

**GREATER CAMBRIDGE GREATER PETERBOROUGH  
SHADOW LOCAL TRANSPORT BODY BOARD MEETING**

Date: Monday 23<sup>rd</sup> March 2015

Time: 11am-12.15pm

Place: Room 128, Cambridge

Present: Peterborough City Councillors  
P Hiller (Chairman), N North

Cambridgeshire County Councillors  
I Bates (Vice Chairman), E Cearns and M McGuire (substituting for Cllr Hickford)

Rutland County Council  
M Pocock

Greater Cambridge Greater Peterborough Enterprise Partnership (GCGPEP)  
Adrian Cannard

Cambridgeshire Chambers of Commerce  
John Bridge OBE

Officers: Peterborough City Council –Amy Petrie  
Rutland County Council – Dave Brown  
Cambridgeshire County Council – Dawn Cave, Elsa Evans, Dearbhla Lawson and Jeremy Smith

Others: Steven Bishop (Steer Davies Gleave)  
David Boddy (Skanska)  
Eric Cooper (Highways Agency)

Apologies: Cllr R Hickford; Graham Hughes and Mark Speed

**1. WELCOME AND INTRODUCTIONS**

The Chairman welcomed Members and officers.

**2. MINUTES AND ACTIONS OF PREVIOUS MEETING**

The minutes of the meeting held on 15<sup>th</sup> December 2014 were agreed as a correct record.

**3. LEP LOCAL TRANSPORT PANEL TERMS OF REFERENCE**

Adrian Cannard provided an update on the transformation of the Shadow Board to a formal panel of the GCGPEP. The main LEP Board had agreed this approach but there were some issues which needed to be resolved e.g. the complex geography. In the interim period, the LTB assurance processes would continue.

The government had issued guidance to LEPs on the overarching assurance framework, which would be an important document in establishing the modus operandi, relationships, etc, involved in the new arrangements. In terms of the assurance framework, responsibility ultimately rested with the accountable body, and this need to be borne in mind when agreeing the role of the new Panel.

A Member asked if there was anything that Shadow Board members should be aware of in the transformation to the formal panel. The importance of the geography was stressed: whilst the existing three authorities would remain the focus, other authorities would also need to be involved. The approaches being taken by other LEPs were being observed. It was noted that the detailed operation would need to be considered e.g. voting, the possibility of corresponding members such as Network Rail. A Member suggested that the Panel may need to be a wider role than transport and infrastructure, such as the inclusion of public health representation, which he felt would strengthen rather than dilute the panel's role.

In terms of actions going forward, it was noted that the new legislation did not come into effect until April, and the LEP Board develop the arrangements for the Panel, taking into account the issues on the Accountable Body and geography, with a view to the first meeting being held late May.

The Shadow Board noted the report.

#### **4. FUNDING UPDATE ON GROWTH DEAL**

The Board received an update on progress with the Growth Deal and extension of funding. Following the disappointing outcome from the Autumn Statement in respect of funding, additional funding totalling £38M had been secured for the period 2016-2021. £16M of this would be allocated to the Ely Southern Bypass, the top priority identified by the GCGP. The announcement had also specified the Junction 8 of the M11 improvements, but the remaining funding would not cover this. Government had not confirmed the profile of that breakdown, but a letter was expected shortly. A meeting had taken place with Essex and Uttlesford Councils to see if the Junction 8 scheme could be divided into smaller elements.

Members noted that DfT were now considering 'retaining' some of the largest transport schemes nationally for sign off directly under DfT assurance. Adrian advised that a letter was expected on 24/03/15, which should clarify whether any schemes would be retained. It was understood that the DfT would be retaining schemes over a certain value (£10M or £20M) and these would need to go through the DfT assurance process. Adrian had written to the DfT, querying the proposed process, pointing out that the LTB assurance framework was based on the DfT's, and that such a move would take away local accountability. If implemented, such retention would impact on the Ely Southern Bypass scheme.

A Member commented that this move to central control appeared to be a retrograde step, given the whole devolution agenda and specifically the City Deal, and other Members agreed that being micromanaged in this way by the Treasury was undesirable. Officers agreed with these points and commented that this argument was being put forward as strongly as possible, and work with LGA and other authorities. Officers at CCC had also requested clarity and a meeting with DfT to discuss the situation/ **ACTION: officers to update Members as soon as possible regarding whether any schemes would be retained and what this would mean for process and sign off .**

The Shadow Board noted the report

## **5. QUARTERLY MONITORING OF PRIORITISED SCHEMES**

The Shadow Board considered a report on the progress of prioritised schemes and schemes which were due to secure both Local Transport Body and Local Growth Fund (LGF) funding from 2015/16. The report also included funding profile issues and a recommendation for reprofiling.

Ely Southern Bypass – the scheme had all the necessary approvals in place and the procurement strategy was well under way. The Project Board had recently met and the tender process was planned for summer 2015, with contract award in December 2015 and delivery commencing in 2016. Network Rail had confirmed an approved contribution of £5M. £6M LTB funding had been confirmed by the government, and the £16M had recently been confirmed by the LEP. However, there were particular pressures in particular years and the profile had yet to be confirmed.

Kings Dyke Level Crossing – consultation on the three possible bridge and bypass options indicated a preference for the southern route, which was the option approved by Cambridgeshire County Council's Economy & Environment Committee in February 2015 as the preferred route. The expectation was that the scheme would be completed late in 2017, subject to planning permission.

Soham Station – this scheme was progressing more slowly than anticipated, partly due to Network Rail being unable to provide the necessary project management resources for supporting the GRIP 3 Station study. However, on the positive side, Network Rail had indicated that they were looking at taking forward the proposed Soham to Ely dual tracking. Discussions were taking place between Cambridgeshire County Council and Network Rail with a view to aligning the two projects. The delay in getting the resources in place was a concern, and Officers would continue to work with network Rail to press for progress to finalise GRIP 3 during 2015/16.

Wisbech Access Strategy – £1M Local Growth funding had been allocated for the development of an Access Strategy and a package of measures to support growth and regeneration, improve accessibility and address congestion in and around Wisbech. Government would provide a further £10.5M for the delivery of the Strategy, on the condition that the development work resulted in an acceptable and deliverable package of transport measures. It was noted that considerable work had been undertaken to investigate the feasibility of reopening the March to Wisbech railway line. A lot of the infrastructure was already in place for this, but one of the key concerns was crossing the A47. The Outline Business Case had given various options, with an option of locating the station south of the A47 to avoid the need for a bridge crossing. Total scheme costs were estimated at £50M to £70M, with the A47 bridge comprising £15M to £20M of total cost. However, the trade-off would be patronage: early indications were that the route would attract significantly higher patronage if the station was in the town. Reopening the train line would lead to much wider economic benefits for Wisbech, e.g. potential for Wisbech residents to work in Cambridge.

It was stressed that the work funded by the £1M Local Growth funding was vital as it would lead to the unlocking of the £10.5M of Growth funding. The Access Strategy was currently out to procurement.

In response to a Member query, it was confirmed that the Ely Project Board had not been made aware of the potential delay due to the possibility of the DfT retaining major schemes as this information had only emerged very recently, but once the situation and processes had been clarified, the Board would be informed.

Amy gave an update on the Peterborough schemes, and the Independent Technical Evaluation was tabled. Bourges Boulevard was progressing well, and was expected to be complete by the end of July, ahead of schedule. There was a recommendation to reprofile funding so that £2.1M was drawn down in 2015/16 and £1.06M in 2016/17.

The detailed design for Junction 20 of the A47 scheme would be starting shortly, with work on site planned to start in January 2016. Reprofiting would be needed to spread the scheme over 2 year, with £990K in 2017/18 and £1.01M in 2018/19. There would be a meeting with the Highways Agency on this scheme on 27/03/15.

The Shadow Board applauded the good progress that had been made with all the schemes. In response to a query on progress with the A14, it was noted that this was not within the remit of the Shadow Board, as the Board monitored programmes in relation to LTB and Growth Deal funding. Highways England was progressing the A14 improvement scheme working with the A14 Board who were responsible for strategic monitoring of that scheme, along with the stakeholder sub-board which comprising of senior officers from respective authorities. The Development Consent Order application had been lodged, which triggered a statutory 12 month process. Around 700 representations had been received, and a preliminary meeting arranged by the Planning Inspectorate during May. In terms of wider issues, the stakeholder group was looking at the scheme proposals and legacy benefits, e.g. using local labour force, local businesses during the construction of scheme and borrow pits. Cambridgeshire County Council were also working closely with Highways England to assess the scheme and its likely impacts. There was continuing member engagement and work was underway on traffic forecasts, impact, etc, to assess the scheme. A joint Economy & Environment and Highways & Community Infrastructure Spokes meeting was scheduled towards the end of April and then for consideration by the Economy & Environment Committee at the end of May. It was agreed that the Shadow Board and its successor should be mindful of what was happening with the A14, as it was a critical link, and the A14 (and other major schemes such as the A428) should be a regular overview item at future meetings of the Panel, and important issues for the authorities e.g. detrunking and borrow pits.

The Shadow Board resolved to:

- (i) note progress; and
- (ii) recommend a report back to future panel meetings.

## **6. SCHEME ASSESSMENT PROCESS**

Steven Bishop, Independent Technical Advisor, tabled a report on the Assurance Framework and Scheme Assessment. The paper tabled listed the proposed Scheme Funding Approval sign-off process, and provided a commentary on the different stages. The only change suggested was to move the sign off Value for Money statement by the Section 151 Officer of the Accountable Body to the end of the process so that could challenge the decision of the Local Enterprise Partnership Board. It was confirmed that the Section 151 Officer was happy with that proposal.

Members noted the requirement in the LEP Assurance Framework to publish and publicise all business cases before a funding approval decision was made, and that this should be done at least three months in advance. A key point was that it was essential to have an Outline Business Case for proposed schemes, and that this was only brought before all parties when the business case was robust, which would save a lot of time and effort. Independent scrutiny would still be required. Another key point was that the LEP Board needed to consider all schemes collectively, and that all schemes went through the same assessment process.

David Boddy asked when assessments were done, were they on the basis of VFM or the business case criteria? Steven advised that this was covered under the 'Scheme Assessment' part of the report, which followed the Treasury's 'five case' model of deliverability as set out in the Treasury *Green Book – Appraisal and Evaluation in Government*. Members noted that under this model, there could be cases where a transport scheme scored relatively low on transport grounds, but secured the go ahead on growth grounds, e.g. if a scheme was relatively small or where the benefits were notoriously difficult to quantify. It was noted that these instances were in the assurance framework: for benefit to cost ratios(BCR) below 2, they had to meet the criteria.

With regard to publishing and publicising three months in advance, the Board discussed this requirement in terms of the interim transition arrangements for schemes that were time critical, noting that some schemes would not need to go through this process until later in the year. **ACTION: agreed that a LEP assurance framework should be developed for approval as a consistent basis for assessing Growth Deal projects, but to use the LTB Assurance Framework in the interim.**

## 7. PETERBOROUGH BOURGES BOULEVARD PHASE 1 SCHEME

Further to the update earlier in the meeting, it was confirmed that the scheme had been assessed against the five case model, and the benefits were noted. The BCR for the scheme was 3.5:1 (revised down from 4:1 as maintenance costs included as a negative benefit), but it was noted that even if the unquantifiable elements were included, the scheme would usually score above the 2:1 limit. It was agreed that the new BCR would be publicised.

The Shadow Board resolved to:

- (i) note progress; and
- (ii) approve the reprofiling of the two Peterborough schemes, as outlined in the report.

## 8. ANY OTHER BUSINESS

The Chairman reminded Members that this was the last meeting of the Shadow Local Transport Body Board, in the transition to the new arrangements. A Member suggested that the transition would be a good opportunity to thoroughly re-examine the Terms of Reference of the new panel, to ensure that it was broader and more joined up and outcome focused, with issues such as public health being included. **ACTION: Adrian to convene a meeting to discuss transitioning to LEP Transport Panel and to draft Terms of Reference for the Panel for approval at the LEP Board.** It was confirmed that there would be input from the local authorities through the Local Authority Leaders' Group.