAR) which assessed the shortlisted 12 route options, recommends three identified route options (**Appendix 1**) to be considered for further development and future consultation.
- 1.7. In the paper presented to the Combined Authority Board in June 2018, Board approval was given to commence the procurement of the next stage of the project and engage with the Department of Transport on delivery models that might offer the opportunity to bring forward the completion of the overall scheme.
- 1.8. In July 2018, the Mayor met with Jim O’Sullivan (CEO Highways England) who welcomed the proposals and approved engagement with his wider team, to seek to establish these proposals within the Highways England Roads Investment Strategy 2 (RIS 2) period for development and design with a view to construction commencing in early RIS 3 (2025).
- 1.9. Engagement with Highways England and DfT has duly commenced and it has been established that to progress this scheme to be considered for inclusion in the RIS 2 period for development and design, the current work has to be improved to the Highways England Project Control Framework (PCF) Stage 0 Development Consent Order (DCO) Standard and be independently reviewed via the Highways England Stage Gate Assessment Review (SGAR) to level Green by February 2019.
- 1.10. It has been identified that the current design of the proposed Highways England scheme at Guyhirn, may be nugatory work if one of the three proposed options were progressed. It should be considered whether this current scheme at Guyhirn progresses or is ceased and the funding utilised to develop the dualling proposed within this paper

<u>DECISION REQUIRED</u>	
Lead Member:	James Palmer, Mayor
Lead Officer:	Kim Sawyer, Chief Executive
Forward Plan Ref: 2018/013	Key Decision: Yes
<p>The Combined Authority Board is recommended to:</p> <p>(a) Note the findings of the revised A47 Strategic Outline Business Case, and Options Appraisal Report which confirms that a strong case exists for the dualling of the whole section of the route.</p> <p>(b) Note the three identified route options being developed to the standards of both HE DCO Compliant PCF Stage 0 and SGAR.</p> <p>(c) Approve the continuation of Skanska consultancy support via the existing Cambridgeshire County Council</p>	<p>Voting arrangements</p> <p>All members are required to be present for this item.</p> <p>Two thirds of the constituent council members must vote in favour to include</p>

<p>framework arrangement and Budget of additional funding of up to £1,000,000, (at a level of £800,000 plus £200,000 contingency subject to CEO / CFO release) for the development of HE DCO Compliant PCF Stage 0 products to achieve a Green SGAR approval.</p> <p>(d) Note the need to identify funding for a contribution towards the development stage of up to £30,000,000 of an estimated total £60,000,000 over the period 2019 to 2025 as a contribution to the design and development of the preferred route.</p> <p>(e) Delegate authority to the Transport Director to consider and negotiate the concept of the continuation or cessation of the current proposed Highways England Intervention at Guyhirn, to then utilise the funding in the development of the wider scheme.</p>	<p>Cambridgeshire County Council and Peterborough City Council representatives</p>
---	--

2.0 BACKGROUND

Context to the Study

- 2.1 In the East of England, the A47 links the A1 at Peterborough with Wisbech, Kings Lynn, Norwich and the Norfolk coast at Great Yarmouth. As such it functions as the main strategic east-west route for the north of East Anglia.
- 2.2 Between Peterborough and Kings Lynn the A47 is of a variable standard, with dual carriageway sections in Peterborough, around Thorney and between Walton Highway and Tilney All Saints. The sections between Wansford and Sutton, between the Peterborough and the Thorney Bypass, as well as between the Thorney Bypass and Walton Highway are single carriageway.
- 2.3 Highways England is planning to dual the stretch of the A47 between Wansford and Sutton and increase capacity at the Guyhirn Junction with the A141 as part of their A47 corridor improvement programme. These schemes are however piecemeal in nature and generally address only short to medium term requirements such that the Combined Authority believe a more comprehensive approach, in line with our long-term strategic growth projections, offers a potential opportunity for both a better use of resources and a better outcome. In that context it may ultimately be helpful to repurpose some of the funding for the existing schemes. This approach is however not without risk.
- 2.4 The Combined Authority and partner organisations have long recognised the strategic importance of this route to the regional and national economy. There are concerns that inadequate infrastructure provision will compromise the growth potential along this corridor.

Scope of the Study

- 2.5 The study area covers the A47 corridor between the A16 Junction and Walton Highway. It is a wide-ranging study that provides clarity on the quantitative and qualitative evidence of wider economic and social benefits that improvements to the A47 will bring based on the current growth assumptions set out in local plans. In addition there has been sensitivity testing to include the proposed 10,000 homes for Wisbech Garden Town Phase 1 plus and additional 20,000 homes within the corridor to achieve the regions contribution to the 100,000 homes ambition as detailed in the CPIER. Deliverables for the study include:
- a) A revised SOBC for dualling of the A47 which is being reported as part of this paper, and
 - b) An OAR that identifies which interventions provide the best business case for a dualled A47, which has identified and shortlisted 3 single route options.

Key Findings of the SOBC

- 2.6 The SOBC has been produced in line with the Treasury's Green Book five case business model which aligns with the Combined Authority assurance framework.
- a) The **case for change** –the 'strategic case'
 - b) **Value for Money** – the 'economic case'
 - c) **Commercially viable** – the 'commercial case'
 - d) **Financially affordable** – the 'financial case'
 - e) **Achievable** – the 'management case'
- 2.7 At this stage in the scheme development process all five aspects of the assessment are passed, albeit that some features will become better established in later phases. Further specific details are provided in sections 2.8-2.10 below.
- 2.8 BCR is a means of representing the anticipated benefits of a given scheme proposal against the anticipated costs. The BCRs as they currently stand serve as one indicator in sifting through options and identifying which ones might be suitable for additional development and testing.
- 2.9 A BCR above 2 is considered 'high' and is typically required to secure Central Government funding. This can be as low as 1.5 on occasions which is considered 'medium'. However it is proposed that this is extended to include options with lower BCR for the reasons outlined later.
- 2.10 The SOBC concludes that there is a strong case for dualling the A47 between the A16 Junction and Walton Highway and that dualling this route is critical to fulfil the following:

- a) **Improving journey times along the A47:** To address current congestion and delay, reduce journey times and improve reliability on the A47 and on local routes impacted by the traffic and congestion on to A47. Building resilience in the event of incident on the route, minimising the impact on local route diversions.
- b) **Enabling economic growth across all areas of Cambridgeshire.** To provide conditions that encourage inward investment in higher value employment sectors in the north of Cambridgeshire, Peterborough and in Norfolk; and improve access from the north of Cambridgeshire and from Norfolk to Peterborough, the strategic road and rail networks and to national markets.
- c) **Contributing to the growth of Cambridgeshire and Peterborough.** To ensure employment and housing growth along the A47 corridor can be accommodated.

2.11 As will be set out later in this paper, the economic case for investment is also strong with all three route options with Cost Benefit Ratios (BCRs) considered 'high' within the ambition sensitivity testing. Whilst the estimated total of the scheme is substantial at between £600m and £800m, this is not considered prohibitively so, but further discussions will be required with Central Government to secure such funding in the future.

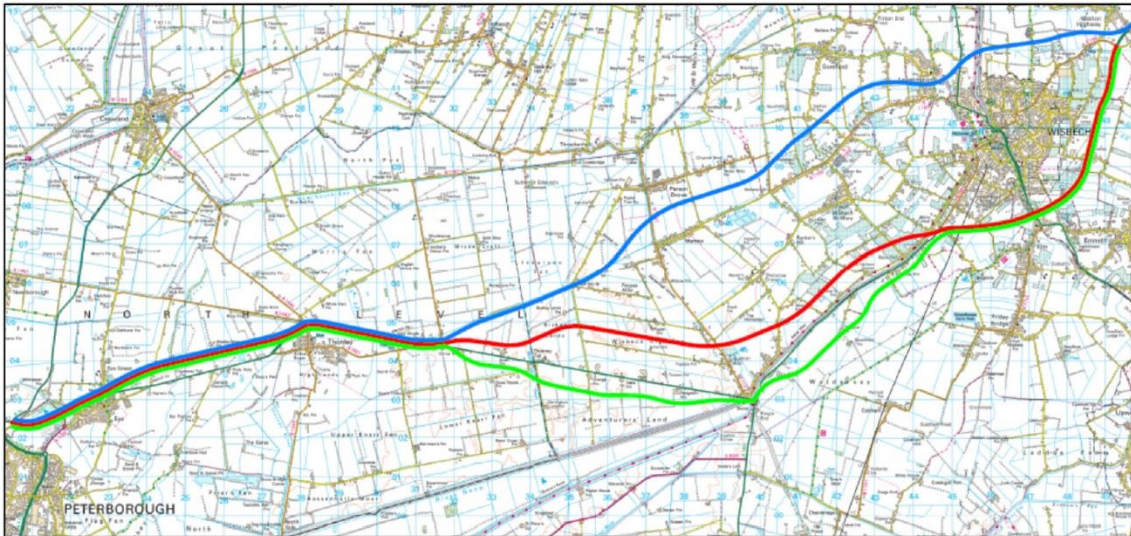
2.12 The OAR sets out three single route options (**Appendix 1**) to be developed to HE DCO Compliant PCF Stage 0 products to achieve a Green status following an independent Office of Government Commerce (OGC) review, recommending this as a suitable scheme to progress to the next stage. This combined with a proposed funding contribution of £30,000,000 toward the estimated £60,000,000 development stage costs will enable Highways England and DfT to consider this scheme for inclusion in the RIS 2 programme.

Transport Interventions Considered

2.13 Previously the study area was divided up into four sections. Multiple options were identified for each of these sections, yielding a total of 20 options. A visual representation of these options is detailed overleaf with additional information provided within the SOBC itself. However, it should be noted that the alignments shown are indicative only.

three route options take sectional options in combination from the three western sections of the corridor, balancing the impacts, benefits and support the scheme objectives, from the detailed assessments.

- 2.16 All three options (detailed below) utilise sectional Option 1.2 within the first section between the A16 and Thorney Bypass. The Routes then separate in three directions with Route A taking a northerly bias, and Route B crossing the River Nene close to White Hall. Route C takes a southerly bias interfacing with Guyhirn Junction being a combination of sectional Options 2.2, 3.4 and 4.1.



- 2.17 Each of the three route options has been developed based on assessment of the key parameters, benefits and dis benefits below:

- 2.17.1 Land Ownership;
- 2.17.2 Utility Impact;
- 2.17.3 Flood Risk;
- 2.17.4 Listed Buildings and other considerations
- 2.17.5 Timescales for Delivery;
- 2.17.6 Ecology and Environment;
- 2.17.7 Buildability and Phasing;
- 2.17.8 Affordability; and
- 2.17.9 Key Challenges

- 2.18 Each route has then been assessed relative to the do minimum scenario for both the 2026 and 2041 future forecast years. The relative user benefits of each option has then been assessed using the DfTs Transport User Benefit Analysis (TUBA) software with forecasts across a 60-year appraisal period. User benefits from journey time savings and forecast reductions in delay have been monetised similar to the section option detailed analysis and compared against estimated scheme costs to give a route BCR.

- 2.19 Economic appraisal of each route option, including the estimation of scheme costs and the monetisation of the forecast benefits, has been conducted in line with WebTAG. The appraisal results listed in Table 1 overleaf detail the relative BCR values for each of the three proposed route options, as well as the

Present Value of Benefits (PVB). As detailed in WebTAG guidance, all prices are discounted to the department's base year. These are presented for the core, high and low growth scenarios and also show the BCRs for both alternative growth sensitivity tests which consider the development of an additional 10,000 and 30,000 dwellings around Wisbech and along the A47 corridor.

2.20 The analysis indicates all options to have a BCR value of above 1.5 in the core scenario, with Route B indicating the greatest value for money. Alternative Growth Sensitivity Test One, which considers the development of an additional 10,000 dwellings for WGT, increases the BCRs across each route to above 2.0, with increased number of users benefiting from journey time savings along dual carriageway sections of the A47.

2.21 A significant increase in BCR values can be seen for Alternative Growth Sensitivity Test Two across each do something route option. This is a consequence of significant congestion arising within the do minimum model. The predicted rises in delay are unlikely to occur to the scale predicted and the scheme benefits would not be so significant. The results of Alternative Growth Sensitivity Test Two do however indicate that significant transport infrastructure improvements would be required to support the levels of growth applied with Option A generating the best BCR in both Alternative Growth Scenarios. As detailed in Table 1 below (*Table 1 Summary of Route Options Analysis*).

Value	Intervention Route Options (values in £'000)		
	Low Growth Scenario		
	Route Option A	Route Option B	Route Option C
PVB	£279,445	£286,787	£295,896
BCR	1.30	1.44	1.25
	Core Growth Scenario		
	Route Option A	Route Option B	Route Option C
PVB	£345,537	£352,081	£362,775
BCR	1.61	1.77	1.53
	High Growth Scenario		
	Route Option A	Route Option B	Route Option C
PVB	£400,288	£403,352	£414,258
BCR	1.87	2.03	1.75
	Alternative Growth Sensitivity Test One (Core + WGT)		
	Route Option A	Route Option B	Route Option C
PVB	£485,848	£464,991	£480,450
BCR	2.27	2.34	2.03
	Alternative Growth Sensitivity Test Two (Core + WGT + 20k Additional)		
	Route Option A	Route Option B	Route Option C
PVB	£4,550,932	£3,353,217	£4,094,752
BCR	21.25	16.84	17.28

Study Recommendations

- 2.22 The study, therefore, recommends that three options (see Appendix 1 – Maps of route options), be taken forward for inclusion in the Highways England RIS 2 period for design, development and consultation, with construction commencing in early RIS 3 (2025).

Next Steps

- 2.23 To continue to work with Highways England's regional team and DfT RIS team to develop the current modelling and assessment work generated to produce the SOBC and OAR, developing this data up to the Highways England DCO Compliant PCF Stage 0 quality, to achieve an SGAR 0 Green. This will enable this scheme to be assessed against all other schemes bidding for RIS 2 funding.
- 2.24 In parallel with the above activities, the Combined Authority will explore with DfT funding solutions for the design, development and consultation phase currently estimated at £60,000,000. It is anticipated that to increase this scheme's chances in the sifting process, a contribution from the Cambridgeshire and Peterborough Combined Authority could be expected to be up to £30,000,000 over the period 2019 to 2025.
- 2.25 An early suggestion has been to consider ceasing the current proposed scheme at Guyhirn and utilising the funding of that scheme in the development of this wider scheme.
- 2.26 Only route option 3 would intersect at Guyhirn and the current Highways England scheme does not facilitate dual carriageway in both directions, so it would require redevelopment should option 3 become the favoured route.
- 2.27 The negotiations to cease the continuation of the current scheme, would require a guarantee that the proposed dualling from A16 Peterborough to Walton Highway was included in the RIS 2 period.
- 2.28 Accelerated delivery is a key driver for the Combined Authority. It is for this reason that approval is being sought for the continuing appointment of the existing stage 0 consultancy support, under existing framework arrangements between our delivery partner and supplier, maintain programme, to develop their work to date, to the HE DCO PCF Stage 0 compliant quality.

3.0 FINANCIAL IMPLICATIONS

- 3.1. Additional funding of £1m is being sought, this is broken down into estimated costs of approx. £800,000 for the development of the PCF Stage 0 products, plus support staff costs and District Valuer engagement, with an additional £200,000 contingency for unforeseen elements (potential additional modelling etc) which may become more apparent during consultation with Highways England's specialist departments (Commercial, Strategy, Environment, PCF

etc), this contingency to be held by the CEO / CFO for request for release if appropriate.

- 3.2. This paper requests approval to procure and appoint the current consultancy support as an extension of the existing commission or as a direct award new commission. Both are acceptable within through the existing Cambridgeshire County Council procurement framework.
- 3.3. It is anticipated that this will be funded from the Combined Authority's £74m allocation from the Transforming Cities Fund and the scheme complies with the requirements of that funding.

4.0 LEGAL IMPLICATIONS

- 4.1. The Combined Authority assumed specific responsibility for strategic transport decisions under Article 8 of the Cambridgeshire and Peterborough Combined Authority Order 2017. This provision designated the Combined Authority as the local transport planning authority for its area.
- 4.2. The Combined Authority will fulfil its procurement requirements by sourcing appropriate consultants under an appropriate framework agreement. This is in accordance with the Authority's financial regulations and statutory requirements.
- 4.3. There are no specific equality or other statutory implications arising from these decisions.

5.0 SIGNIFICANT IMPLICATIONS

- 5.1. There are no significant implications at this stage. Legal advice will be taken on a preferred procurement route and equality issues will be addressed as part of the proposed solution.

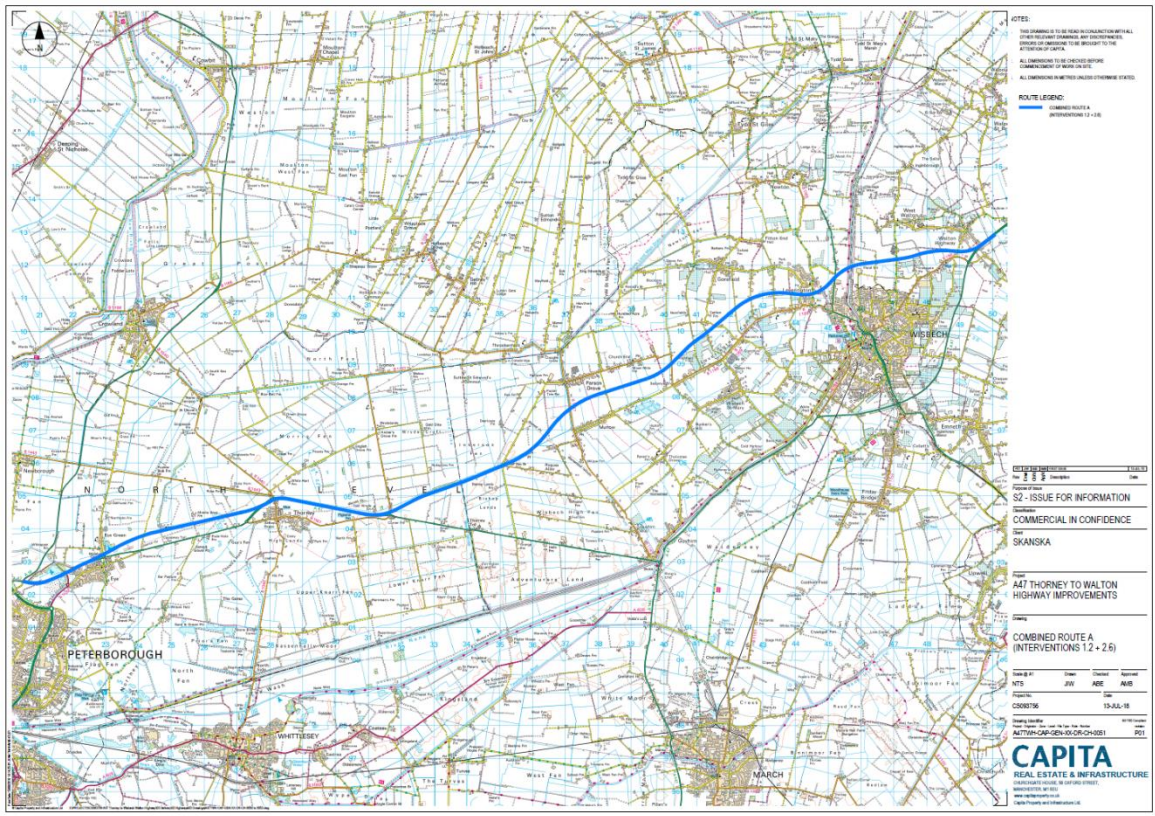
6.0 APPENDICES

- 6.1. **Appendix 1:** Maps of Route Options

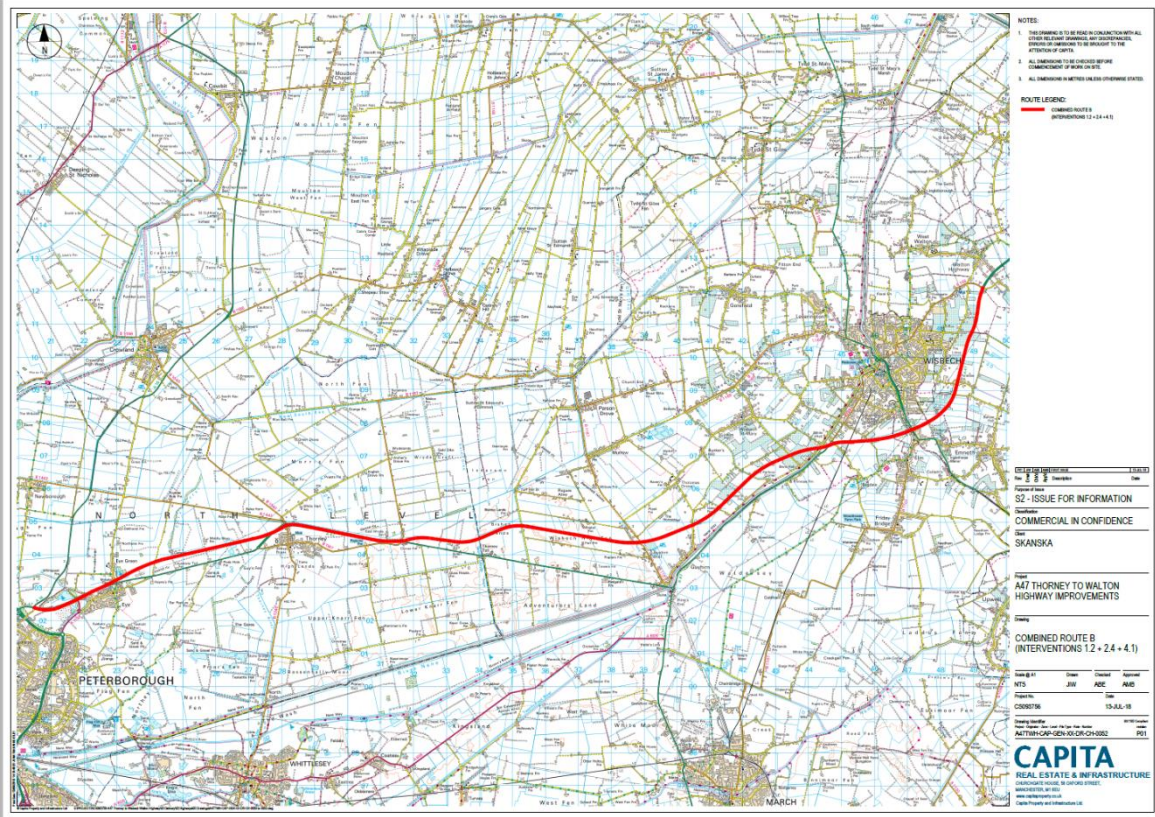
<u>Source Documents</u>	<u>Location</u>
Strategic Outline Business Case (SOBC)	SOBC - https://n3g.4projects.com/document/publicfiles.aspx?DocumentID=0ae65d5d-7a79-4622-9e1b-374557680199&isRec=true
Options Appraisal Report (OAR)	OAR - https://n3g.4projects.com/document/publicfiles.aspx?DocumentID=35244a0d-4bf9-429e-99d4-374557682346&isRec=true

APPENDIX 1 – MAPS OF ROUTE OPTIONS

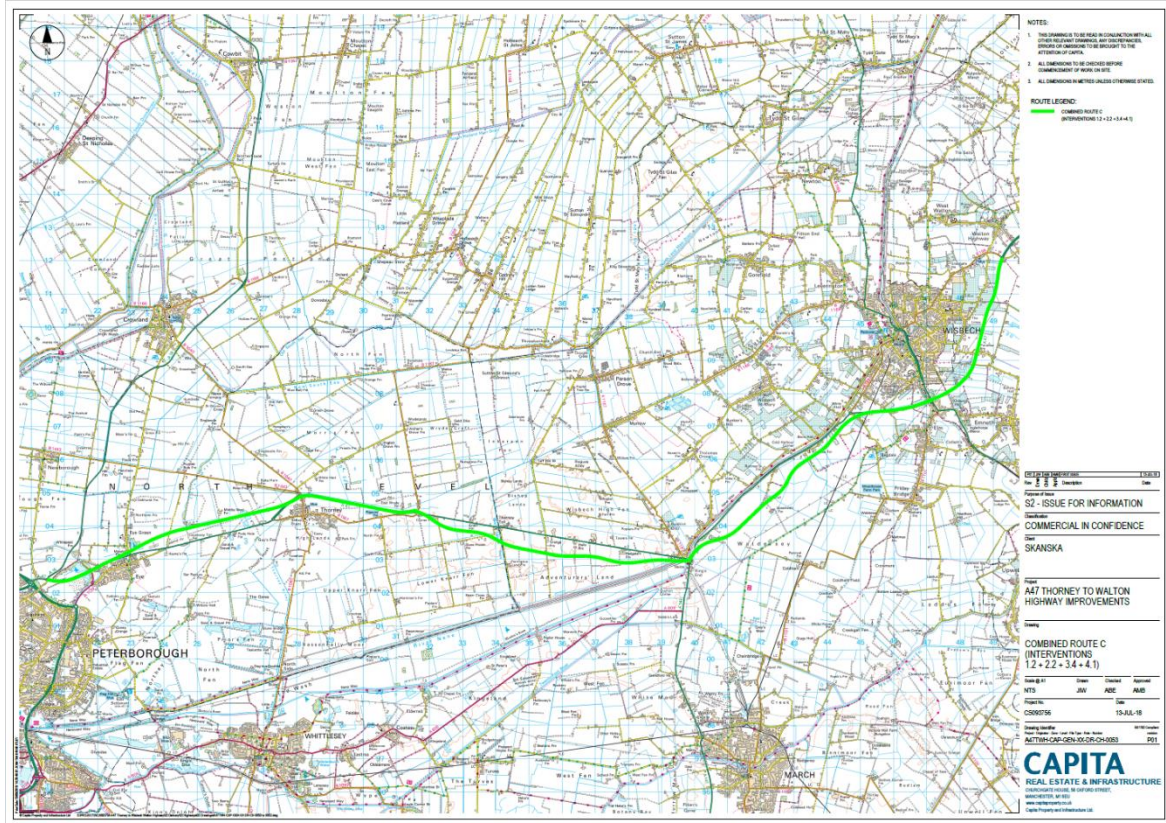
Route 1



Route 2



Route 3





**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	<u>AGENDA ITEM No: 2.4</u>
31 OCTOBER 2018	PUBLIC REPORT

CAMBRIDGE AUTONOMOUS METRO UPDATE

1.0 PURPOSE

- 1.1. The Cambridgeshire and Peterborough Combined Authority Order 2017 transferred the local transport planning powers to the Combined Authority and created the Cambridgeshire and Peterborough Combined Authority as the local transport authority for the area.
- 1.2. The Combined Authority at its meeting in January 2018 approved £600,000 to develop a Strategic Outline Business Case and an Options Appraisal Report for the Cambridgeshire Autonomous Metro (CAM). It agreed to liaise with the Greater Cambridge Partnership (GCP) to ensure GCP's current and future plans for high quality public transport corridors were consistent and readily adaptable to the emerging proposition for a CAM Metro network.
- 1.3. The Combined Authority at its meeting in July 2018 agreed to a number of points related to the CAM as follows:
 - (a) measures and protocols are developed to ensure all CAM projects are integrated and coordinated, including the set-up of a CAM officer programme board.
 - (b) that the GCP schemes, A10, A1307 and M11 Junction 11, support the early delivery of the CAM project and should be progressed
 - (c) that the continuing review of the A428 project be agreed and will conclude by the end of September
 - (d) that officers assess the potential delivery models to ensure opportunities to accelerate delivery can be taken and they report back to the Board in September.
- 1.4. This report provides an update on CAM project and specifically on the decisions taken at the July Board.

<u>DECISION REQUIRED</u>	
Lead Member:	James Palmer, Mayor
Lead Officer:	Chris Twigg, Transport Director
Forward Plan Ref: Not applicable	Key Decision: No
<p>The Combined Authority Board is recommended to:</p> <ol style="list-style-type: none"> 1. Note the progress of the CAM project towards the production of the Strategic Outline Business Case by December 2018. 2. Agree the outcomes of the review of the A428 Cambourne to Cambridge project, following the pause agreed at the July Combined Authority Board meeting. 3. Note the progress of the work to assess the potential delivery models to ensure the priority transport projects (including the CAM) can be delivered at pace. 	<p>Voting arrangements</p> <p>All members are required to be present for this item.</p> <p>Two thirds of the constituent council members must vote in favour to include Cambridgeshire County Council and Peterborough City Council</p>

2.0 BACKGROUND

Transport Responsibilities

2.1 The Cambridgeshire and Peterborough Combined Authority was formed on 28th March 2017, and from this date certain transport functions transferred to it by operation of law. These functions primarily relate to transport planning, bus services and transport operations as contained within Parts 3 and 4 of the Transport Act 1985, and Part 2 of the Transport Act 2000. They can be summarised as:

- (a) Duty to produce a Local Transport Plan;
- (b) Production of a Bus Strategy;
- (c) Rights to franchise local bus services within its area, subject to the completion of the process set out in the Bus Services Act 2017;
- (d) Powers to enter into quality bus partnerships and enhanced partnerships;
- (e) Responsibility for the provision of bus information and the production of a bus information strategy;
- (f) Role of Travel Concession Authority;
- (g) Financial powers to enable the funding of community transport;
- (h) Powers to support bus services

CAM Strategic Outline Business Case

- 2.2 Consultant Steer Davies Gleave were appointed by the Combined Authority in May 2018 to produce a Strategic Outline Business Case. This is in accordance with the Combined Authority monitoring and evaluation framework.
- 2.3 Consultant Arup were appointed in August 2018 to provide the Combined Authority with the appropriate capability and capacity to client Steer Davies Gleave. Arup was also asked to ensure that work on the CAM is integrated with the work of the GCP.
- 2.4 Work undertaken to date by Steer and Arup has confirmed that the mode of transport for the CAM will be a rubber tyred, electrically powered vehicle that can provide the required capacity and level of service, while also being the most economical and efficient solution for the network.
- 2.5 The production of the Strategic Outline Business Case remains on track for delivery in December 2018. Key elements that this document will cover include:
 - (a) The strategic and economic case for the CAM that will build upon the findings of the Cambridgeshire and Peterborough Independent Economic Review (CPIER).
 - (b) The integration of the GCP corridors into the CAM network
 - (c) The extent and reach of the CAM network with proposed transport nodes
 - (d) The frequency that the network could achieve at full operational capacity
 - (e) The projected capital and operational cost and the sources of funding that could be leveraged from the public and private sectors to deliver it
 - (f) The scale and capability of the client side organisation required to deliver the CAM during design, construction and operation phases

A428 Cambourne to Cambridge project review

- 2.6 The review of the A428 Cambridge to Cambourne was launched by the Combined Authority in May in order to ensure that it aligned with the ambitions set-out in the Mayoral Interim Transport Strategy Statement published in May 2018.
- 2.7 At the time of the Combined Authority Board in July the review had concluded that in order to ensure that the A428 Cambourne to Cambridge project fully supports the delivery of the Cambridge Autonomous Metro (CAM), the scope of the technical work to define the route of the CAM should be agreed jointly by the Combined Authority and GCP by September 18. This alignment would ensure that the project can proceed at pace while also fully supporting the delivery of the CAM and the critical connections between Bourne, Cambourne and St Neots.

2.8 Officers of the Combined Authority and GCP, assisted by consultants Steer and Arup, have worked closely through the CAM officer programme board to review the proposed route and Arup produced a report capturing the findings of the review. A copy of the report is included as Appendix 1; in summary the review identified the following key findings/ points:

- (a) That the process undertaken to date to determine the route is robust and identified the optimal solution for the corridor
- (b) That the route is reclassified as a CAM route not a guided busway.
- (c) That the vehicle operating along the route will comply with the principles of the CAM being a rubber tyred, electrically powered vehicle.
- (d) That the route must be continue to be designed to align and integrate with the overarching CAM network
- (e) That the route be connected into the tunnelled CAM network thereby providing a high frequency, pollution free public transport option into and across Cambridge centre and the entire CAM network

Delivery models

2.9 Following the decision at the July Combined Authority Board to ask officers to assess the potential delivery models to ensure the opportunities to accelerate delivery were taken, the consultant Arup were commissioned to:

- (a) Produce a strategic programme that brings together current priority transport projects across the Combined Authority area for the various local partners. This programme excludes maintenance of existing assets; the focus is therefore around priority projects and strategic oversight roles.
- (b) Review existing legislation and government policy to understand the current mandates, powers and capacities of the different existing local partners in the Combined Authority area.
- (c) Understand (using case studies) governance and delivery approaches adopted elsewhere in the UK and their applicability to Combined Authority context.
- (d) Analyse and evaluate different transport governance and delivery models for the Cambridgeshire and Peterborough Combined Authority area. This ranges from no changes needed through to a new overarching transport body covering the Combined Authority area.

2.10 This work also included an assessment of the capacity and capability of the client-side team that would be required to deliver the priority transport projects and the cost of that team. This information will allow the Combined Authority and partners to positively plan how to build the team as the projects progress.

2.11 The key findings of the work so far are:

- (a) That the size of client-side team required to deliver the priority transport projects (excluding the CAM) is far greater than currently exists within the Combined Authority, GCP, CCC and PCC
- (b) That the CAM will require a range of skills and capabilities beyond that that exists within the CA, GCP, Cambridgeshire County Council (CCC) and Peterborough City Council (PCC).
- (c) That assembly of a larger core team should begin immediately in order to maintain momentum beyond the end of the production of the strategic outline business cases in 2018.
- (d) That delivery of the programme is likely to require a substantial and flexible pot from which you can draw down specialist and technical work (perhaps from consultancy services) to supplement the core team as the volume and complexity of the work changes throughout the programme.
- (e) That an alternative delivery model to the existing organisations may be appropriate for the scale of the programme being considered.

2.12 The full report and accompanying recommendations will be brought before the Combined Authority Board in November.

3 FINANCIAL IMPLICATIONS

3.1 There are no financial implications to this report

4 LEGAL IMPLICATIONS

4.1 There are no legal implications to this report.

5 SIGNIFICANT IMPLICATIONS

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

6 APPENDICES

6.1 Report by Arup on review of A428 route.

<u>Source Documents</u>	<u>Location</u>
Report and decisions of the Board dated 31 January 2018	http://cambridgeshirepeterborough-ca.gov.uk/meetings/show/2018-01-31
Report and decisions of the Board dated 25 July 2018	http://cambridgeshirepeterborough-ca.gov.uk/meetings/show/2018-07-25



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	<u>AGENDA ITEM No: 2.5</u>
31 OCTOBER 2018	PUBLIC REPORT

A605 KINGS DYKE LEVEL CROSSING CLOSURE

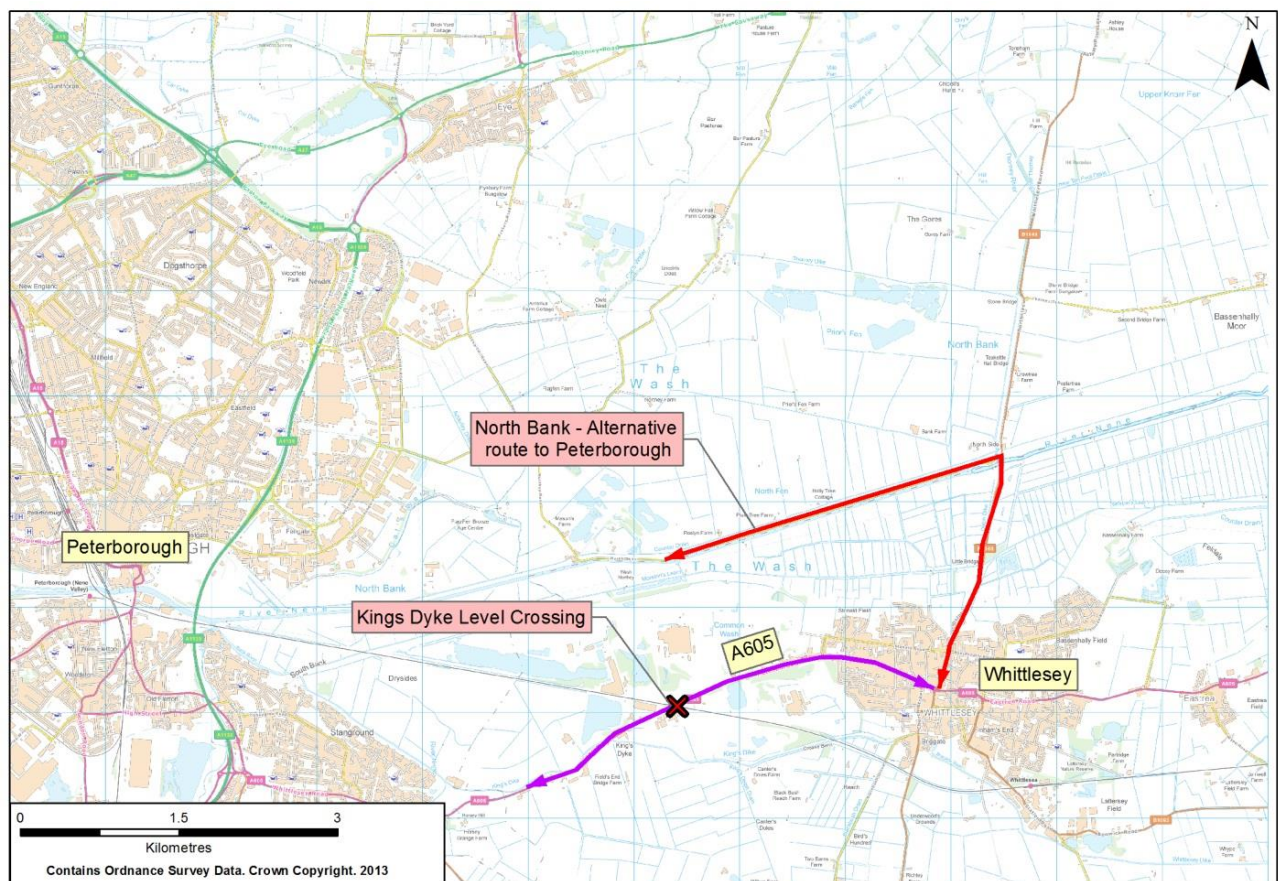
1.0 PURPOSE

- 1.1. The Peterborough to Whittlesey corridor has been identified as a key growth corridor for improved prosperity in the northern part of the region. Progressing the Kings Dyke level crossing scheme into construction would continue to stimulate the increased housing growth of 1000 new homes and improved economic corridor growth as stated in the Fenland Local Plan (2014).
- 1.2. This report considers a request for funding to enable the construction of the King's Dyke level crossing closure scheme to proceed to completion in 2020, following the completion of detailed design. The scheme continues to deliver exceptional value for money.
- 1.3. Investigations undertaken as part of the detailed design have demonstrated additional complexity to the scheme including the need to secure land to deliver the scheme, the challenges the rail line closures create and the impact on current and future journey times and journey time reliability
- 1.4. The Major Schemes Business Case (MSBC) has been revised in accordance with Department for Transport (DfT) guidelines and independently verified.

<u>DECISION REQUIRED</u>	
Lead Member:	James Palmer, Mayor & Portfolio Holder for Transport
Lead Officer:	Chris Twigg Director of Transport
Forward Plan Ref: 2018/030	Key Decision: Yes
<p>The Combined Authority Board is recommended to:</p> <ol style="list-style-type: none"> 1. Note the independently reviewed Business case supporting the progression of the scheme as value for money. 2. Agree to provide funding contribution of up to £16.4m over the original £13.6m allocation to enable the scheme to progress to construction. 3. Agree the apportionment of 40 / 60 as a split of any under / over spend against the above budget between Cambridgeshire County Council and the Combined Authority as set out in the report. 	<p>Voting arrangements</p> <p>Two thirds of the constituent council members must vote in favour to include Cambridgeshire County Council and Peterborough city Council</p>

2.0 BACKGROUND

- 2.1. The A605 is an important east-west route between the Fens and Peterborough, and is identified as a strategic route for Heavy Commercial Vehicle (HCV) traffic on the Cambridgeshire Strategic Advisory Freight Route. The A605 provides connections to the A1(M) and the A47 via the Peterborough Parkway Network.
- 2.2. The A605 between Whittlesey and Peterborough carries over 12,000 vehicles per day and there are some 120 daily train movements across the level crossing.
- 2.3. North Bank provides an alternative route to Peterborough from Whittlesey which drivers use to avoid the traffic delays and congestion on the A605, particularly caused by the level crossing.
- 2.4. North Bank is within the Nene Washes flood plain (*Nene Washes is a 1,522.1-hectare biological Site of Special Scientific Interest on the bank of the River Nene east of Peterborough in Cambridgeshire. It is also a RAMSAR internationally important wetland site, a Special Area of Conservation, a Special Protection Area and a Nature Conservation Review site*), and is often closed to traffic in winter months, with consequential increase in delays on the A605 due to an additional 5,000 vehicles travelling through Kings Dyke Level Crossing per day. See the map overleaf.



- 2.5. At present, there are typically over 100 train movements across the level crossing each weekday (7am to 7pm) and 50 during the night (7pm to 7am). In peak periods the barrier can be down for between 12 and 23 minutes each hour, which impacts journey time reliability and results in significant delays to traffic.
- 2.6. At peak periods it is possible to join the queueing traffic and not be able to clear the crossing before it closes again for another train, increasing driver frustration, and consideration to avoid the area by using North Bank.
- 2.7. The typical average delay is 87 seconds per vehicle and the typical maximum delay is 10 minutes per vehicle. This can increase to in excess of 22mins in peak periods during the flood impact at North Bank, but the wider impact of these delays and the queueing back to Stanground Bypass and beyond creates a wider impact of congestion within Peterborough City.
- 2.8. The delays have a significant impact on local businesses and commuters travelling between Whittlesey and Peterborough. Addressing these problems is therefore vital for the local economy.
- 2.9. The Fenland Local Plan (adopted May 2014) identifies Whittlesey as a key service centre in the district as one of the four market towns. It makes provisions for:

- new urban extensions north and south of the A605 in Whittlesey, including 1000 new homes and additional economic growth.
- Removing delays at the level crossing will support investment and job creation.
- Along with providing efficient transport links to existing employment centres in Peterborough and in the level crossing itself, removal of this significant access problem on the A605 will make this northern area of the County more attractive for further growth

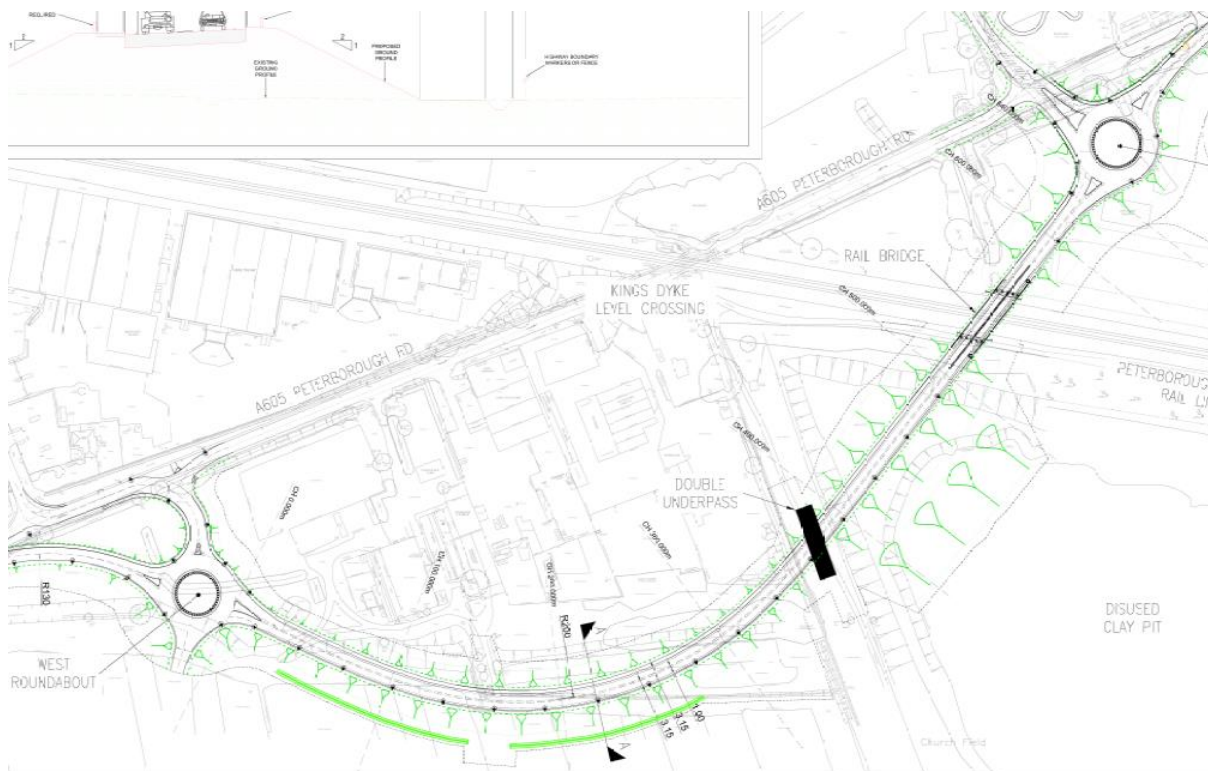
2.10. The Cambridgeshire Local Transport Plan 3 (adopted 2014) identified Kings Dyke Level Crossing replacement as a committed scheme to be delivered by 2020. The LTP3 identifies the Kings Dyke Level Crossing replacements as Phase 1 of the Whittlesey Access Strategy. The three phases of this strategy are:

- A605 Kings Dyke Level Crossing Replacement
- Stanground Access
- Whittlesea Station Improvements

The business case states that the A605 Kings Dyke level crossing scheme will deliver the following benefits:

- Reductions in journey times and congestion on the A605 will reduce costs for travellers and businesses in and around Whittlesey
- The accessibility of Whittlesey from the west will be improved, increasing its attractiveness as a place to live, work and do business
- Accessibility to employment premises to the north and south of the railway on Funtham's Lane will be significantly improved
- The reliability of rail services on the route between Ely and Peterborough will be improved with the removal of incidents of level crossing strikes
- The safety of both the road and rail networks will be improved with the removal of the level crossing
- In addition, the Whittlesey Market Town Transport Strategy adopted in 2013, identified the need to look at the feasibility for options to close the level crossing as part of its action plan.
- The Cambridgeshire Long Term Plan identifies the Kings Dyke Level Crossing replacement as a key strategic scheme that will support growth across the sub-region.

2.11. Three options were considered, and the County Council's Economy and Environment Committee agreed with the public consultation view, in selecting the option now being progressed. Cambridgeshire County Council was the Local Transport Authority until the establishment of the Combined Authority in March 2017.



- 2.12. Early estimates indicated a scheme cost of £13.6m, however it was subsequently reported in February 2015 that due to further design work having been undertaken the cost for the scheme could increase to £16.9m. It was noted therefore that additional funding may be required, but that the final total budget required would be informed by the detailed design stage. This cost has now risen to just below £30m as detailed in the table below as reported to the County Council on 11th October 2018

	Oct 18 Committee			Aug 2017 Committee
	Total Spent to Date	Anticipated Remaining Spend	Total Expected Spend	Total Expected Spend
Kier Stage 1 Contract	£722,025	£320,873	£1,042,898	£945,641
Kier Stage 2 Target	£0	£15,850,034	£15,850,034	£7,871,960
Land acquisitions	£425,454	£3,509,211	£3,934,665	£3,683,403
Statutory Undertakers	£890,887	£285,224	£1,176,110	£329,883
Network Rail Costs Estimate	£36,500	£550,680	£587,180	£118,500
Management & Supervision	£1,105,127	£1,377,837	£2,482,964	£1,426,904

Risk		£4,127,000	£4,127,000	£400,000
Optimism Bias	OB @3%	£780,626	£780,626	£2,088,749
Total Scheme Estimate		£3,179,993	£26,801,485	£29,981,478
				£16,865,040

- 2.13. A Major Schemes Business Case (MSBC) was prepared, independently assessed and approved to support a successful application for £8m Growth Deal Funding in 2017. Following the detailed design this MSBC has been independently assessed and approved to support the continuation of this scheme.
- 2.14. Based on an outline design and modelled traffic impact, the preferred option demonstrated a BCR of 2.43 at a cost of £16.9m. The higher forecast cost was used as this demonstrated the lowest potential BCR value. This BCR was subject to an independent check and, as even at the lower potential, it demonstrated high value for money. It was not reviewed until more robust scheme costs based on the detailed design were known. Following the more detailed traffic modelling during detailed design, for the revised cost of £30m the weighted average BCR is now calculated at 8.37, continuing to offer good value for money.
- 2.15. The use of the competitive process within the Eastern Highways Framework Contract (EHFC) for the detailed design and construction through a two-stage Design and Construct contract was approved. The procurement process was completed and on 10th August 2017, approval was given to appoint Kier. At this stage, using the cost estimate provided by Kier, there was no need to alter the budget estimate of £16.9m. However, it was understood that Kier's tender price was subject to review through detailed design where cost certainty would be further developed.
- 2.16. This work is now complete and has indicated that the overall required scheme budget has increased significantly due to:
- additional strengthening of the route adjacent to the brick pit,
 - reassessment of lands costs from agricultural to industrial land value,
 - robust understanding of ground conditions following surveys,
- 2.17. Significant work has been undertaken to secure the land for the scheme and contracts are now ready to be exchanged. The Land value has increased from initial estimates of £500,000 to £3.9m, due to several factors:
- Initial estimates were based on agricultural value
 - Land has subsequently been identified as having commercial value
 - Additional compensation to secure land where the road alignment would sever an individual's ability to continue their business.
 - Purchase by agreement has considered the savings in time and cost of a compulsory purchase process and compensation

The exchange and completion of the land must take place in advance of construction starting on site. Land acquisition and the ability to proceed into construction is now dependent on the approval of the additional funds.

3.0 SCHEME DEVELOPMENT AND COSTS

- 3.1. The contract awarded to Kier was to complete a comprehensive and detailed design phase, to determine the price of construction for the scheme. The contract for stage 1 was awarded on 30th October 2017 and Skanska appointed under the Highways Service Contract to undertake the NEC contract project management.
- 3.2. Whilst there is provision in the contract for the scheme to be delivered as a single package (i.e. a smooth transition from design to construction), there is no guarantee to the contractor that they will move directly from detailed design to construction. This is conditional on satisfactory performance, agreement of a construction target price and the availability of the necessary budget. Approval is sought to instruct the construction phase.
- 3.3. As the detailed design has progressed the complexity of the work required in construction has increased, resulting in a higher construction cost than that estimated by Kier at tender stage.
- 3.4. There have been several significant changes in the design that have become necessary as the detailed design has progressed and more information gathered. These principally relate to:
 - increased ground improvement requirements identified by further ground investigation,
 - more earthworks,
 - additional stabilisation work at the disused clay extraction pit (Star Pit),
 - structural requirements at the railway bridge,
 - utilities costs and
 - accommodation works required by land owners (large long-term businesses).
- 3.5. Although some ground investigation information was available at the preliminary design stage, this was only commensurate with requirements to establish buildability of a preliminary design for a planning application. This design was the basis of the initial tender estimate and only a nominal allowance for ground improvement was included in the stage 1 tender estimate.
- 3.6. Providing a suitable road alignment through a constrained site necessitated the road running close to a disused clay extraction pit Known as Star Pit. The proximity of the pit to the road embankment means that the pit will require stabilisation. Using the further ground investigation undertaken in Stage 1, the detailed design has shown that more extensive stabilisation is required than anticipated at tender stage, forming a significant part of the additional funding requirement.

- 3.7. The final target price has been submitted by the Contractor and this price has been independently checked by external consultants, this includes a detailed analysis considering the rates for labour, materials and plant, sub-contractors' prices, programme length and the Contractor's risk.
- 3.8. Throughout the design stage, value engineering (VE) exercises have been undertaken. The design is functional and not in any way elaborate. It reflects the land constraints, safety and stability requirements. This means that there is limited opportunity to reduce the scope of the design for which planning consent was given.

4.0 FUNDING

- 4.1. The current agreed funding for the project of £13.6m consists of £8m from the Growth Deal Funding, £3.5m from County Council capital funds, and £2.1m from County Council borrowing. A funding gap was envisaged following detailed design, although it has proved to be larger than anticipated.
- 4.2. The final target construction price is just below £30m, based on the independently assessed Contractor's design providing much greater certainty of the overall cost for the scheme and therefore the final required funding gap is expected to be up to £16.4m.

5.0 BUSINESS CASE

- 5.1. The Fenland Local Plan (adopted May 2014) identifies Whittlesey as a key service centre in the district as one of the four market towns. It makes provisions for:
 - (a) new urban extensions north and south of the A605 in Whittlesey, including 1000 new homes and additional economic growth.
 - (b) Removing delays at the level crossing will support investment and job creation.
 - (c) Along with providing efficient transport links to existing employment centres in Peterborough and in the area of the level crossing itself, removal of this significant access problem on the A605 will make this northern area of the County more attractive for further growth
- 5.2. To secure Growth Deal Funding from the Local Enterprise Partnership, a Major Schemes Business Case (MSBC) was prepared in line the DfT WebTag guidelines. This was independently reviewed and £8m was approved. The MSBC illustrates a number of benefits in supporting economic growth in the area.
- 5.3. In accordance with DfT guidance, traffic data has been updated and the Business Case has been independently re-assessed with the increased certainty of design and cost.
- 5.4. The initial Business Case calculated level crossing traffic delay times using accepted modelling and on-site observation. Subsequent recent traffic

surveys have shown that the initial modelling did not capture the full extent of delays caused when traffic queues were unable to clear before the crossing closed again.

- 5.5. The original traffic surveys were based on standard traffic survey specification, and subsequent queue lengths were measured at a maximum of some 200m. On re-survey camera counts were specified to verify the maximum queues, which had been reported locally to be up to 1.5km. The revised traffic surveys supported this and observed a maximum queue length of 208 vehicles eastbound and 210 vehicles westbound. These queues result from accumulative build ups of traffic over more than one closure of the crossing. At these levels, at peak times, with the added impact of flooding at North Bank, a driver may have to wait up to 22 minutes to cross the railway, increasing the typical journey time between Whittlesey and Peterborough from a typical 20 minutes to in excess of 40 minutes.
- 5.6. The detailed design of the roundabouts has provided an improved geometry from the preliminary design stage. This improvement has reduced delays within the new scheme, also improving the efficiency of the scheme resulting in benefits which are now far greater than previously calculated.
- 5.7. The revised data captured during detail design has resulted in a reported BCR of 8.37 as the minimum value for the scheme. This is a significant increase on the original BCR of 2.43, but as it remains in excess of 2.0, the scheme still represents good value for money.
- 5.8. Current delays and costs are clearly impacting on local business and commuters, making the Whittlesey area less attractive for new business and homes. Given the limited routes serving Whittlesey, improving accessibility between Peterborough and Whittlesey by removing the delay and costs caused by the level crossing will not only facilitate growth as detailed in the local plan, but has considerable potential to encourage development over and above that currently forecast. However, to do nothing, further development is likely to be severely limited.
- 5.9. There are additional benefits that have not been quantified in the revised BCR. The rail industry has plans to increase both freight and passenger use of the network that could see crossing closure time at King's Dyke increase from the current 8-20 minutes per hour to 27-38 minutes per hour by 2031. However, these increases were not included as such increases in freight and passenger movements are not yet fully committed and remain an aspiration. The approach used therefore provides a relatively conservative estimation of additional benefits, but it is evident that any increase in rail traffic movement, whether passenger or freight, would have a significantly adverse impact on road traffic delay, isolating Whittlesey from Peterborough and beyond even more.
- 5.10. The BCR has been calculated taking into account annual average closure of North Bank, increasing vehicles using the level crossing as an alternative route. The BCR for the Scheme remains in excess of 2.0 which shows that

the scheme continues to provide excellent value for money, along with the significant wider benefits to the community and local economy, unlocking further potential development in the Whittlesey area.

6.0 LAND ACQUISITION

- 6.1. Informal agreements on land values and the impact of the scheme on retained land has been reached with landowners. Land negotiations are still in the final stages of negotiation and each element of land cost therefore remains commercially confidential.
- 6.2. Approval of the increased target cost is essential to enable the purchase of the land for the scheme to proceed. It would be a risk to purchase the land without full scheme approval.

7.0 PROGRAMME

- 7.1. The current timeline for project completion and the initial realisation of benefits is as follows, based on successfully securing additional funding:

October 2018	Stage 1 - Detailed design complete
November 2018	Stage 2 – Construction contract award
Dec/Jan 2019	Commence Utility diversions
February/March 2019	Construction commences
Late 2020	Construction complete; Scheme opens

- 7.2. It should be noted that there are risks that could potentially impact on this timeline:

- Delay in securing the additional funding required to sign the Stage 2 contract.
- Delay in completing land acquisition, resulting in landowners re-negotiating land prices.
- Completion of land acquisition – restricts access to carry out major UKPN diversions or commence construction.
- Final agreement of the target construction cost for stage 2.
- Agreement of construction contract terms.
- Completion of utility diversions. Ideally need to be carried out before construction commences. (May be carried out alongside construction but this brings some risk).
- Agreement of Network Rail possessions which need to be coordinated with the construction programme.
- Delays in gaining necessary Network Rail approvals
- Significant adverse weather and/or further unforeseen ground conditions.

8.0 FINANCIAL IMPLICATIONS

- 8.1. A funding allocation of £16.4m is being sought, this is due to increased land acquisition costs and construction costs as detailed previously within this report following detailed design.
- 8.2. This paper requests approval to procure the necessary land to enable construction and to approve the construction phase of the contract with Kier as contractor, in accordance with the current procurement agreements between Cambridgeshire County Council and the supplier.
- 8.3 This paper is generally presented with the project as being at a fixed cost. In practice there is a risk budget of £4.8m. As the land is being procured by Cambridgeshire County Council (CCC) as the Highway Authority, an apportionment of 40 / 60 as a split of any under and over spend between Cambridgeshire County Council and the Combined Authority.
- 8.4 This project has had a long gestation period that has, in some respects, missed opportunities to fund it in a more comprehensive manner. It is unfortunate that the increased costs position has arisen at this late stage as, with the land purchases needing to conclude in the very near future, there is little opportunity to redeem the position in a structured manner. In evaluating the position there is clearly betterment for major local industrial companies located adjacent to Kings Dyke for whom both logistics and access will be much improved. Similarly, Network Rail will see a significant de-bottlenecking of their network, but it is not clear that, having funded the scheme, that any additional capacity will be made available to the people of Cambridgeshire and Peterborough. The is useful learning for future projects, in terms of potentially seeking funding from outside parties which the process followed here in good faith has not allowed us to develop.
- 8.5 It is anticipated that this will be funded from the Combined Authority's £74m allocation from the Transforming Cities Fund and the scheme complies with the requirements of that funding.

9 LEGAL IMPLICATIONS

- 9.1 The Combined Authority is the Local Transport Authority under Article 8 of the Cambridgeshire and Peterborough Combined Authority Order 2017. This is a responsibility it assumed from the Cambridgeshire County Council for this area in March 2017.
- 9.2 In 2018 the Combined Authority delegated authority for delivery of its transport functions to the Cambridgeshire County Council and Peterborough City Council for the current financial year. This delegation operates under section 101 Local Government Act 1972 and means that the Cambridgeshire County Council acts in the name of the Local Transport Authority for the delivery of transport functions, other than delivery of the Local Transport Plan, including this major project.

- 9.3 The Cambridgeshire County Council has referred this transport project to the Combined Authority as it cannot currently act within the financial limits of the project and requires further funding.

10 SIGNIFICANT IMPLICATIONS

10.1 Resource Implications

- 10.1.1 The overall cost for the scheme is significantly greater than previously forecast owing to the increase in land acquisition and construction cost, now based on a detailed design. As noted above, officers will work with the contractor to reduce this where possible.
- 10.1.2 The current scheme estimate includes a rate of Optimism Bias of 3% to reflect the increase in cost certainty based on the contractor's detailed design and stage 2 tendered price.
- 10.1.3 Whilst the cost has increased substantially over earlier estimates, the costs have been reviewed by an external consultant to ensure that they remain competitive and deliver value for money.
- 10.1.4 This is a Target Cost Contract, so actual costs will be paid, but subject to a pain/gain mechanism. The Target Price can vary to reflect any increase or decrease in the scope of the work required. In construction projects where unpredictable issues may arise, costs will almost certainly vary from the final agreed Target Cost. At the end of the contract, any variance between the final target price and actual cost is apportioned between the contractor and the employer, allowing the contractor to share any savings made or to contribute towards overspend. This mechanism incentivises all parties to work collaboratively to deliver the project as economically as possible as underspends (gain) or overspends (pain) are shared in agreed proportion.
- 10.1.5 The contract is being managed and supervised in accordance with contractual (New Engineering Contract) requirements. All claimed costs and adjustments to the target price will be assessed by the NEC Project Manager with the project team, including specialist consultants, in negotiation with the contractor to ensure that they are justified and evidenced and provide value for money. This ensures that all work undertaken is necessary and is delivered in most economical way.

10.2 Procurement/Contractual Implications

- 10.2.1 The current contract with Kier is due to complete at the end of October 2018. The construction contract will be an NEC ECC option C. This will be subject to agreement of the construction target price and terms.
- 10.2.2 There is a break point at the end of the detailed design (Stage 1). It is possible to retender the construction based on this design. However, this is likely to delay the scheme by up to 9 months, with some risk to land acquisition and cost with land owners seeking to renegotiate increased

payments or potentially withdrawing from current agreements. However, the cost reviews indicate that there is unlikely to be significant saving in re-tendering construction.

10.3 Statutory, Legal and Risk Implications

10.3.1 The key risks are detailed in a scheme Risk Register which has been reviewed and updated by the contractor and officers during the design period.

10.3.2 Delay in completing land purchase could lead to land owners seeking to renegotiate increased land prices.

10.3.3 Identified key risks include coordinating work with Network Rail and statutory undertakers, dealing with unforeseen poor ground conditions, presence of contaminated material and cost control. Mitigation actions are agreed with the contractor and actioned.

10.3.4 Health and Safety on the scheme will be managed in accordance with all relevant legislation, including the Construction Design and Management Regulations 2015.

10.3.5 The risk of completing land acquisition ahead of agreement of a target cost was highlighted. With the increased construction cost, this risk is more significant and completion on the land is only recommended when additional funds are confirmed.

10.3.6 The weighted average BCR is calculated at 8.37, and continues to offer good value for money.

10.3.7 The scheme offers high value for money and represents one of the most significant investments that could be made by the Combined Authority in the area. To not progress would impact heavily on the drive for economic growth, a key remit of the Combined Authority.

10.4 Engagement and Communications Implications

10.4.1 Public consultation has been a key factor in the identifying a recommendation for a preferred option.

10.4.2 Further public consultation and community engagement has been undertaken as part of the planning process.

10.4.3 The scheme has significant local support, with little opposition.

10.4.4 Updates for stakeholders and the public will be provided throughout the scheme.

10.4.5 The Project Board draws upon local members both for steering the project and local knowledge of issues.

10.4.6 A communication plan is in place for Stage 2.

10.4.7 A pre-construction event will be held, and regular newsletters issued during the construction phase.

10.5 Localism and Local Member Involvement

10.5.1 Local County and District members are engaged in the project as members of the Project Board.

<u>Source Documents</u>	<u>Location</u>
Major Schemes Business Case (MSBC)	https://ccc-live.storage.googleapis.com/upload/www.cambridgeshire.gov.uk/residents/travel-roads-and-parking/Kings%20Dyke%20MSBC%20-%20v5.0_Final.pdf?inline=true



CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	AGENDA ITEM No: 2.6
DATE OF MEETING 31/10/2018	PUBLIC REPORT

PERFORMANCE REPORTING

1.0 PURPOSE

- 1.1. This report seeks the Board's agreement to future performance reporting arrangements.

<u>DECISION REQUIRED</u>	
Lead Member:	Mayor James Palmer
Lead Officer:	Paul Raynes, Director of Strategy and Assurance
Forward Plan Ref: n/a	Key Decision: No
The Combined Authority Board is recommended to: (a) Agree the proposed performance reporting arrangements described in this paper.	Voting arrangements Simple majority of all Members.

2.0 BACKGROUND

- 2.1. The Cambridgeshire and Peterborough Devolution Deal is all about delivering better economic outcomes for the people of our area and commits us to specific results. The Combined Authority needs to monitor how well it is doing that.
- 2.2. Some of our commitments are to statistical metrics – job and economic growth, for example. Some are to deliverables – such as homes, infrastructure, road and rail improvements. We need to track our performance on both.

- 2.3. We have chosen to work as a lean, delivery-focussed organisation. Most of what we do is structured and governed as projects. For most of them, we are commissioning others and acting as a smart client.
- 2.4. Our performance reporting to the Board should reflect the Devolution Deal commitments, but also fit that business model. That can best be done by giving the Board a view on both outcome measures and project delivery assurance.

Proposed reporting arrangements

- 2.5. We suggest the following reporting to the Board from November onwards:
- A single, simple, delivery dashboard for the Combined Authority should be presented at the Board quarterly
 - The delivery dashboard should report outcome measures for Devo Deal and Mayoral commitments on growth (GVA), jobs, housing delivery, affordable homes, apprenticeships and commuting times
 - It should also provide an overall programme report on the top priority projects from our portfolio of live projects, with ratings on a Red/Amber/Green (RAG) scale, plus any other red ratings and significant changes
 - Access to detailed project dashboards for Board members.
- 2.6. Committees would also receive appropriate performance reporting tailored to the Committee's portfolio.
- 2.7. These arrangements would enable the Board and Committees to:
- Track delivery of the Devolution Deal and so exercise appropriate stewardship of the public funds associated with the deal
 - Identify projects that present delivery risks and may require further scrutiny and support from the Board and Committee members.
- 2.8. The outcome measures would be drawn from official statistics or our own project reporting. Some – affordable housing units or apprenticeships secured, for instance – will be updated continuously as our work proceeds. Others – such as GVA – may be updated only annually. We will also have regard to the recommendations of the Cambridgeshire and Peterborough Independent Economic Review (CPIER) on measuring jobs and growth.
- 2.9. The project RAG ratings are updated monthly as part of our normal management processes and so will always be up to date to within a month when presented to the Board or Committee.
- 2.10. The Directors will use a similar dashboard reporting monthly, in particular to monitor the project portfolio.
- 2.11. An illustrative delivery dashboard, which at this point contains dummy figures, is attached as Appendix 1.

3.0 FINANCIAL IMPLICATIONS

3.1. None.

4.0 LEGAL IMPLICATIONS

4.1 It is a condition of the Devolution Deal that we have proportionate performance monitoring arrangements in place.

5.0 SIGNIFICANT IMPLICATIONS

5.1 None not mentioned above.

6.0 APPENDICES

6.1. Appendix 1 – Illustrative Programme Dashboard

<u>Source Documents</u>	<u>Location</u>
List background papers: Cambridgeshire & Peterborough Devolution Deal	http://cambridgeshirepeterborough-ca.gov.uk/home/devolution/

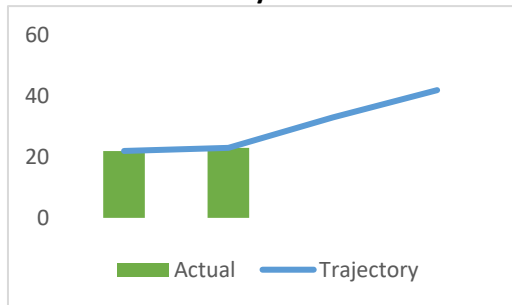


PERFORMANCE REPORT - OCTOBER 2018

*Mock-up of report – data for illustrative purposes

CAMBRIDGESHIRE
& PETERBOROUGH
COMBINED AUTHORITY

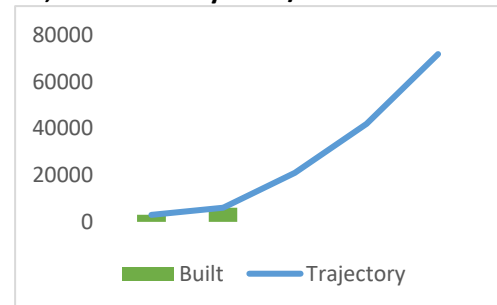
Double GVA over 25years



x%

2017

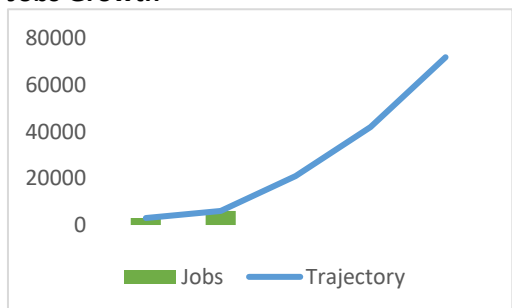
72,000 homes by 2031/32



x000

2018

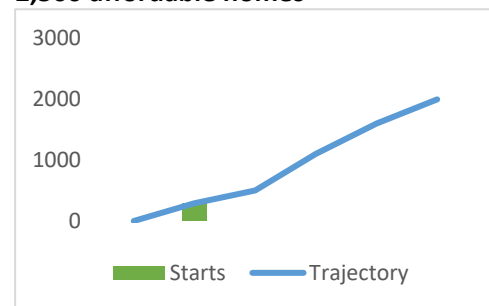
Jobs Growth



x000

2017

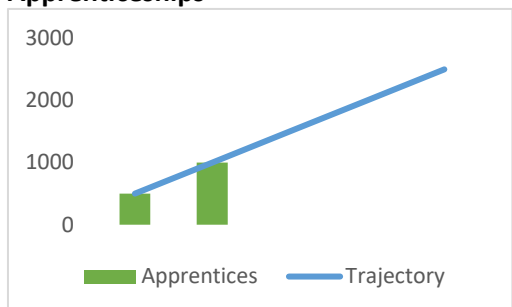
2,500 affordable homes



x00

2018

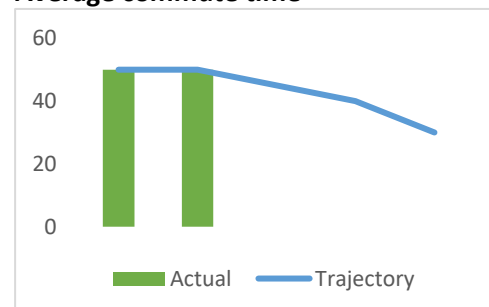
Apprenticeships



x00

2018

Average commute time



Xmins

2018

Project Dashboard

