

CAMBRIDGESHIRE AND PETERBOROUGH EAST ANGLIA DEVOLUTION PROPOSAL

Committee: Council

Date: 28 June 2016

Author: Chief Executive, Monitoring Officer and Deputy Monitoring Officer

[R39]

1.0 ISSUE

1.1 Consideration of the Cambridgeshire and Peterborough East Anglia Devolution and accompanying documents.

2.0 RECOMMENDATIONS

2.1 The Council is requested to consider the following documentation related to the establishment of a Combined Authority across Cambridgeshire and Peterborough and authority to enter into formal consultation, specifically:

- (i) the Notice of Recission of Previous Resolution (ref: Council Procedure Rule 20 – 13 April 2016 (to be tabled as Appendix 1, if appropriate));
- (ii) the Governance Review (attached as Appendix 2) including the establishment of a Combined Authority with a Mayor for Cambridgeshire and Peterborough area;
- (iii) the Devolution Deal proposal (attached as Appendix 3);
- (iv) the Devolution Scheme (attached as Appendix 4).

2.2 Subject to the approval of recommendations 2.1 (i) to (iv), the Council is requested to:

- (i) instruct the Chief Executive to undertake appropriate consultation on its content as summarised in paragraph 3.7 and 3.8 and set out in Appendix 4;
- (ii) authorise the Chief Executive, in consultation with the Leader of the Council, to provide the Secretary of State with a summary of the consultations in due course;
- (iii) instruct the Chief Executive to produce a report to the October Council to consider whether to give consent for the Secretary of State to bring forward such an Order establishing a Combined Authority with a Mayor covering that area of Cambridgeshire and Peterborough.

3.0 BACKGROUND/OPTIONS

3.1 The Special Council on 13 April 2016 agreed to ratify 'The East Anglia Devolution Agreement' and instructed the Chief Executive and the Leader of Council to negotiate the inclusion of key infrastructure priorities in the final devolution deal. The Special Council also requested that the Chief Executive report back to June Council on the progress with the implementation of the agreed resolution.

3.2 East Cambridgeshire District Council remained consistent in its support for the wider 'East Anglia Devolution Agreement' covering Cambridgeshire, Peterborough, Norfolk and Suffolk. Nevertheless, despite assurances to the contrary, the Secretary of State has indicated his willingness to consider two separate 'brother and sister' agreements between Cambridgeshire and Peterborough and Norfolk/Suffolk. Subsequently, East Cambridgeshire must reconsider its previous view and review the proposed Cambridgeshire/Peterborough deal.

3.3 If the Council is minded to support the revised deal, it is required to formally rescind the previous decision of Council (ref: 13 April 2016) in accordance with the Council's constitution (ref: Council Procedure Rule 20). Appendix 1 will be tabled at the meeting (if appropriate).

3.4 Governance Review

The Governance Review for Cambridgeshire and Peterborough Combined Authority is attached as Appendix 2. Its key recommendation is that the functional economic area will be best served by a Mayoral Combined Authority model of governance, bringing together local authorities, the LEP and other public service partners to drive growth and reform.

3.5 Devolution Deal Document

The Cambridgeshire and Peterborough East Anglia Devolution Proposal (ref: 17 June 2016) is attached as Appendix 3. It sets out the framework for the devolution of powers and resources to Cambridgeshire and Peterborough, specifically:

- **Governance** – a new directly elected Mayor who will chair the Cambridgeshire and Peterborough Combined Authority. All participating local authorities will be represented on the combined authority through membership of the Mayors Cabinet. The Mayor and the combined authority will be scrutinised by a Cambridgeshire and Peterborough Overview and Scrutiny Committee.
- **Finance and Funding** – the devolution deal includes new un-ring fenced funding under a single pot (£600m over 30 years, £20m per annum), (60% capital, 40% revenue) for infrastructure and economic growth; £100m capital grant (out to 2020/21) for the delivery of new homes and devolved budgets for Key Route Network of roads and local transport. An additional £70m capital ring fenced for Cambridge to address their exceptional housing market conditions.

- Additional devolved responsibility in key priority areas, specifically:
 - Housing and Planning, eg creation of Mayoral Development Corporations, Joint Investment and Assets Board to include central government, NHS and MOD land.
 - Transport and electronic communications eg management and maintenance of a new Key Route network of local authority roads, franchising bus services, establishment of a Statutory Transport Body (STB).
 - Learning and Skills eg local commissioning by the Combined Authority and full devolution of funding.
 - Apprenticeship eg responsibility for the Apprenticeship Grant for Employers.
 - Employment eg integration of employment services.
 - Business Support.
 - Health and Social Care and Community Safety.

- The Leader of Council has also negotiated the inclusion of key strategic infrastructure projects in the devolution deal document for consideration by the Combined Authority and Mayor, specifically: CLT scheme in Kennett, CLT development as a whole, Soham Railway Station including double tracking and reinstatement of the loop 'Newmarket Curve', Ely North junction improvements, Ely Southern Bypass, A14/A142 junction and upgrades to A10.

3.6 **The Devolution Scheme**

The Devolution Scheme for the Cambridgeshire and Peterborough Combined Authority is attached as Appendix 4. The Devolution Scheme, arising from the review in Appendix 2 details the terms of reference and constitutional and financial arrangements of the proposal, specifically the Combined Authority, directly elected Mayor, Overview and Scrutiny and officers.

3.7 **Consultation and Next Steps**

If Council are minded to approve the recommendations 2.1(i) to (iv), each authority is required to undertake a public consultation exercises that will commence on 4 July 2016 until 22 August 2016. The consultation will be led jointly by the constituent council authorities aiming to raise awareness of the Combined Authority and the effects of devolution to the area and to its residents. The draft scheme will be accompanied by a plain English summary of what the proposed legal changes mean in practice.

3.8 The consultation will be conducted primarily through digital channels with consultation feedback gathered via the Cambridgeshire and Peterborough Combined Authority (C&PCA) website, although respondents will be able to submit

responses by letter or email should they wish to do so. Consultation documents and publicity materials will be made available in key local authority buildings. Proposed channels include: pro-active media releases and pro-active engagement of regional and local media throughout the consultation; web content for the C&PCA website, including a feedback form; similar, but locally adapted content for local authority and partner websites; social media using C&PCA channels and staff messaging.

3.9 Following consultation, constituent authorities are required to submit the results of the consultation to the Secretary of State in order that he can decide whether to exercise powers to establish a combined authority (September 2016). The consent to the draft Order produced by the Secretary of State being laid before Parliament to establish the authority will take place in late October 2016. Following this process, Council is required to meet again in October 2016 to approve the draft order with a view to the Order being laid in Parliament by 4 November 2016.

4.0 ARGUMENT/CONCLUSIONS

4.1 The Council has a number of issues in considering the ratification of the agreement, specifically:

- an assessment of the likely benefits of the devolution deal to East Cambridgeshire and the delivery of its agreed corporate priorities;
- an assessment of the effectiveness status quo in relation to both resources and governance in delivering the necessary infrastructure to support the Council's strategic ambitions;
- consideration of the proposed geography and governance of the devolution deal;
- opportunities for future devolution deals, to extend the transfer of powers and resources and the redesign of the delivery of public services.

4.2 Although the June decision is not final and does not legally commit an authority to participating in a Combined Authority, agreeing the C&PCA proposal and subsequently withdrawing will have an impact on all the authorities in the proposed Combined Authority. A change in the economic area after the public consultation has been triggered on 4 July 2016 is likely to require a new Scheme to be prepared for consultation and thus the timetable for creation of the Combined Authority would not be met.

There may, of course, be legitimate reasons for an authority not to subsequently consent to the Order. Those legitimate reasons to withdraw after the consultation could include the Secretary of State's draft Order not reflecting the C&PCA proposal or the weight of local consultation responses opposing the Combined Authority. However, in the absence of a legitimate reason, if an authority agrees the Scheme and proposal in June, it should be prepared to consent to a draft Order from the Secretary of State in October. Elections for the directly elected Mayor are likely to be held in May 2017 although the Combined Authority can be established from 1 April 2017.

5.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT (EIA)

5.1 The report and the appendices identify the financial benefits of the devolution deal and the funding of the Combined Authority and Mayor are specifically referenced in Appendix 4 (ref: para 19 and 20 pages 10/11).

5.2 The constituent Councils will undertake an assessment of the proposed Combined Authority with regards to potential impacts in relation to equality impact. This will be an iterative process with a subsequent revision in the light of consultation responses.

6.0 APPENDICES

6.1 Appendix 1 – Notice of Recission of previous resolution (to be tabled)

Appendix 2 – Governance Review

Appendix 3 – Devolution Deal Proposal

Appendix 4 – Devolution Scheme

<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
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