

**ECONOMY AND ENVIRONMENT COMMITTEE: MINUTES**

**Date:** Thursday, 16<sup>th</sup> August 2018

**Time:** 10.00a.m. to 11.10 a.m.

**Present:** Councillors: I Bates (Chairman), R Fuller, T Sanderson (substituting for D Giles), L Harford (substituting for Cllr Ambrose-Smith), N Harrison (substituting for Cllr Batchelor), M Howell (substituting for Cllr Connor), N Kavanagh, S Tierney and J Williams.

**Apologies:** Councillor D Ambrose-Smith, H Batchelor, D Connor, D Giles and T Wotherspoon

**134. DECLARATIONS OF INTEREST**

None

**135. MINUTES**

The minutes of the meeting held on 12<sup>th</sup> July 2018 were agreed as a correct record.

**136. MINUTE ACTION LOG**

The following update was provided to Members as part of the Committee running order:

Minute 122 from the 12<sup>th</sup> July Meeting - following the July meeting the Liberal Democrat Group confirmed to Democratic Services that they had appointed Councillor Batchelor to the new Cross Party Group on Poverty being set up by Communities and Partnership Committee for which a Liberal Democrat nomination had been sought.

The Minute Action Log was noted.

**137. PETITIONS AND PUBLIC QUESTIONS**

No petitions or public questions were received.

**138. APPROVAL TO PROCURE CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY (CPCA) TRANSPORT PROJECTS**

The CPCA agreed their transport priorities at their Board meeting held on 28 March 2018. The County Council is working on their behalf on a number of major transport projects providing services including:

- Procurement of consultancy services;
- Project and contract management; and
- Technical assurance of consultants work.

This report sought the Committee's approval to procure consultant resource on behalf of the CPCA to undertake development work on three of its transport priorities. In addition, the CPCA and the Business Board were in the process of considering the release of the next phase of the Growth Deal funding allocated to the Wisbech Access Strategy. As a result, the Council might also be asked to commission the next stage of work on two further projects. For each of the projects, the expenditure involved would be over £500,000 and therefore required Committee approval as Key Decisions under the Council's Constitution. The six projects were as listed below with more detail included in the report:

*March to Wisbech Transport Corridor Study.*

It was intended to run a mini competition through the ESPO framework to ensure value for money.

*A505 Corridor Study.*

It was intended to run a mini competition through the ESPO framework to ensure value for money.

*A47 Dualling*

Skanska were undertaking work on the A47 dualling proposals that has been commissioned by the Council on behalf of the CPCA through the Highways Services Contract. *Wisbech Access Strategy.*

Subject to the release of funding, it was intended to award this work to Skanska through the Highways Services Contract.

*A10 dualling between Ely and Cambridge*  
*M11 extension to the A47*

CPCA officers had indicated that the CPCA may ask the Council to procure consultancy services to further develop these options.

In discussion it was confirmed that expenditure on contracts let on behalf of the CPCA by the Council would be recharged to the CPCA, as would all officer time spent on this work. The Committee was also asked to delegate to the Executive Director for Place and Economy, in consultation with the Chairman and Vice Chairman the agreement of roles and responsibilities in relation to the projects. This would require a project instruction and a legal agreement to be in place between the CPCA and the Council for each project, with the CPCA covering the costs of the Council in respect of all agreed liabilities under the project contracts and instructions.

In discussion issues / questions raised included:

- With respect to the March to Wisbech Transport Corridor Study and the intention to take it to a stage of development equivalent to Network Rail GRIP stage 3 (option selection) one Member sought further explanation of what the latter was.

GRIP was an 8 Stage process and the proposal was to get the project to a detailed business case part of the process. GRIP 3 was the pivotal point at which a railway was achieved and where funding was committed. 6 was commissioning, 7 building and 8 opening. Network Rail currently agreed in principle to the project and currently the project had reached GRIP 2 with an outline business case.

- One Member expressed her deep concern regarding the extent to which the County Council was becoming a junior partner to the CPCA and believed the proposals was a way for the CPCA to avoid having to employ staff directly in order to continue to be able to say it was a lean run organisation, while loading all the risk and potential blame for any failures on the County Council. She highlighted that the Mayor in the past had been a very vocal critic of the performance of the County Council, while demanding extremely ambitious project timescales without full consideration of the risk and cost implications. She made reference to the cost escalation issues that had arisen with both the Ely Bypass and Kings Dyke capital projects. She was particularly critical that unlike the next report on the agenda, the Committee was not being given sight of the proposed legal agreement between the two parties and that there was no evidence of a risk assessment having been undertaken. In response it was clarified that the County Council was a key partner and officers were fully aware of the risks involved and that the legal agreement being drawn up by the legal teams for the two partners, would ensure the risk level was reasonable.
- There was concern from a number of Members regarding the impact on County Officers of having to undertake additional work for the CPCA. It was explained that the in-house expertise was not additional resources but was the resource that would have been available if the County Council was undertaking the project and was being transferred, as the CPCA was now the responsible Transport Authority. It was seen as critical that the projects were taken forward within the timescales. If additional resources were required, they would be paid for by the CPCA and would not be an additional cost to the Council.
- A question was raised on what the time limits were and at what stage would the projects become invalid, if not progressed. It was explained that if after between 4-6 years a project was not progressed, then there would need to be transport remodelling work undertaken to take account of any changed circumstances. In addition at any time environmental regulations might also change, which could have an impact, requiring project re-assessment.
- The Member with particular concerns suggested that the arrangements was more that the County Council was being employed as a commercial consultant rather than a partner, stating that such arrangements with private contractors required there to be professional indemnity insurance in place and asked the position regarding work for the CPCA. In response it was indicated that officers would be working with the Council's insurers to ensure the necessary indemnities were in place, highlighting that while the County Council was being employed on a technical consultancy basis, there was not the same level of commercial risk.

- In response to the suggestion that the Committee should be responsible for agreeing the governance arrangements it was clarified that management and decision making responsibility was with the CPCA.
- On how the proposed arrangements stood in relation to European Union procurement regulations, attention was drawn to paragraph 2.1 of the report detailing that procurement would be through the Eastern Shires Purchasing Organisation's (ESPO) Consultancy Framework or the Highways Services Contract.
- The majority of Members highlighted the importance of supporting the proposals to help deliver much needed schemes to residents of the County.

On the recommendations being put to the vote, it was resolved by seven in favour with two abstentions to:

- a) Approve procurement on behalf of and fully funded by the Cambridgeshire and Peterborough Combined Authority, of consultancy services in relation to:
  - the March to Wisbech Transport Corridor Study,
  - the A505 Corridor Study,
  - the A47 dualling from Peterborough to Wisbech,
  - the Wisbech Access Strategy phase 1,
  - the A10 dualling from Ely to Cambridge, and
  - the M11 extension to the A47
- b) Delegate to the Director of Place and Economy in consultation with the Chairman and Vice Chairman of the Committee, the agreement of:
  - A project instruction for each project, and
  - A legal agreement between Combined Authority and the Council for each project.

## **139. CONNECTING CAMBRIDGESHIRE PROGRAMME EXPANSION**

The purpose of this report was to update Members on additional funding for the Connecting Cambridgeshire Programme and to seek approval for the proposed partnership working agreement with the Cambridgeshire and Peterborough Combined Authority.

In March 2017 this Committee approved the use of up to £5m "clawback" funding from the Superfast Broadband gap funding contract to support new extended targets to deliver Superfast Broadband coverage to more than 99% of Cambridgeshire and Peterborough homes and businesses by the end of 2020. This was anticipated to be supplemented by further European Union and Central Government funding. As an update it was explained that the Superfast Broadband (SFBB) rollout being delivered in multiple phases, remained on track, with just over 96% coverage at present, targeting 97% by the end 2019 and more than 99% by the end of 2020. As a verbal update, the presenting officer in response to a question, indicated that to achieve the 100% would

always be extremely problematic as this represented isolated dwellings or small groups of dwellings in rural settings for which the costs of providing the cabling and required energy sources was commercially prohibitive, as there was not the necessary economies of scale.

As part of the wider targets, a successful funding bid of £4m had been received from Central Government's Local Full Fibre Networks (LFFFN) programme to assist in providing a more extensive fibre infrastructure across Cambridgeshire. In addition, in March of this year the Cambridgeshire and Peterborough Combined Authority (C&PCA) approved recommendations to provide an additional £5.6m funding to support the broader digital infrastructure programme for Cambridgeshire and Peterborough. As the major funding partner, the Connecting Cambridgeshire Programme would act as the delivery unit for all additional work streams, including those to be funded by the CP&CA and included further full fibre rollout, public access Wi-Fi provision for market towns, improved mobile coverage and support for early deployment of "next generation" 5G mobile services. The partnership agreement was intended to facilitate joint working by setting out the governance and funding arrangements.

As an update to the published report it was orally reported that in addition to the funding referred to above, the County Council had been successful in bidding for an additional £4m from DEFRA to support rural schemes.

In discussion;

- The same Member who had been very critical of the last report suggested that the wording in the proposed partnership agreement was muddled regarding the relationship between the Cambridgeshire and Peterborough Combined Authority (CPCA) and the County Council and where accountability and power lay, questioning the use of the wording "...CPCA agreeing to fully co-operate ..". suggesting that this could not be enforced, and as such, was not a partnership arrangement. She had concerns due to the complex nature of the work to be undertaken, the risks involved and what protection would be afforded to officers and the public. As a response another Member suggested that the said Member should not be too concerned about the word "co-operation" as it did not always have to mean agreeing on all things and that partnership working involved an element of trust and from a residents point of view, they wished to see programmes delivered, rather than being concerned with who delivered them.
- Several Members highlighted that the report was a good news story on the very significant progress that the County Council had made in rolling out superfast broadband, the Council having made a substantial investment at the time of the Cabinet system for what had been an extremely ambitious project, and this had been recognised as such, by Central Government.
- On whether the referred to Board included elected Members, it was clarified that it was an officer board, but that any key decisions would be referred for Member decision. An example being the funding decisions made recently by the CPCA. This allowed the necessary flexibility from a programme delivery perspective.

- A Member expressed concern regarding recommendation (c) of the report to the Combined Authority on 28<sup>th</sup> March 2018 reading “authorise the Chief Executive, in consultation with the Mayor, to approve the business case and draw-down of funds in accordance with approved business case relating to improvements to mobile coverage and the full fibre footprint for Cambridgeshire and Peterborough” suggesting that this gave the Mayor the power to make decisions rather than the Combined Authority, which was not referred to. In response the Chairman explained that this was standard delegation wording and was used in most cabinet run local authorities where decision-making powers were delegated to the relevant portfolio holder.

On the recommendations being put to the vote, it was resolved by seven in favour with two abstentions to:

- a) Note the proposed expansion of the Connecting Cambridgeshire Programme, incorporating additional funding sources, through to 2022.
- b) Approve the Statement of Partnership Working between Cambridgeshire County Council and the Cambridgeshire and Peterborough Combined Authority for the delivery of the expanded Connecting Cambridgeshire Programme
- c) Delegate to the Executive Director for Place and Economy, in consultation with the Chairman and Vice-Chairman of the Committee, minor modifications to the final wording and signature of the Statement of Partnership Working document.

#### 140. FINANCE AND PERFORMANCE REPORT – JUNE 2018

The Committee received the Finance and Performance report for Place and Economy Services (P&E) in order to comment on the projected financial and performance outturn position, as at the end of June 2018 with it highlighted that there had been little change since the previous month’s report.

The main issues highlighted were:

**Revenue:** The Service has started the financial year with two significant pressures for Coroners Services and Waste (both which came under H&CI Committee). The P&E service was showing that it was now requiring to make £911K savings by year-end to bring the budget back into balance, and this would be either be through new underspends and additional income, or planned reductions in service if required at the later stages of the year.

**Capital:** The design stage of King’s Dyke was nearing completion and the land purchase was in process. The estimated project costs were now expected to significantly exceed the figure previously presented to Committee (£16.9m). It had been decided to leave the budget at £13.8m until the final costs were known.

**Performance:** It was highlighted that at this early stage in the year, some indicators were still being reported on pre-2018/19 information. Of these twelve performance indicators, one was currently red, four are amber, and seven were green.

The indicator that was currently showing as red was 'The average journey time per mile during the morning peak on the most congested routes' At year-end, the current forecast was that for none of the performance indicators would be red, five would be amber and seven green.

In discussion the following issues were raised /comments made:

- An opposition Member suggested that as there was already an estimated overspend of nearly £1m she suggested the Budget was not working. The same Member asked why there was no detail on the Kings Dyke overspend. In response it was highlighted, as stated in the report, that a detailed report on King's Dyke was at the time of the meeting scheduled to come forward to the September Committee which would be the appropriate time to discuss the issue rather than the present meeting. Although scheduled for September, this report could slip to a later cycle if the final figures could not be finalised.
- On the Guided Busway a Member highlighted that there had been significant recent press coverage regarding the fact that the current passenger usage was significantly less than had been originally estimated in the consultant's report. It was suggested that it would be useful to have more detail on the assumptions that had been used by the consultants for their passenger number projections. In discussion it was noted that the delay to the building of Northstowe would have been a contributory factor, but as other projected schemes, such as Trumpington Meadows, may have also been included in the estimates, **there was a request for more detail to be provided by officers outside of the meeting.** **Action Andy Preston**
- On the information on paragraph 2.6 on page 66 of the agenda suggesting that there would be no red indicators by the end of the year, a question was raised on how confident officers were that the performance indicator reading 'The average journey time per mile during the morning peak on the most congested routes' really would become green or amber and show a low measure (*Note: this would be a reduction from 4 minutes 45 seconds to 4 minutes*) and whether this was achievable. He highlighted the pressures in and around Cambridge of increased development that could make this more difficult to achieve e.g. the bio-medical campus. Another Member suggested she did not believe it would be achievable under any circumstances in the current year or foreseeable future and suggested it should be removed as an unrealistic target if it could not be validated on a monthly basis. She made the point that she believed it was more relevant as a long term goal. In discussion officers agreed to review the indicator as things could change during a year, and it was also always necessary to review performance indicators to ensure they were still appropriate. The Chairman supported such a review and said if required, detail should be provided of initiatives being undertaken to support its achievement if it was still deemed appropriate to be included in the current year's Performance Indicators suite. **Action: For officers to review the rating and explanation for the PI 'the average journey time per mile during the morning peak on the most congested routes'. Jeremy Smith / Andy Preston**

Having reviewed and commented on the report it was unanimously resolved to:

note the report.

**141. ECONOMY AND ENVIRONMENT COMMITTEE AGENDA PLAN, TRAINING PLAN AND APPOINTMENTS TO OUTSIDE BODIES, PARTNERSHIP LIAISON AND ADVISORY GROUPS**

This report invited the Committee to review its agenda plan and training plan, and to appoint a replacement Member to Fenland Association for Community Transport (FACT) Board and Huntingdon Association for Community Transport (HACT) Board following the resignation of Councillor McGuire.

The following updates were orally provided to the agenda plan at the meeting:

Amendments to the Business Planning title for both 11th October and 15th November Committee meetings so that they now read as:

Review of Draft Revenue and Capital Business Planning Proposals for 2019-20 To 2023-24.

It was resolved:

- a) To note the agenda Plan as updated.
- b) To note the Training Plan.
- c) To appoint Councillor Boden to replace Councillor McGuire on both the Fenland Association for Community Transport (FACT) Board and Huntingdon Association for Community Transport (HACT) Board.

**142. DATE AND TIME OF NEXT MEETING 10 A.M. THURSDAY 13<sup>TH</sup> SEPTEMBER 2018**

**Chairman:  
13<sup>th</sup> September 2018  
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