

## **CABINET: MINUTES**

**Date:** Monday 24<sup>th</sup> March 2014

**Time:** 9.00 a.m. to 9.29 a.m.

**Present:** Chairman: Councillor M Curtis

Councillors I Bates, D Brown, D Harty, L W McGuire, T Orgee, M Shuter and F Yeulett

**Apologies:** Councillors S Count

**Present and invited to speak:** Councillor D Jenkins and Councillor T Bick Leader of Cambridge City Council.

**Also present:** Councillors P Bullen, J Hipkin, M Leeke and L Nethsingha,

### **175. MINUTES**

The minutes of the Cabinet meeting held on 4<sup>th</sup> March 2014 were agreed as a correct record and signed by the Chairman.

### **176. DECLARATIONS OF INTEREST**

None.

### **177. GREATER CAMBRIDGE CITY DEAL**

Cabinet received a report informing it of the latest developments with regard to the Greater Cambridge City Deal. As the report had been circulated less than five working days before the meeting, the Chairman had agreed in advance to take the report as a late urgent report using the discretion given to him under Section 100B (4) of the Local Government Act 1972. The report was late as the City Deal had only been announced as part of the Chancellor's Budget Statement on 19<sup>th</sup> March 2014. The item was considered urgent as Cabinet needed to make a recommendation to the Full Council meeting the next day, the 25<sup>th</sup> March 2014.

The Leader of the Council in introducing the report cited the Deal as having the potential to help the County compete with Silicon Valley and other hi tech centres as part of the "golden triangle" of Oxford, London and Cambridge.

Key points from the report included:

- that the Government would commit £100 million to Greater Cambridge until 2019-20 to support the Council's ambitious transport and infrastructure proposals through a Gain Share mechanism.
- The Government's offer on funding was different to the local proposal which had

proposed receiving a share of the local business rates raised, with the Government offering up to £500m of funding for transport payable in three tranches. The later tranches being dependent on the achievement of outcomes as detailed in paragraph 2.2 of the report. It was highlighted that this represented less risk to partners and residents of the County as well as more certainty on funding levels.

- Assurance had been given that this was “new” money and would enable significant additional infrastructure over and above that which would otherwise be deliverable.
- The Government offer included flexibility for the local partners to invest the money as they saw fit through an ‘Assurance Framework’ to ensure investment went to schemes that provided good value for money.
- In terms of housing, Government was not increasing the Housing Revenue Account (HRA) debt cap for the City and South Cambridgeshire, but it had announced a scheme whereby Councils might be able to increase their HRA debt cap via the Strategic Economic Plan process through their Local Enterprise Partnership (LEPs), subject to certain conditions as detailed in the report which also set out the proposals being looked into.
- 1,000 additional homes were also due to be provided on rural exception sites (sites outside of village frameworks) in South Cambridgeshire.
- In terms of skills, the Government had agreed the local proposal to influence the skills spend of the national agencies to meet the needs of the local economy.
- In terms of governance arrangements, these included a five-person Executive Board to undertake decisions (containing one representative from each Council, plus representations of the (LEP) and University, with the detail as set out in paragraph 2.11 and 2.12 of the report. The arrangements would include partners sharing certain planning and transport powers.
- A new statutory vehicle called a “Combined Authority” was to be created by Government following a governance review for decision-making on transport, spatial planning and investment decisions. As the current legislation did not allow the County Council to join and delegate its transport planning powers for an area that covered only part of its geographical area, the Government would bring forward proposals on changes to legislation to allow this.
- In the interim period a Joint Committee would be established to take forward the work of the City Deal, including agreeing infrastructure projects that local partners wish to invest the new funding, in with the detail as set out in paragraph 2.14 of the report. Until the Joint Committee had been established, the City Deal “Steering Group” would continue to lead the work as a ‘Shadow Board’.

There were two Non Cabinet speakers who spoke to the report as follows:

Councillor Jenkins congratulated all those involved in preparing and helping secure the Deal, welcoming the close working between five partners as a model of working going forward. He did however add a note of caution, highlighting that it was important to spend the first tranche of money on carefully thought out schemes with clear outcomes which were known in advance. He warned against rushing through schemes that might be “shovel ready” but which may not have been properly evaluated in terms of their wider impact. e.g. with unforeseen consequences such as increased traffic congestion etc. The Leader in response fully agreed with the sentiment expressed, stating that initial schemes for approval must be those that represented the best value for economic

growth / housing growth. This would need to be achieved through a collaborative authorities approach.

At the discretion of the Chairman, Councillor Bick the Council Leader of the City Council and one of the partners involved in the City Deal was invited to address Cabinet. Councillor Bick indicated his support for the Deal as an appropriate Partnership venture which was good for Greater Cambridge and while it did not provide everything that had been asked for, involved less risk as finally formulated. He praised the way the various partners had been able to work together and also thanked all City, South Cambridgeshire and County Council officers who had been involved in helping secure it. Going forward he stressed the importance of ensuring transparency and objectivity in schemes put forward and agreed.

The Leader of the Council as part of his response thanked Councillor Bick and his officers for their contributions to securing the City Deal and on behalf of the County Council also extended his thanks to the other partners and particularly:

Ray Manning Leader South Cambridgeshire District Council  
Antoinette Jackson Chief Executive Cambridge City Council  
Jean Hunter Chief Executive South Cambridgeshire District Council  
Alex Colyer South Cambridgeshire District Council  
Andrew Limb Cambridge City Council.

The Deputy Leader of the Council in addition placed on record his thanks to those no longer involved who had made a vital contribution including the ex-Leader of the Council Nick Clarke and Alex Plant the previous Executive Director: Economy, Transport and the Environment

Cabinet Members in supporting the scheme as a good deal for Cambridgeshire provided comments including some of the following:

- Some Members expressed concerns that a combined authority concentrating on greater Cambridge may not help benefit the rest of the County and there was a need to ensure the benefits were distributed wider beyond Greater Cambridge. In response it was indicated that creating more jobs and increasing the level of new housing would help spread the wealth, provided it was also linked to improved transport infrastructure to the north of the County. This would be facilitated through schemes such as the Wisbech to March Rail link, the A14 upgrade and the Ely Southern bypass. The latter scheme would help Ely link access to the hi tech employment sector. The Leader made the point that it was important to ensure that there was growth in the north of the County so that the local aspirations went beyond going to university and not returning to the local area later by encouraging local people to remain and contribute to the local economy. This more likely to be achieved with a sustainable local economy, helped by increased transport access to jobs in the Greater Cambridge economy / London Stansted Corridor.
- Explanation was requested regarding the 5 person board and the text reading that sometimes not all partners would be able to vote. It was explained in response that this would be on occasions when there were decisions around economic development which would only involve the relevant councils.

- The need to ensure that spend was not just on transport infrastructure but also targeted to those areas of the County where the workforce required up-skilling.
- Improved transport links would also make Cambridge more accessible to other parts of the County in terms of employment opportunities.

In summing up the Leader also thanked Mark Lloyd the Chief Executive, Chris Malyon the Section 151 Officer and Aaron Blowers Project Manager (City Deal) for their invaluable contribution and support. Special mention was also made to Graham Hughes who had succeeded Alex Plant and who had, in his opinion succeeded in the hardest part, namely in undertaking the final detailed negotiations with Government. He also wished to thank all his Cabinet colleagues and members in the Conservative Group for all their support and for the fantastic work they had undertaken.

It was resolved to:

- a) Note progress towards agreeing a City Deal for Greater Cambridge;
- b) Recommend to Full Council that it agrees the principles of the Deal contained in this report; and
- c) Delegate to the Leader of the Council, pending agreement by Full Council, to sign a Deal document on behalf of the Council.

Chairman  
15<sup>th</sup> April 2014