



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

AGENDA ITEM No: 1.5

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY: MINUTES

Date: Wednesday 26th April 2017

Time: 10.00am – 10.50am

Present: Councillors J Clark – Fenland District Council, S Count – Cambridgeshire County Council, L Herbert – Cambridge City Council, W Fitzgerald – Peterborough City Council (substituting for J Holdich), R Howe (Chairman) – Huntingdonshire District Council, J Palmer – East Cambridgeshire District Council and P Topping – South Cambridgeshire District Council; M Reeve – Greater Cambridge Greater Peterborough Enterprise Partnership

Observers: J Ablewhite (Police and Crime Commissioner) and Dr G Howsam (Clinical Commissioning Group – substituting for J Bawden)

20. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies were received from Councillor J Holdich, J Bawden (observer - Clinical Commissioning Group) and Councillor Sir P Brown (observer - Cambridgeshire and Peterborough Fire Authority observer). There were no declarations of interest.

The Chairman introduced Martin Whiteley as the new Interim Chief Executive of the Combined Authority pending the appointment of a permanent Chief Executive later in the year. The Interim Chief Executive post had previously been discharged by Paul Medd and the Chairman thanked Mr Medd for his work during the transition from the Shadow Combined Authority and commended him on doing a fine job.

21. MINUTES – 20TH MARCH 2017

The minutes of the meeting held on 20th March 2017 were agreed as a correct record.

22. PETITIONS

No petitions were received.

23. PUBLIC QUESTIONS

No public questions were received.

24. FORWARD PLAN

The Combined Authority noted a revised Forward Plan of Executive Decisions dated 26th April 2017. The Chair commented that the Forward Plan was updated on a regular basis. (A copy of the current version was available at the following link

https://cmis.cambridgeshire.gov.uk/ccc_live/Documents/PublicDocuments.aspx)

The Monitoring Officer advised that consideration of Item 7: Interim Support for the University of Peterborough and Item 10: Independent Remuneration Panel Recommendation on the Mayor's Allowances would be postponed until the meeting on 28 June 2017 to avoid publication during the Purdah period preceding the General Election.

Some Members expressed concern that delaying a decision on the Mayor's Allowances could have a detrimental financial impact on the incoming Mayor. The Monitoring Officer advised that the Mayor would be paid an annual allowance and that, once approved, the full sum would be paid pro-rata across the remainder of the period or as agreed with the incumbent. Substantive advice would be provided once the Independent Remuneration Panel's report was received. Members' wish that the arrangements should not cause the incoming Mayor any financial difficulty were noted.

Some Members were concerned that delaying consideration of Interim Support for the University of Peterborough might lead to a loss of momentum with the project. The Monitoring Officer advised that a tabled amendment to the agenda item on the Constitution would, if approved, delegate authority to the Chief Executive to exercise the general power of competence in consultation with the Chair which would enable him to address any issues which required immediate attention. However, all Key Decisions would remain a matter for the Board.

It was resolved to:

approve the revised Forward Plan of Executive Decisions dated 26 April 2017, subject to the following amendments:

1. Item 7: Interim Support for the University of Peterborough. Decision date revised from 31 May 2017 to 28 June 2017;
2. Item 10: Independent Remuneration Panel Recommendation – Mayor's Allowances. Decision date revised from 31 May 2017 to 28 June 2017.

25. CONSTITUTION

The Combined Authority received a report detailing its Constitution, which had been prepared in two phases. Phase 1 related to the essential elements for holding meetings and decision making, which had been approved at the

Combined Authority Board's first meeting on 20th March 2017. Phase 2 included the functions of the Mayor, the budget framework, contract standing orders, the officer scheme of delegation, codes and conduct and internal procedural rules. Those parts relating to the Mayor would come into effect following the Mayoral election in May, and the parts relating to the Overview and Scrutiny and Audit and Governance Committees would come into effect on 8th May 2017.

Councillor Herbert expressed his thanks to colleagues and officers at Peterborough City Council for their support in producing a robust and prudent Constitution which reflected learning and best practice from across the Combined Authority's constituent members. This included arrangements for an Employment Committee which included clear governance arrangements and a process for employing staff which was broadly similar to a local authority model and contract procedure rules which established a visible and accountable process with clear benchmarking. Following discussion at the previous meeting 'observer' status had been amended to 'co-opted member' status to better reflect the contribution being sought from these key partners and the Communities Portfolio had been removed from membership of the investment working group.

At the request of the Combined Authority, the Shadow Overview and Scrutiny Committee had considered the section of the Constitution relating to the scrutiny arrangements and the Combined Authority's financial definition of a key decision. It had agreed with the Board's proposal to set the financial limit for key decisions at £500,000. It had also agreed with the proposal to set the call-in limit of five members of the Overview and Scrutiny Committee. It had further agreed that these limits should be reviewed after the local and mayoral elections and once the Overview and Scrutiny Committee had been formally established. Dialogue with the Overview and Scrutiny Committee was continuing regarding the detail of its role and it was accepted that this aspect of the Constitution might need to be revisited in due course.

In response to questions, the Monitoring Officer stated that the Constitution contained a Schedule that would be updated annually to specify the co-opted members. She further stated that the jurisdiction of the Combined Authority Overview and Scrutiny Committee would include co-opted members' contributions to the work of the Combined Authority, but that it did not extend to scrutiny of the functions of co-opted members' respective organisations.

In commending his report to the Board, Councillor Herbert proposed an amendment, seconded by Councillor Count, to delegate authority to the Chief Executive to exercise the general power of competence in consultation with the Chair on any matters within the remit of the Combined Authority functions, subject to any exercise of this power being reported to the next meeting of the Combined Authority and any decision not including Key Decisions. This would enable business to be progressed outside of meetings in accordance with the principles established by the Board.

It was resolved:

1. to note the comments of the Shadow Overview and Scrutiny Committee;
2. to approve the Constitution set out at Appendix 1;
3. that the Chief Executive be delegated authority to exercise the general power of competence in consultation with the Chair on any matters within the remit of the Combined Authority functions, subject to any exercise of this power:
 - a) being reported to the next Combined Authority meeting;
 - b) any decision not including Key Decisions.

26. BUDGET REPORT 2016/17 TO 2020/21

The Combined Authority received an update to the 2016/17 and 2017/18 budget together with the Medium Term Financial Forecast to 2020/21. The Chairman announced his intention as Fiscal Portfolio Holder to move the recommendations from the Chair and drew members' attention to the variations in voting arrangements in relation to Recommendation 3 which required that Transport Budget decisions received the support of two thirds of constituent councils including both Cambridgeshire County Council and Peterborough City Council (giving these two councils a veto if not in favour).

During discussion of the report and in response to questions, members noted that:

- The Combined Authority had received its first tranche of funding from the Department for Communities and Local Government (DCLG) on 20th March 2017. The £40.5m received consisted of £20m 2016/17 Gainshare, £10.5m Investment top up for Cambridge housing and £10m General Housing and Infrastructure Grant. These funds had been put on short term deposit in accordance with the Board's approved Treasury Management and Investment Strategy;
- Notification of funds for 2017/18 had been received since the report was published. The sum received in relation to housing was £10m less than had been expected and this was being followed up by the Interim Chief Executive;
- Expenditure allocations had been updated to include £25,000 to commission an investment fund strategy and £75,000 towards the production of a market towns strategy;
- The Authority had been granted rights to reclaim VAT against non-business revenue;

- The 2017/18 highways maintenance block had been received and the funds would be passported to Cambridgeshire County Council and Peterborough City Council as agreed previously by the Board;
- The sum of £1.155m shown in the Pothole Action Fund for Cambridgeshire County Council did not include the additional £2.5m funding which the county council had allocated to address potholes, grass verge maintenance and associated works;
- The DCLG had changed their advice regarding the financial accounts for 2016/17 and had now advised that the Combined Authority would need to prepare financial accounts for the period from the date that the Combined Authority Order came into effect on 3rd March 2017 to 31st March 2017. It was proposed that the Chief Finance Officer be authorised to negotiate the fee for the 2016/17 audit;
- The costs of establishing the Combined Authority remained as previously reported (Appendix C referred);
- Costs relating to the establishment of the Combined Authority and the Mayoral office had been kept lean and the additional funding which would flow from these bodies would be of significant and long-term benefit to local residents;
- A member requested that the minutes should include an explanation of the acronym 'PSAA' at paragraph 3.5.1 of the report and details of the members of the PSAA Board (Clerk's note: PSAA stands for Public Sector Audit Appointments. The PSAA Board comprises Steve Freer (Chairman), Caroline Gardner, Dr Clive Grace OBE and Stephen Sellers);
- Any decision to use the borrowing facility described at paragraph 3.7.2 would be a matter for the Combined Authority Board, subject to any budget or policy frameworks;
- Local residents should be informed about the effective use being made of the additional funding attracted by the Combined Authority once the Purdah period was over.

It was resolved to:

1. Approve an additional budget allocation of £18,700 and authorisation for the Chief Finance Officer to procure necessary insurance cover for the Combined Authority.
2. Note that an additional external audit cost would be incurred for 2016/17 and authorise the Chief Finance Officer to negotiate and agree a fee for the audit with the auditors.

3. Approve the payment of the updated Transport Capital Grant for 2017/18 as set out in paragraph 3.4.
4. Note the appointment of EY LLP as the Combined Authority's auditors for the period 3 March 2017 to 31 March 2018.
5. Note that the Combined Authority would be preparing 2016/17 financial accounts for the period between 3 March 2017 and 31 March 2017.
6. Note that the Combined Authority had joined the Debt Management Account Deposit Facility and had been set up with the Public Works Loans Board Facility.
7. Note the updated budget and indicative resources for 2016/17, 2017/18 and Medium Term Financial Forecast for 2018/19 to 2020/21 as set out in the Appendix.

27. DATE OF NEXT MEETING

It was resolved to note that the Board would meet next on Wednesday 31 May 2017 at 10.00am at Alconbury Weald Enterprise Campus, Alconbury Weald, Huntingdonshire PE28 4XA.

Chairman