

ECONOMY AND ENVIRONMENT COMMITTEE: MINUTES

Date: Thursday 9th February 2017

Time: 10.00 a.m. to 11.58 a.m.

Present: Councillors: I Bates (Chairman), J Clark, D Connor (substituting for M McGuire), G Gillick (substituting for A Lay), L Harford, R Henson, D Jenkins, N Kavanagh, M Rouse (substituting for J Schumann), M Shuter, S van de Ven (substituting for E Cearns) and J Williams

Apologies: Councillors: E Cearns (Vice-Chairman) A Lay, M. Mason, M McGuire and J Schumann,

284. DECLARATIONS OF INTEREST

None received.

285. MINUTES

The minutes of the meeting held on 16th December 2016 were agreed as a correct record.

286. MINUTE ACTION LOG

The Minute Action Log update was noted.

287. PETITIONS AND PUBLIC QUESTIONS

No petitions were received.

One public question was received. Mr Antony Carpen asked the following question:

"What legal powers does the county council have, and what legal duties does the county council have regarding poor air quality in Cambridge and towns in the county?

In particular, I would like to know under what circumstances the law gives the council the right to take action on air quality, and also under what circumstances the law *compels* the council to take action (to the extent that legal action could be taken against it if it did not act)"

The response provided was that the County Council does not have any legal duties in relation to air quality as the relevant duties to monitor and manage air quality lie with the district councils. The Council does however work closely with the five district councils in respect of developing policies to help reduce air pollution.

As an additional piece of information, Councillor van de Ven highlighted that the Health and Transport Joint Strategic Needs Assessment had a large section on air quality.

CHANGE IN ORDER OF THE AGENDA

As the presenting officer was required to be at a meeting in London in the early afternoon, the Chairman with the approval of the Committee, agreed to take item 9 'Finance and Performance Report to December 2016' as the first report to be considered.

288. FINANCE AND PERFORMANCE REPORT TO DECEMBER 2016

This report provided the financial position for the whole of the Economy, Transport and Environment (ETE) Service up to the end of December 2016. The headlines set out in the covering report were as follows:

Revenue: There were no significant variances and ETE was showing a £178k forecast underspend. The main variances since the end of November report were reported underspends in Growth and Development (£93k) Growth and Economy and Other (£190k) overspend in Park and Ride (£107k) and an underspend in Park and Ride (£422k). On the latter, Members highlighted that the Park and Ride over and underspend required further explanation, as the text currently provided in paragraph 2.2 did not make sense. It was clarified that the underspend should have been in relation to Concessionary Fares and would be corrected in future reports. **Action: Sarah Heywood / David Parcell**

Capital: The Capital Programme was forecast to be on target and £4.1m of the estimated £10.5m Capital Programme Variation had been met. The only change in the Economy and Environment Capital Forecast was a small reduction in the forecast underspend of £0.2m on cycling schemes.

Of the fourteen performance indicators, three were currently red (an increase of one from the previous report to Committee), two amber and nine green. The indicators that were currently red were:

- Local bus journeys originating in the authority area.
- The average journey per mile during the morning peak of the most congested routes.
- The number of people in the most deprived wards completing courses to improve their chances of employment or progression in work. (an addition from the October report)

At year-end, the current forecast was that one performance indicator would be red (local bus journeys originating in the authority area), eight would be amber and five green.

Members' comments on the report included:

- Page 112 sequential numbering (page 8 of original report) regarding the graph titled 'Guided Busway Passengers 12 month rolling total' showing a continuing rise in Guided Busway passengers from 2012 to 2016, one Member asked what the capacity limit was likely to be, and if there would there be sufficient capacity once Northstowe had been built. This comment was on the basis that there were

already queuing issues during rush hour periods. In response, it was acknowledged that while there were capacity issues at some times of the day, there was considerable flexibility to increase the number of buses running per hour. Adding more buses was a commercial decision and the Council were working with Stagecoach to increase capacity. On this point Members were reminded that as it was a commercial operation, the Council did not contribute towards the cost of providing the service. Stagecoach had currently indicated that they would increase the number of buses once Cambridge North Station became operational.

- Page 116 of the continuous numbered agenda (page 12 of the original report) in respect of the overspend on Park and Ride - an explanation was requested on the reasons reading "... less income expected from operator access fees than originally budgeted...and an overspend on staff overtime." It was explained that the operator access fees report had only been introduced in July, following the required Member decision to Committee, so there would only be 9 months income, as opposed to 12, in the current financial year. The staff overspend was due to the overtime payments made to existing staff who were covering a series of vacancies.

Having reviewed and commented on the report:

It was resolved;

To note the report.

289. ALTERNATIVE FUNDING ARRANGEMENTS FOR CAMBRIDGE PARK AND RIDE SITES

This report set out details of the work carried out to identify potential alternative funding arrangements for the Cambridge Park and Ride service to enable consideration of abolishing the current £1 additional parking charge, which, since its introduction, had seen ridership fall by 14%. Economy and Environment (E&E) Committee members had previously provided a list of options which was later added to by officers, other County Council Members and City Deal Board Members. The final list was attached as appendix 1 to the report. Councillor Amanda Taylor had submitted comments supporting the abolition of the £1 additional parking charge which were circulated to Committee Members in advance, which are reproduced as Appendix 1 to these Minutes.

The report highlighted that any proposals would need to find alternative funding equivalent to the current Business Plan income requirement of £1,162,751 which would rise over time, as inflation increased some of the core costs such as maintenance and staff salaries. It was explained that any changes to the current arrangement would remove an opportunity for the County Council to continue to receive close to £1.2m per annum, and also remove any opportunity to increase this revenue, if required, in future years by increasing the charge.

Officers had looked at the following listed suggestions exploring their practicalities, benefits, dis-benefits and the financial implications where applicable:

- A joined up approach taking into account City Deal work on Work Place Parking, and Cambridge Joint Area Committee Parking Review;
- The impact of using any money available in the on- street parking fund to subsidise Park & Ride costs and investment.
- Bringing the Park & Ride bus service in-house and whether this would bring a larger income stream to the Council – looking to how this works in Oxford and other cities;
- Undertaking cuts in other County Council services if income from the park and ride sites was not available.
- The potential to work with Cambridge City Council to identify alternative funding, such as off street parking income.
- The potential in an earlier proposal from Stagecoach for them to operate the Park and Ride sites.
- The potential for other charging mechanisms.

The report highlighted that whilst there were options for funding of the park and ride sites, they were limited and all had an opportunity cost given the current financial constraints for the Council. In addition, with only about 55% occupancy of the sites at present, the future income generating potential of the sites with the £1 charge was significant (over £2m). This potential could be used to help offset other cuts to services that would be required as the Council's budgets continued to reduce in the forthcoming years. The Committee was also cautioned that there was no certainty that if the charge was removed, the lost patronage would be recovered to pre-charge levels.

Following the officer introduction the Chairman opened the debate and sought Members' views.

Councillor Williams moved an amendment to the officer recommendations, seconded by Councillor van de Ven, proposing the deletion of the current recommendations and replacing them with the following recommendation "remove parking charges at the five park and ride sites" as they believed it had been detrimental to usage, which they believed was shown in the drop in the figures, leading to an increase in parking in residential streets and congestion in Cambridge.

In discussing the amendment, Conservative Councillors could not support it without being provided with details to address the £1.2m shortfall that would occur to the ETE budget. They also questioned that, as it was already the subject of a motion to the full Council budget meeting due to take place the following Tuesday, it was more appropriately for discussion there, along with any proposals identifying alternative funding to address the budget gap. After further discussion, Councillor Williams agreed to withdraw the amendment.

Members of the Committee were then invited to comment on / raise questions on the contents of the report including:

- One Member asked whether other park and ride sites other than Oxford had been looked at in terms of identifying good practice moving forward, citing Durham as an example of a park and ride service that seemed to operate efficiently. His comments were linked to the text in the report stating Stagecoach had identified ticket machines ease of use, as the area they had most concern about. In reply, it was explained that a number of other Park and Ride operations had been looked at, but, that there was no one size fits all solution, as they were all unique and based on the local circumstances. Officers had taken best practice from more than one operating model.
- It was clarified in response to a question, that Stagecoach did not believe that the fall in patronage had been the result of the parking charge and more likely the complexity of the ticket machines and as further evidence of this from their perspective, a recent 30 pence fare rise had not seen a further fall of bus patronage.
- There was acceptance that the brief by the Committee for the officers to look at alternatives had lacked clarity, with one Member suggesting that instead of concentrating on the budget and issues of free parking / charging, the wider strategic question should have been asked regarding whether cars should be discouraged from entering Cambridge. Another Member suggested that instead of looking at the park and ride sites as an income generator, there was a need to look at their wider strategic role as a transport interchange facilitator, helping to reduce congestion on what was the fastest growing county in the country. What the paper did not provide, was any details regarding the cost of congestion.
- There was discussion regarding Madingley Park and Ride site and the prevalence of contractor parking, which had led to it being full over the Christmas period, resulting in some commuters being unable to gain entry to go Christmas shopping. It was explained that it was not possible to bar contractors from using any of the sites and that they were contributing to the income stream through paying the parking charge. It was however recognised that there was a capacity issue that needed to be addressed.
- In response to a question it was explained that currently they were not any statistics collected on the numbers who parked and walked or who parked and cycled.
- Asking on the progress being made to identify alternative income generation measures. In response it was explained that this was still being pursued, but as the sites were on green belt land, they were not that near to larger residential clusters and the footfall of the commuters themselves was insufficient to be of significant interest for commercial outlets.
- One Member suggested that the park and ride sites were not fit for purpose as they did not open early enough or close late enough to be able to be used by early and late shift workers. As a response it was explained that as the Council

did not subsidise the bus service, the number and frequency of buses was a commercial decision for Stagecoach who reacted to the level of demand. If there was enough demand at the times highlighted to be commercially viable, then Stagecoach would lay on earlier and later buses. In terms of issues of capacity, the Executive Director highlighted that was still a great deal of potential capacity available to increase the numbers of buses running, but this would only be utilised by Stagecoach in response to future growth demand from new housing, such as Northstowe.

- Highlighted was the critical need for an integrated, holistic transport policy integrating the congestion reduction initiatives being investigated by the City Deal Board who, it was explained, also had a finite budget and were oversubscribed for projects seeking finance. Another Member commented that the necessary measures to reduce congestion could require radical solutions, much greater than just providing additional park and ride sites.
- Regarding the problems in respect of the operation of the charging machines, if any more sites were built, the issues on ease of payment required resolution.
- One Member expressed concern regarding the timescale for charging for work place parking taking 3-4 years to complete and asked if this could be speeded up, as the report was suggesting that it was not a short term solution. It was explained that Nottingham, were the only authority so far to have gone down this route, and there it had taken 10 years. The scheme was not one within the delegated powers of the City Deal Board and would require a Parliamentary Order, with all the delays that this could entail. The Council's consultants suggested even the current timespan being suggested would be extremely challenging. Another Member suggested such powers should be sought as part of the second Devolution Deal.

Having debated the item at considerable length:

It was resolved by a clear majority to:

- a) Note the alternative options available for funding the park and ride service;
- b) Keep under review a range of opportunities for such alternative funding and in the meantime, continue to charge for parking at the Park and Ride sites; and
- c) Continue to explore with the Greater Cambridge City Deal the option of allocating funding from the proposed Workplace Parking Levy in order to achieve the aim of free parking at the Park and Ride sites.

290. EAST CAMBRIDGESHIRE LOCAL PLAN FURTHER DRAFT JANUARY 2017

This report highlighted the key issues arising from the 'East Cambridgeshire Local Plan Further Draft' consultation seeking approval to the proposed County Council response.

The Preliminary Draft Local Plan was published for public consultation during February and March 2016 as detailed in paragraph 1.3 of the report and was largely to seek

alternative strategies to address the land supply shortfall needed for increased housing provision. Whilst the Preliminary Draft had set out the objectively assessed need for housing, presenting a range of spatial strategy options for delivering this need, it did not include new land allocations beyond those already included in the adopted Local Plan and was not seeking additional housing around Ely.

The key emphasis of the County Council response to the initial consultation had been to ensure that the pattern and scale of development across East Cambridgeshire was such that it would support the effective provision of infrastructure, transport, community services and facilities, including sufficient school places to meet the expected growth. A summary of the Council's response was set out in Appendix 1 to the report with paragraphs 2.2 to 2.6 providing the detail of the response to the comments made.

Paragraphs 2.7 to 2.21 summarised the key issues raised in the County Council's proposed response to the further Draft Local Plan, with a full response provided at Appendix 2 to the report. The response was arranged to highlight the impacts of the Plan on the following County Council service area headings: Minerals and Waste; Children Families and Adults; Libraries and Lifelong Learning; Education; Transport and Public Health.

Section 3 of the Officers' report set out the next steps on the preparation of the Local Plan, with a final response to be submitted to East Cambridgeshire District Council before the end of the current consultation period (20th February). Following this, further discussions would take place prior to the District Council publishing the Submission version of the Local Plan, to ensure that the issues raised in the County Council's response had been considered and addressed before the public examination commenced. As a consequence of the timescales involved, the Committee was asked to approve the draft response whilst delegating to the Executive Director the authority to conduct subsequent negotiations on behalf of the County Council.

Issue raised in the debate included:

- One Local Member explaining that additional housing was not recommended around Ely, as being built on an island, there was only limited land available and was surrounded by the lower land flood plain. This was the main premise for why additional housing was being sought in other towns such as Littleport, Witchford and Soham etc. He also made the point that in previous years the education department had closed schools in villages as a result of falling rolls, however with the settlements now growing, additional education places were required. He cited Soham as an example of a town requiring an additional secondary school.
- Paragraph 6.23 - response on renewable energy proposals - a Member commented regarding the need to balance the agricultural requirements for food production with the need to make better use of land, as paying to have fields left empty was inefficient.
- Paragraph 6.42 the name of the medical centre was incorrect. (should be Staploe).

- Page 71 three of the primary schools listed were South Cambridgeshire schools (Fen Ditton, Teversham, Wilburton)
- It was suggested that the development strategy in the Plan which would see unsustainable development in villages was building up trouble for the future in respect of the difficulties of providing sufficient infrastructure to dispersed settlements. It was suggested that it appeared to be a policy to appease housing developers who would then argue that it was not cost effective to make contributions. Another Member highlighted that the policy was only suggesting marginal dispersal in settlements such as Bottisham and Cheveley, with other villages not being recommended for additional housing.
- Highlighted as an issue was Cambridgeshire schools bordering Suffolk, as the point was made that where there was a choice, parents preference in both Counties was to send their children to schools in Cambridgeshire. There was a need to create more primary provision in the South of the County in anticipation of the new developments due to take off. Bottisham was identified as a school that was reaching capacity following the most recent expansion.
- There was a need for better cross border information exchanges with partners in areas such as health and education provision.
- There were strategic challenges in respect of infrastructure provision as a result of the proposals, especially transport provision.

Having considered the report, it was unanimously resolved to:

- a) Approve the County Council's draft response to the East Cambridgeshire Local Plan (Further Draft) as set out in Appendix 1 of the Officer report;
- b) Delegate to the Executive Director: Economy, Transport and Environment, in consultation with the Chairman and Vice-Chairman of the Economy and Environment Committee, the authority to make any minor textual changes to the consultation response prior to final submission.
- c) Delegate to the Executive Director: Economy, Transport and Environment the authority to conduct any further negotiations relevant to subsequent stages in the preparation of the East Cambridgeshire Local Plan.

291. ELY SOUTHERN BYPASS – CYCLE UNDERPASS

This report informed Members of work undertaken to evaluate the possibility of including a cycle/pedestrian underpass within the Ely Southern Bypass scheme.

It was highlighted that when the bypass scheme was developed, whilst it improved the existing footway/cycleway on the eastern side of the A142 it had not included a cycle pedestrian underpass, or other crossing facilities on the new road at the roundabout at the eastern end of the new road. During the planning process, there was call for the provision of an improved pedestrian/cycle route on the western side of the A142 from Stuntney to Ely, leading to the consideration of an underpass in the vicinity of the new eastern roundabout. As the planning and procurement process was advanced and, as

adding the underpass to the scheme would have meant delaying progress in delivery, it had not been initially included. Further investigation on the feasibility of the underpass was undertaken, with an early preliminary design costed by consultants at £330k. This made the facility a potentially attractive addition to the scheme, and as a result, a non-material amendment was approved to the underpass planning consent.

A further more robust review, taking into account further ground investigation, had identified that as the underpass would be partially below the ground water level (with the issues that this raised highlighted in paragraph 2.2 of the report) the scheme will have a significantly higher project cost, including long term ongoing maintenance costs. An on oral update the latest estimate for the cost was that it would require approximately an additional £1.4m expenditure over the original construction target cost. Other issues included that the underpass design alignment was not ideal and the route would include ramps at the maximum permitted gradient and bends on the approaches. These might deter some cyclists from using the underpass. (Explanatory diagrams were tabled showing the proposed bypass route and the proposed toucan crossing layout).

Also highlighted was that the current cycling usage was low (a total of no more than 45 per day was quoted). While additional usage might arise from potential improvements to routes between Ely and Stuntney / Soham, given the remoteness and size of the outlying communities, any increase was likely to be modest in comparison to the cost.

For all the above reasons, the additional inclusion of the cycle underpass in the scheme design was not recommended. Officers' view was that an at-grade crossing should be provided and was likely actually to provide as good or a better a solution for cyclists. A preliminary design had been developed which could deliver within the overall project budget and was considered to be a more convenient and safe route.

Issues raised by Members included:

- The local Member supported the officer recommendation as a pragmatic solution and stated that any proposal for an underpass should be in the future and should not delay the current Bypass scheme. The current proposal would be safe option for the number of cyclists that would be using it. He also commented that the figure of 45 cyclists a day was likely to be an overestimate, as Stuntney was only a tiny hamlet and as there was currently no cycle route to Soham, the figure quoted was likely to be double that of all people who cycled from it.
- The wider need for a cycle route from Stuntney to Soham to Ely was supported as an aspiration.
- One Member found it difficult to comment on the proposals without having a better sense of any strategic cycling plan for getting around Ely.
- The Cycling Champion supported the officer recommendation. He additionally raised the issue of cycleway maintenance which was currently included within a Highways budget line and suggested that they should be separated out for transparency funding purposes. In response, the Executive Director explained that the Asset Maintenance Approach adopted was from monies provided by the

Government for the complete range of highways needs. Changing the way it was shown in the budget by allocating it to a specific area, could result in the loss of significant amounts of funding. He recognised the need for a planned approach to the ongoing a maintenance of cycleways.

It was unanimously resolved to:

- a) Note the work undertaken to evaluate the cycle underpass,
- b) agree not to proceed with the underpass as part of the Southern Bypass Scheme,
- c) develop at-grade cycle facilities as an alternative.

292. PROGRESS REPORT OF THE ENERGY INVESTMENT UNIT'S BUSINESS CASE

This report asked the Committee to review the two year progress update of the Energy Investment Unit's (EIU) five year business plan and future skill requirements, as agreed by the Committee in March 2015. Three key areas for development previously agreed were:

- extending the energy performance contracting project to benefit further schools and public buildings;
- developing other more profitable and wide ranging energy projects that could generate greater revenues in the future; and
- developing a European Regional Development Fund (ERDF) proposal to access low cost capital and revenue funding to support broader energy project investments in Cambridgeshire.

Progress highlighted against the Business Case included the financial modelling undertaken in March 2015 (Appendix A: Table A) which had identified that an energy investment team could be supported by the profit made from school energy investments without the need for additional revenue budget, and would be reviewed by March 2017. A review of the Business Case in October 2016 (Table B of the report), identified the following:

- Overall profits from school investments has increased from £1.7million to £2.2million – this was partly due to cuts in loan interest rates post Brexit, but also owing to growing the project pipeline;
- The difference of £182,381 between the income on Table A and Table B (in year 1, Sept 15-March 2016) had been the result of the assumption at the start of the programme that all loans issued in year 1 would occur at the start of the year, and bring a 'repayment holiday' benefit for the first year. In reality, this had not happened as loans are drawn down across the year. As a result Table B, now showed that loans will be issued at the end of the financial year (the 'worst case' scenario).
- The forecast returns for years 15/16 and 16/17 were lower than anticipated mainly owing to schools taking longer than anticipated in signing work completion certificates creating a cash flow delay. The issue had however been resolved and the cash flow would pick up in subsequent years;

- The revised forecasts in Table B for 16/17, 17/18 and 18/19 provided more realistic and accurate income projections than those made at the start of the programme being based on an active pipeline of projects, rather than assumptions;
- To date, 43 schools were in contract, including 14 secondary schools and 29 primary schools with a total value greater than £9 million;
- On current income forecasts, the EIU team could be supported for a further 3 years at current staffing levels with no additional revenue budget required from the County Council.
- Beyond 2020, additional income from projects would need to be generated to support the team at its current capacity, although there would be sufficient budget to manage the existing contracts, with reduced staffing, even if no further income was generated.

In addition to the Schools Programme, the Energy Investment Unit had led or supported the delivery of the energy projects listed in paragraph 2.2 of the report, at no cost to the Council which had directly benefitted the Council's wider budget through income generation and revenue savings.

Members' comments included the following:

- An explanation was requested regarding the difference between the 'Annual Other Costs' figures set out in Appendix A compared with Appendix B which in Appendix A year 1 were £115,227, Year 2 £171,077 and then for the following three years were in the region of 35-39k while in Appendix B were £127,910 in the first year and then showed as £182K for each of the following four years. It was explained that Table B was the actual costs in years 1 and 2 and showed the full costs of the team in years 2, 3, 4 and 5.
- One Member asked if there was a policy to expand wind power as a generator of energy. In response it was explained that this was part of the Corporate Energy Strategy, which had been presented to General Purposes Committee on 20th December and was due to go back to that Committee in March with final recommendations.
- The officers were congratulated on the excellent work undertaken with one Member suggesting that going forward the programme should be even more ambitious, with reference being made to the need for continued lobbying with partners for improvements to the National Grid as well as the need to embrace the energy saving opportunities presented by Light Emitting Diode technology (LED). In respect of the latter, the Member suggested that there should be a review of the Council's Street Lighting Policy to look at changing over to LED lighting.
- The need to keep the expertise of the Unit in-house and to look at both ends of the energy spectrum in terms of both generation and savings opportunities.
- One Member suggested that future reports showing tables should have a better explanation of when the figures shown were profits compared to those showing loss figures.

- The comment was raised that future reports should identify replacement funding for monies currently obtained by the European Regional Development Fund which clearly would not be available post European Union referendum. Reference was made to activity in this area currently being undertaken by colleagues in Transport and Infrastructure Policy and Funding (TIPF), the East of England Partnership and the Local Enterprise Partnership.
- The Chairman suggested that the good work undertaken required to be shared with a wider audience. He suggested that to facilitate this, a fact sheet should be drawn up from the information in the report to be sent to all Members of the Council, district councils and also provided to the Press Office. **Action: Sheryl French**

It was resolved to:

Note progress of the Energy Investment Unit (EIU's) five year business plan as set out in Section 2.1 and Appendix A of the officer's report.

294. ECONOMY AND ENVIRONMENT POLICY AND SERVICE COMMITTEE SERVICES AGENDA PLAN

The following oral updates were provided at the meeting:

- Addition to 9th March Meeting: Antiquities Conservation Unit
- Addition to 1st June Meeting: Review of Preliminary Flood Risk Assessment
- Report moved: Adult Learning Self - Assessment – listed for 1st June, has now moved to the 13th July Committee meeting.

It was explained that as there were no decision reports for the April Economy and Environment Committee meeting that Officers with the agreement of the Chairman and spokes proposed to cancel the meeting.

It was resolved:

- a) To note the agenda plan as set out and orally updated at the meeting.
- b) To agree to the cancellation of the April 2017 Economy and Environment Committee Meeting.

Chairman
9th March 2017

Statement from Councillor Amanda Taylor regarding report 'Alternative Funding Arrangements for Cambridge Park and Ride Sites'

I fully support the withdrawal of the Park & Ride parking charges. They have reduced usage of the P&R sites. Not only have optimistic income predictions been proved illusory, but the bus ridership has suffered and parking has been displaced to residential areas in the vicinity of the Park & Ride sites.

Cabinet's expectation was that motorists might avoid the charges initially but then realize that Park & Ride was cheaper than city centre car parks. This was a false prediction: what actually happens in Queen Edith's is that the motorists avoiding the charges at Babraham Road either take the P&R bus or, more frequently, take one of the numerous bus services operating in Hills Road or from the Addenbrooke's bus station. They leave their cars in residential streets.

Commuter parking is a huge problem in Queen Edith's due to several traffic generators: the Biomedical Campus, Homerton College, a Leisure Park and two sixth-form colleges. We need commuters' vehicles to be in the Park & Ride sites, not parked in local streets, or worse, on local pavements.

