

Message from Alex Plant, Chief Executive:

Dear Board Members,

Now that Government have confirmed the HGF cut at the level originally proposed (ie 43% across the board pro-rata cut for all growth areas) I would like to move quickly to confirm the discussions we had at the last Board meeting and allow us then to take the slimmed-down HGF capital programme forward, and give clarity to our project partners.

The discussion at the Board in relation to how the figures work on the HGF capital programme got a little confused, so I hope what follows clarifies the position.

Having discussed with Sir David, we believe the following key points were agreed relating to the HGF capital programme during the Closed Session of the last Board meeting:

- The deferral of some schemes as proposed in the paper (such as the March regeneration project),
- A reduction in the quantum of funds previously allocated to projects (such as the Huntingdon Town Centre Scheme)
- A reduction of £1m from the Flexible Fund, and
- Retaining a 10% overprofiling of the HGF capital programme as a whole

And that, taken together, these measures provide a deliverable capital programme against the available (reduced) funds. The attached spreadsheet shows the HGF Capital Programme before and after the cut, showing how we have made the necessary £6m reductions.

The draft minutes of the Closed part of the Board meeting are also attached which cover these same points. You will recall that we held that conversation in Closed session as the Government were still considering their next steps on the cut at this stage, and we did not want to discuss our ability to cope with any cut in a public meeting as this could have undermined our arguments to Government as to why they should not impose the cut as proposed on Cambridgeshire.

I hope this accords with everyone's understanding from the Board meeting - **but please let me know by the end of the week if not**. Speed is of the essence, as some of the priority projects we are still pushing ahead with face very tight timelines and it is imperative that we allow them to move forward now - not least as other funding sources could be at risk if not.

I should also add, for completeness, that the criteria we used to assess all the projects, through the bilateral discussions that John Onslow had with partners, and in the full Growth Partnership Board discussions, were those agreed at the Leaders meeting in July (held when we first had news of the proposed cuts).

Those criteria are:

- actual delivery of new homes
- delivery of infrastructure essential for development,

- contribution to future sustainable development
- unavoidable commitments already made; and
- potential to leverage external funds

The projects that looked weakest against those criteria are the ones that have been deferred.

As I am sure you aware, this has been no easy task and I am grateful to colleagues from across the partnership for their taking a sensible, professional and corporate approach to this throughout.

Many thanks - and Merry Christmas!

Alex