

## Cambridgeshire & Peterborough Devolution Proposal (update 22nd June 2016)

The original proposal from Government was for a 'Tri-County Deal' involving Cambridgeshire joining with Norfolk and Suffolk in a large East Anglian Combined Authority led by an elected Mayor that would cover 23 Local Authorities and two Local Enterprise Partnerships.

Although welcomed by the more rural Local Authorities, this proposal was rejected by Cambridge City Council, Cambridgeshire County Council and by the Cambridgeshire & Peterborough LEP. It was regarded as geographically too big and diverse, it gave inadequate incentives for Local Authorities to increase their stock of affordable housing, and Cambridge businesses were concerned about an investment dilution effect.

Following some negotiation between the Cambridgeshire Local Authorities and the Government, an alternative scheme has been proposed covering just Cambridgeshire and Peterborough. This new scheme would appear to answer the main criticisms of the Tri-County package, and is widely seen as a goer. It will be the subject of a Public Consultation running from 4<sup>th</sup> July to 22<sup>nd</sup> August.

The benefits of the new proposal include:

- A new £20 million annual fund for Cambridgeshire and Peterborough for the next 30 years (£600 million) to support economic growth, development of local infrastructure and jobs in addition to the Greater Cambridge City Deal.
- An additional £70 million fund specifically for affordable housing in Cambridge which may be used in its entirety to build new council homes.
- £100 million for affordable, rented, and shared ownership across Cambridgeshire and Peterborough. This makes a total of £170 million of which Cambridge City Council will have £70 million targeted investment in affordable housing with the balance of £100 million spread across the other Cambridgeshire authorities.
- This could amount to some 2,500 new affordable homes built in the Cambridge area over the next five years, including at least 500 new social rented homes - the most affordable form of affordable housing. This would be the biggest programme of council house building in Cambridge since the 1970s.
- Investment in transport infrastructure including the A14/A142 junction, upgrades to the A10 and A47, a new railway station at Wisbeach and a connection to the Cambridge-King's Lynn line, and new rolling stock with improvements for the King's Lynn-Cambridge-London rail link
- Investment in skills training and apprenticeships, a new Peterborough University with degree-awarding status, and investment in a Peterborough Enterprise Zone

The main downside would seem to be the imposition of an elected Mayor leading a Combined Authority as an extra layer of local government bureaucracy. The Local Authorities already have Leaders of their respective Councils so how do they fit with the new Mayor who is to have significant decision-making powers akin to the London Mayor? Until this is clarified, it is difficult to judge whether this is an advance or a dilution of local democracy.

Combined Assembly members will be drawn from representatives of all seven Cambridgeshire Local Authorities. With the experience of the Greater Cambridge City Deal, the public may question the level of accountability, although the position of Mayor will be decided by public election. The mayoral election is targeted for May 2017, so Government are in a hurry. Combined Authority members will not be entitled to any extra allowance but can draw expenses.

With the much tighter geographical area, the dilution effect on Cambridge, of the original proposal has been lifted. Indeed, the initial reaction of Cambridge business has been positive. The additional funding to build much needed affordable housing is particularly welcome and could go some way to countering the impact of the recent Housing & Planning Bill on the availability of affordable housing in Cambridge. But governance issues about the authorities of Councils and of the Mayor and the Combined Authority must be sorted with absolute clarity if these benefits are to actually materialise.

Anybody for Mayor?

For further information about the details of the devolution deal, please click [here](#)