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Strategy and Resources Scrutiny Committee

S&R/1

Monday, 25 March 2019

STRATEGY AND RESOURCES SCRUTINY COMMITTEE

25 March 2019

5.00 - 7.30 pm

Present: Councillors Barnett (Chair), Bick, Dalzell, Green, Sergeant and Massey

Executive Councillors: Herbert (Executive Councillor for Strategy and External Partnerships) and Robertson (Executive Councillor for Finance and Resources)

Officers:

Chief Executive: Antoinette Jackson

Strategic Director: Fiona Bryant

Head of Shared Internal Audit Services: Jonathan Tully

Committee Manager: Sarah Steed

FOR THE INFORMATION OF THE COUNCIL

19/17/SR Apologies for Absence

Apologies were received from Councillor Baigent. Councillor Massey was present as the alternate.

19/18/SR Declarations of Interest

No declarations were made.

19/19/SR Public Questions

There were no public questions.

19/20/SR Minutes

The minutes of the 11 February 2019 Strategy and Resources Scrutiny Committee would be presented to the next meeting for approval.

19/21/SR Cambridgeshire and Peterborough Combined Authority Mayor

The Mayor of Cambridgeshire and Peterborough James Palmer attended the Scrutiny Committee and responded to questions put by members of the Committee.

1. Members asked whether the Mayor had a cost in mind for how much it would be to improve buses in the Cambridgeshire and Peterborough area or whether members would have to wait to see the business case on buses.

Mayor Palmer confirmed that he had no figure in mind, he did have information on the cost of bus services and how much the bus companies were making and he was working on this issue. There was a review of buses that went to the Combined Authority Board in January 2019. The work on franchising would take a couple of years and he was in discussions with bus companies about service improvements and the systems that they had in place. The bus companies were willing to work with him.

2. Members noted there was a new Managing Director at Stagecoach and asked whether there was a new view on franchising? Members also noted that Mayor Palmer had not mentioned enhanced partnerships.

Mayor Palmer commented that he was in favour of any option which improved bus services. There were high levels of subsidies in the south of the county and there were buses that did not feed people into work as buses did not start running early enough in the morning. The Combined Authority would do the best they could with the powers that they had.

3. Members referred to the Greater Cambridge Partnership (GCP) who were holding a 'Big Conversation' on Better Journeys. Members asked whether Mayor Palmer had participated in the consultation and what his view was.

Mayor Palmer confirmed that he hadn't participated because he wasn't asked. He had a good working relationship with the GCP and they were working together regarding the Cambridge Autonomous Metro project (CAM).

4. Members referred to discussions regarding how bus services were organised, either by a fixed timetable or a demand led timetable. Commented that at a meeting at the County, Councillors had indicated

that their preferred option would be for a fixed timetable. Further commented that if rural communities had more regular bus services then people would be more likely to use them. Asked what bus service provision had been put in place for vulnerable people.

Mayor Palmer commented that if work had been undertaken by the County Council then he would expect it to be fed into the bus provision review process. Stagecoach wanted to make sure that their service was available for all. He said that whatever could be done to assist vulnerable people should be done. He gave an example of using a particular colour for bus seats which assisted individuals with Alzheimers. He commented that nowhere in Cambridgeshire was isolated but some had poor transport links and noted that there was work to be done. There were transport issues within the city which were significant but there were also transport issues outside of the city which were equally significant.

5. Members asked the Mayor if he had a view on the Milton Road scheme.

The Mayor commented that he had no view and was happy the GCP knew best.

6. Members questioned why students did not get discounted bus fares and also referred to a comment made by the previous Managing Director at Stagecoach that they had enough bums on seats during peak periods and that they did not need any more.

Mayor Palmer commented that he had already made representations to Stagecoach about student bus fares and that the new Managing Director of Stagecoach was not the same as the previous Managing Director. He noted that people could not afford to live in Cambridge and therefore had to live outside of Cambridge, this meant they bought cars to travel into Cambridge which contributed to air pollution and congestion.

7. Members welcomed the CAM paper which was published last week; this was due to be discussed at the Combined Authority Board meeting on 27 March 2019. Asked where in the report it explained the funding of the scheme.

Mayor Palmer commented that to deliver infrastructure on the scale of the CAM was a significant piece of work. The strategic outline business case set out whether the project could be pursued. If the Board gave approval to the project then they would get a full business case and methodology produced.

The Treasury had said that they wanted to see the outline business case and Mayor Palmer would be working with the Treasury over the next 12 months. He would also need to make sure that he had powers to bring development forward. He was working with landowners in the south of the County in 3 districts. He commented that he could not deliver the scheme on his own and required the assistance of partner local authorities. He believed funding could be raised to deliver the scheme and developers would be able to make a profit.

8. Members asked whether there was a point in the future when a decision would be made that the CAM project would or would not be able to go ahead.

Mayor Palmer commented that he had a firm belief that the scheme could be delivered; there was the finance to deliver the scheme and the ability to be able to make a profit. If the numbers did not add up in the full business case, then that would be the point when the scheme would not be pursued. The Independent Economic Review said that if nothing was done to improve transport in the area the economy would go bankrupt. The economy in Cambridge would drive the economy nationally in the next 20 years.

9. Members asked whether there were any contingency plans regarding the bus review to address the transport gap between now and 2031.

Mayor Palmer said if the CAM was built between 2023 – 2029, this would give confidence to the business sector and encourage further investment. Other transport projects included Cambridge South Station, the dualling of the A10, work to the A47 and work on the A428 which was starting in 2021. There were projects in the pipeline for the short, medium and long term.

10. Members commented that businesses at the Science Park had said that they struggled to recruit staff; if employers were unable to recruit staff, investors may get cold feet. In order to deliver the CAM, short term transport solutions may need to be put in place.

Mayor Palmer commented that Cambridge had more jobs than people and quite a few members of the workforce came from neighbouring counties and further afield. Investors that had approached him saw Cambridge as an area that would have significant growth; the investors were pension fund investors who were looking for a 30-40 year investment.

11. Members asked whether Central Government could be encouraged to invest more in the CAM.

Mayor Palmer commented that the reality was that Central Government had a population of over 64 million and there were investment issues across the country so we were in a competitive market. The Combined Authority had been successful in getting a lot of funding for Cambridge. If Central Government wanted to put in more than 10% funding that would be great but they would look at the project as a business investment. He commented that he did not want the CAM scheme borrowing against future ticket sales. 15 million journeys were expected per year so ticket prices should be set at reasonable levels.

12. Members asked Mayor Palmer if he thought there was too much disagreement within the Combined Authority Board and what he was doing to address tensions.

He acknowledged disagreements at Board level between Leaders but said that he thought there was more that the Leaders agreed on than they disagreed about. There was a combined desire to spread the wealth, see better public transport and greener and more environmentally friendly ways to deliver housing and affordable housing. He hoped colleagues on the Combined Authority Board thought what was trying to deliver would be beneficial to all.

13. Members asked what the benefits of the CAM would be to Cambridge city residents who lived between metro stations and the city centre.

Mayor Palmer commented that Cambridge was a relatively small city and that it would be easy to get around if you removed congestion. The cost of underground metro stations was over £250 million each. He wanted to protect the nature of the city itself. If a congestion charge was brought in which reduced congestion this could enable a more reliable bus service for people of Cambridge (in advance of the CAM) and it would be easier and safer to cycle if there were less cars on the road.

14. Members asked if it would be easier if we had unitary councils.

Mayor Palmer commented that Andy Wood was Chair of the independent Commission looking at local government reform for Cambridgeshire and Peterborough.

15. Members commented that whilst Cambridge residents wanted to see the end to congestion they did not want Cambridge to lose its uniqueness.

Mayor Palmer commented that he lived 15 miles away from Cambridge and he spent time socially in Cambridge so he cared very much about the nature of Cambridge itself. The strategic planning of the area was to prevent urban sprawl. He wanted to preserve the fabric of the city and the countryside. Infrastructure needed to be put in place first before development. He stood for election on a manifesto to do his best and protect the Cambridgeshire and Peterborough area. The impact that Cambridge had on surrounding areas could not be overlooked; living 15 miles outside of Cambridge meant people still had to pay significant amounts for housing.

16. Members referred to the Independent Review Body who were looking into Local Government reform for the Cambridgeshire and Peterborough area and asked whether the Body would be consulting with Cambridge City Council and other District Councils in the area.

Mayor Palmer said he expected Andy Wood would want to talk to people. A report was expected by the end of the summer. He had only spoken with the Chairman of the Independent Review Body once which showed how independent the body was.

19/22/SR Combined Authority Update

Matter for Decision

The report provided an update on the activities of the Cambridgeshire and Peterborough Combined Authority (CPCA) since the 11 February meeting of Strategy & Resources Scrutiny Committee.

Decision of Executive Councillor for Strategy and External Partnerships

- i. Noted the update on issues considered at the meetings of the Combined Authority held on 27 February 2019.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Chief Executive.

Councillor Herbert made the following comments:

- i. Expressed some scepticism about the proposed dualling of the A10.
- ii. There were proposals for a new Combined Authority Housing Company, but it was not clear what this new company could do.
- iii. Expressed disappointment with the lack of progress in delivering 2000 affordable houses.
- iv. He was on the interview panel for the new Chief Executive for the Combined Authority.
- v. Expressed concerns regarding the increase in the Mayor's personal staff from 4-7.
- vi. He did not agree with certain roles at the Combined Authority being subsidiary to other Directors (for example the Head of Finance).
- vii. He thought that there should be a nationally recognised local government expert as one of the members of the Local Government Review Board and that the review should engage with communities and councils in the Combined Authority area.

Councillor Sargeant commented that:

- i. He was the Chair of the task and finish group for the Cambridge Autonomous Metro project and he had hoped to have early access to the business case but was frustrated that he only had 3 working days to review the papers and had raised this issue with the Mayor.
- ii. He commented that the Overview and Scrutiny Committee had a lack of access to information generally and could attend other committees and not be able to have access to papers that they were discussing.
- iii. The Interim Chief Executive had agreed to meet with him and the Chair of the Overview and Scrutiny Committee to discuss access to confidential papers.

The Committee noted the report.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

19/23/SR Update on the Work of Key External Partnerships

Matter for Decision

The report provided an update on the work of the Cambridgeshire and Peterborough Business Board (former Greater Cambridge Greater Peterborough Local Enterprise Partnership), Greater Cambridge Partnership

and other growth-related partnerships and is provided as a part of the Council's commitment given in its "Principles of Partnership Working", to set out annual reports summarising the work of the key partnerships it is involved with.

Decision of Executive Councillor for Strategy and External Partnerships

- i. To continue to work with the Greater Cambridge Partnership and other growth-related partnerships and to work with the new model of delivery for the Local Enterprise Partnership (Business Board) under the Combined Authority, so that together the Council and its partners can address the strategic issues affecting Cambridge, to the overall benefit of citizens.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

This item was not requested for pre-scrutiny and the committee made no comments in response to the report from the Corporate Strategy Officer.

The Committee unanimously resolved to endorse the recommendation.

The Executive Councillor approved the recommendation.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

19/24/SR Shared Services Business Plans 2019/20 (Legal, ICT and Internal Audit)**Matter for Decision**

The Shared Services Agreement requires business plans to be approved every year for the Legal, ICT and Audit shared services. The Business Plans ensure the services adhere to the original objectives and contribute towards each partner council's strategic objectives.

Decision of Executive Councillor for Finance and Resources

- i. Approved the Business Plans for each of the Shared Services attached as Appendices to the Officers report
- ii. Authorised the Shared Services Management Board to approve final amendments to the Business Plans in line with comments received from all three partner councils.
- iii. Agreed to bring a progress report to the next meeting of the Strategy and Resources Scrutiny Committee regarding proposals for the joint scrutiny of shared services

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Strategic Director.

The Head of Shared Internal Audit Service said the following in response to Members' questions:

- i. The Principal Auditor position was one that the Council was unable to recruit into immediately, and the role was endorsed by the independent Public Sector Internal Audit Standards assessment. Only one of the vacant Senior Auditor positions had been appointed during the previous recruitment exercise. If the Council was unable to appoint to the role in the next recruitment round then he would look at the recruitment process with HR and continue to explore other alternatives.
- ii. He was currently seeking to build awareness of the Shared Internal Audit Team across the 2 councils. The Strategic Management Team did guide areas of work, and he was also looking for real time engagement from all levels of the services as this would help to develop an agile risk based plan.

The Strategic Director said the following in response to Members' questions:

- i. When the Shared Services Partnership agreements were put in place there were some issues which required further agreement and which were being worked on, she had also been working on more general exit strategies across the shared services.
- ii. None of the Council's had a comprehensive asset register before the shared services commenced but 3C ICT now had a comprehensive asset register.

- iii. The Head of 3C ICT was an important strategic role, they had interviewed 3 candidates who had the right abilities but only 1 candidate could demonstrate leadership. It was felt that the interim arrangements to have a Head of 3C ICT for 2 days a week was more advantageous than having no-one in post at all.

The Chief Executive said the following in response to Members' questions:

- i. She had attended the most recent South Cambridgeshire District Council (SCDC) Scrutiny Committee with the Chief Executive of Huntingdonshire District Council (HDC). Due to the loss of Senior Officers who had knowledge of the shared services there were gaps in the understanding of the history and the benefits of shared services.
- ii. Commented that the Strategic Director has been doing a lot of work with SCDC and HDC regarding the shared services.
- iii. Confirmed that she was happy to commit to looking at shared scrutiny arrangements with SCDC and HDC however commented that all three councils operated different governance arrangements so this work might not be ready for the next Strategy and Resources Scrutiny Committee meeting.

Councillor Bick proposed and Councillor Dalzell seconded an additional recommendation iii to bring a progress report to the next meeting of the Strategy and Resources Scrutiny Committee regarding proposals for the joint scrutiny of shared services.

The amendment was carried by 5 votes to 0.

The Committee unanimously approved the amended recommendations.

The Executive Councillor approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

19/25/SR Update on Planned Development of Park Street Car Park

Matter for Decision

The Executive Councillor approved a proposal to delegate authority to the Strategic Director (in consultation with the Executive Councillor) following the Strategy and Resources Scrutiny Committee in March 2018 to finalise

negotiations on a commercial deal for redevelopment of Park Street Car Park, in line with an approved strategic brief.

Decision of Executive Councillor for Strategy and External Partnerships

- i. Noted the progress made in relation to the project and confirmed delegated authority to the Strategic Director to finalise the due diligence and lease documents/conditional contracts required to ensure delivery of the project within the agreed parameters and timescales.
- ii. Noted that the legal documents would be conditional upon a successful planning application

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Strategic Director.

The Committee made the following comments in response to the report:

- i. Welcomed the redevelopment of Park Street Car Park but would have preferred housing to have been included on the site. Also welcomed the network infrastructure for electric vehicle charging points.
- ii. Pleased to see electric vehicle charging points.
- iii. Questioned if the Committee would be assisting in the selection of the architects for the project.
- iv. Asked if there would be toilets in the hotel element of the project that members of the public could use and whether the tenants of the building would pay their workers the living wage.

The Strategic Director said the following in response to Members' questions:

- i. The Head of Environmental Services was in the process of undertaking a review into the toilets at Quayside, but the proposal to ensure sufficient provision replacing the current Park Street provision forms part of that review.
- ii. The architects for the project have won awards for hotels and have been involved in the project for all the preliminary work. The Developer has confirmed that they will continue to use them.
- iii. It would be a matter for the hotel operator to determine what facilities (if any) would be made available to members of the public. The Council

would work with the developer to encourage the tenant of the sublease to sign up to the living wage.

The Chief Executive confirmed that the concerns expressed regarding the loss of toilet facilities at Park Street and the quality of facilities at Quayside would be fed into the toilet facilities review.

The Committee resolved by 4 votes to 0 to endorse the recommendations.

The Executive Councillor approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

The meeting ended at 7.30 pm

CHAIR