



## Overview and Scrutiny Committee\_ Decision Summary

**Meeting:** 27<sup>th</sup> November 2017

<http://cambridgeshirepeterborough-ca.gov.uk/meetings/overview-and-scrutiny-committee-27-november-2017/?date=2017-11-27>

Chair: Cllr John Batchelor

Summary of decisions taken at this meeting

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
1.	<b>Apologies</b>	Apologies received from Cllr Carter, substituted by Cllr Bucknell.
2.	<b>Declaration of Interests</b>	There were no declarations of interest.
3.	<b>Minutes of the 23<sup>rd</sup> October 2017</b>	The minutes of the meeting held on Monday 23rd October were agreed as a correct record subject to the following amendments:-  That the names of the Portfolio Holders should be included in the minutes.  At point 4.2 a more precise description on what imbalance meant should be included as follows.

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		<p>The committee wished it to be recorded that their interpretation of the word “imbalance” used by the Portfolio Holder meant “That within the combined authority area there was a financial imbalance between different parts of the combined authority area and some areas were more disadvantaged than others .</p> <p>Under item 5 the committee asked for it to be recorded that the Portfolio Holder for Skills had advised that there would be no ‘mickey mouse’ degrees available at Peterborough University.</p> <p>At point 6.2 Cllr Hayward asked for it to be recorded that he did not say that level crossings were on the A1 and that he had requested that his point should be raised at the October Board meeting.</p> <p>The Committee requested that when presentation slides were sent out to members that they be presented one slide per page.</p> <p>In relation to matters arising, Cllr Murphy advised that at the last meeting that the S151 officer had agreed to provide information on the £3.8m available for transport in relation to the Rhubarb Bridge crossing. Cllr Murphy was still awaiting this information.</p>
4.	<b>Interview – Portfolio Holder for Fiscal Planning</b>	<p>The Committee invited the Portfolio Holder for Fiscal Planning (Cllr Steve Count) to the meeting to give a presentation and answer questions from the committee on his portfolio.</p> <p>Below is a summary of some of the points raised during the discussion:-</p> <ul style="list-style-type: none"> <li>• The £600m would not deliver all the schemes within the Combined Authority’s remit but the funding could be used to unlock further funding streams.</li> <li>• The LEP and Combined Authority are separate legal entities so there was no financial impact on the combined authority unless it chose to. The Combined Authority had chosen to fund some LEP schemes previously under the LEP’s portfolio under approval of the CEO and later ratified by the Board. There were no plans for the Combined Authority to bail out any other organisations</li> <li>• The Portfolio Holder confirmed that Combined Authority is the guarantor for its own</li> </ul>

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		<p data-bbox="898 188 2047 256">lending; not constituent councils and going forward it would be up to the lender to guarantee any loans. This may change in the future.</p> <ul style="list-style-type: none"> <li data-bbox="853 300 2069 368">• The Treasury Management paper will outline any borrowing requirements and if there are any borrowing caps imposed this would be set out in the finance strategy.</li> <li data-bbox="853 411 2069 480">• Project borrowing would most likely be project specific but the Portfolio holder could not rule out other funding streams being used.</li> <li data-bbox="853 523 2024 632">• Land Value Capture was being looked into as a funding solution but discussions were ongoing with central government. It was important to get the infrastructure needed to build the communities.</li> <li data-bbox="853 675 2024 783">• The lack of VAT registration for the Combined Authority was not an immediate concern as government was aware of the necessity and legislation to implement this was being sped up. All back monies would be recoverable.</li> <li data-bbox="853 826 2069 967">• The transport funding that was given to the Combined Authority was handed down to Peterborough City Council and Cambridgeshire County Council in its entirety but ultimately the Combined Authority was the transport authority for the area so it required the facility to levy in future.</li> <li data-bbox="853 1010 2024 1078">• The £2m funding promised in the budget last week would be paid over two years and would fund the staffing for the Combined Authority.</li> <li data-bbox="853 1121 2024 1190">• There would be no impact on constituent councils for funding and no constituent council had been asked for funding from the Combined Authority at this point.</li> <li data-bbox="853 1233 2024 1374">• The £20m per year for the next 30 years promised by government for the Combined Authority would be devalued over the years due to rising inflation and this was one of the reasons it was important to be looking at possible borrowing avenues now.</li> <li data-bbox="853 1417 2047 1453">• A further £76 m was provided to Combined Authority in last week's budget and as</li> </ul>

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		<p>central government gained further trust in the Combined Authority further funding would be granted.</p> <ul style="list-style-type: none"> <li>• Rather than funding agreements being labeled 'Devolution Deals' more money would come from a continuous series of successful bids and grants.</li> <li>• Options were being developed to allocate the £100m funding for housing development. The options would be based on assessed need using a robust criteria and business case. Consultants would be selected using similar criteria used by the County Council and an assurance framework.</li> <li>• The assurance framework stated that the £70m for housing development in Cambridge must be spent within the framework and it must be evidenced, however, Cambridge City Council would have direct control over the allocation.</li> <li>• £100m to deliver affordable housing can be used on viable sites across the combined authority area including stalled sites which could help with the housing shortage. Funding would be subject to viable individual business cases. It is written in to the assurance framework that should the Board feel that there was a need for them to intervene in an individual business case then they could. Procurements rules must be followed.</li> <li>• Project appraisal would be done using the budget method with each project being evaluated individually by the Combined Authority. The appraisal on priorities for the area covered by the Combined Authority would be done by the Economic Commission that had been set up. Some items would need independent guidance.</li> <li>• There were two mechanisms by which the Combined Authority could levy money; the first was through the Mayor's precept which could be used solely to fund the Mayor's own office. Secondly the Combined Authority could have a levy on business rates.</li> <li>• There was no Mayoral precept predicted for the 2018/19 budget.</li> <li>• To date there had been no extra cost to the tax payer from the Combined Authority.</li> </ul>

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		<p>A full summary of the interview is in the minutes: <a href="http://cambridgeshirepeterborough-ca.gov.uk/meetings/overview-and-scrutiny-committee-27-november-2017/?date=2017-11-27">http://cambridgeshirepeterborough-ca.gov.uk/meetings/overview-and-scrutiny-committee-27-november-2017/?date=2017-11-27</a></p>
5.	<b>Interview – Portfolio Holder for Tourism &amp; Leisure</b>	<p>The Committee invited the Portfolio Holder for Tourism and Leisure (Cllr John Holdich) to the meeting to give a presentation and answer questions from the committee on his portfolio.</p> <p>Below is a summary of some of the points raised during the discussion:-</p> <ul style="list-style-type: none"> <li>• Authority to undertake a Bus Review was going to the Board on 29 November. The review would consider areas such as service on demand, transport to smaller towns and isolation in rural areas especially as it could feed into other schemes. With transportation being seen as a solution to isolation.</li> <li>• The Bus Review would look at areas beyond the borders of Cambridgeshire and Peterborough.</li> <li>• The Combined Authority could encourage better management of the Public Rights of Way and this would be an area for the portfolio to look at.</li> </ul>
6.	<b>Review of Combined Authority Agenda</b>	<p>The Committee reviewed the upcoming agenda for the Combined Authority Board, the responses below were provided to the committees questions:-</p> <p>In response to a question about the St Neots item coming to the Board the CEO advised that St Neots was an underperforming area that had great potential and although different in many ways to other market towns in the area there would definitely be some similarities that could be transferred across areas.</p> <p>In response to a question about recruitment at the Combined Authority the CEO responded that the Combined Authority would be confirming the appointment of the Legal and Monitoring Officer on 29 November and would be starting recruitment for the Chief</p>

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		<p>Finance Officer. Currently all posts at the Combined Authority were occupied in some capacity. The CEO planned to wait for a resolution with the LEP before making further permanent appointments.</p> <p>The CEO provided the Committee with a general update on the situation with the LEP, the following points were made:-</p> <ul style="list-style-type: none"> <li>• The first priority for the CEO was to gauge the financial position of the LEP; with agreement from the LEP Board there were some actions that could be taken which would help to relieve some of the financial pressures.</li> <li>• The CEO had commissioned an independent financial review to be done by Grant Thornton and through the Chair of the LEP an independent review of how the LEP Board operates by Pinsent Masons.</li> <li>• The CEO stated that he felt that although the Combined Authority and the LEP were two separate entities, his role as CEO was one role - to achieve growth in the local economy and he was clear on what he was doing in each role.</li> <li>• Officer structures within each organisation needed to be joined up.</li> <li>• There was an opportunity for the LEP to become stronger and take on a more strategic role for the area; currently it was felt that the LEP was isolated, for example there were work projects being done by the LEP on skills that were also being looked at by other organisations. There was an opportunity to remove duplication.</li> <li>• The geographical areas covered by the LEP and the Combined Authority were different and this was a matter for the Board to consider, options would be brought back to Board.</li> <li>• The National Audit Office had completed a review into the LEP which would be published soon. This piece of work examined the governance of the LEP and was different to the two pieces of work that had been commissioned to be carried out by</li> </ul>

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		Grant Thornton and Pinsent Mason.
7.	<b>Combined Authority Forward Plan</b>	The Committee noted the forward plan of the Combined Authority Board.  The current forward plan is at <a href="http://cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/Forward-Plan-updated-20th-November-2017.pdf">http://cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/Forward-Plan-updated-20th-November-2017.pdf</a>
8.	<b>Overview &amp; Scrutiny Work Programme</b>	The Committee agreed to discuss the work programme in more detail at their training session.
9.	<b>Date &amp; Location of Next Meeting</b>	The next meeting would be held at Fenland District Council at 2pm on the 18 <sup>th</sup> December 2017.