

CAMBRIDGESHIRE AND PETERBOROUGH EAST ANGLIA DEVOLUTION SCHEME

17 June 2016



Contents

| | |
|---|---------|
| Establishment of the Combined Authority | Page 6 |
| Area of the Combined Authority | Page 6 |
| Name of the Combined Authority | Page 6 |
| Membership | Page 6 |
| Directly Elected Mayor | Page 6 |
| Member Representatives | Page 7 |
| Conduct of Members | Page 7 |
| Chair | Page 7 |
| Co-optees | Page 8 |
| Expenses | Page 8 |
| Executive arrangements | Page 8 |
| Functions of the Mayor | Page 8 |
| Exercise of the Mayoral Functions | Page 9 |
| Functions of the combined authority | Page 9 |
| Proceedings of the combined authority | Page 10 |
| Overview and Scrutiny | Page 10 |
| Audit | Page 11 |
| Records and standing orders | Page 12 |
| Funding of the exercise of combined authority functions | Page 12 |
| Funding of the exercise of Mayoral functions | Page 12 |
| Transfer of property, rights and liabilities | Page 13 |
| Local Enterprise Partnerships | Page 13 |
| Officers | Page 13 |
| Additional constitutional documents | Page 14 |
| Appendix A | Page 15 |
| Connectivity – transport & digital | Page 15 |
| New homes & sustainable communities | Page 15 |
| Finance | Page 16 |
| Annex 1 | Page 17 |
| Appendix B | Page 18 |
| Learning and skills, apprenticeships and employment | Page 18 |

| | |
|--|---------|
| Apprenticeships | Page 19 |
| Employment | Page 20 |
| Further activity to improve life chances | Page 21 |
| Career and pay progression | Page 21 |
| Business support | Page 21 |
| Public Service Reform | Page 22 |
| Health and Social Care | Page 22 |
| Community Safety | Page 23 |
| The Cambridgeshire and Peterborough Combined Authorities Commitments | Page 23 |
| Equalities | Page 24 |

INTRODUCTION

The Cambridgeshire and Peterborough Combined Authority will work with Local Councils, Greater Cambridge Greater Peterborough Enterprise Partnership "the LEP", local public services, Government departments and agencies, universities and business to grow the local and national economy whilst improving the life chances and quality of life of people across the region.

This scheme sets out a number of core initiatives:

- A step change in infrastructure delivery with an integrated approach to planning of roads, rail and digital connectivity alongside land for new housing and business to further drive up economic growth and productivity;
- Becoming the UK's truly connected region in respect of communications and transport connections, linking research-based growth in the Cities with even the most rural villages. Improvements to road and rail infrastructure and using smart ticketing will make it easier for residents to participate fully in the economy across transport modes;
- Devising new models of private/public infrastructure and housing funding to fund strategic capital infrastructure;
- A new partnership between the universities and FE providers to drive a programme of co-ordinated skills and educational improvement to deliver the knowledge based economy.
- Transformation of public service delivery utilising the strong existing partnerships of councils, business and public services that have a successful track record of working together.
- Areas of joint collaboration with Norfolk and Suffolk, including features such as transport, infrastructure and skills where solutions are required pan-region, as well as other areas that represent recognised economic growth opportunities, such as Bedfordshire, Hertfordshire, Lincolnshire, Northamptonshire, Rutland and Essex.

The Combined Authority will have an elected Mayor with a Cabinet appointed in accordance with the scheme set out below and shall include a representative from the LEP. The Mayor and the Combined Authority shall work closely together to deliver the vision and aims. The Mayor shall also be represented on the LEP.

The Combined Authority is a:

- Local authority for many purposes of the Local Government Act 1972, in particular sections 101 and 102 (arrangements for the discharge of functions by the local authorities) in conjunction with the powers of the Constituent Authorities to work jointly with the Combined Authority under sections 9EA and 9EB of the Local Government Act 2000; Part VA provisions on access to information; and for the purpose of the power of a Minister of the Crown to pay grants;
- Best value authority for the purpose of section 1 Local Government Act 1999; and
- Public body for the purpose of the Freedom of Information Act 2000.

The Constituent Authorities have agreed the principle that the Combined Authority's costs will be met as far as possible from existing resources. The statutory officers and support to the Combined Authority will be provided by the Constituent Authorities.

It is expected that the [£20] million per annum funding allocation [will be invested so as to leverage additional financial benefit for the Combined Authority which will, after an initial investment period, exceed the Mayoral costs arising from the creation of the Combined Authority.

This scheme is prepared and published under section 109 Local Democracy Economic Development and Construction Act 2009 following a review under section 108 of that Act which concluded that the making of an Order to establish a combined authority would be likely to improve the exercise of statutory functions for the Cambridgeshire and Peterborough area.

1 ESTABLISHMENT OF THE COMBINED AUTHORITY

- 1.1 A Mayoral Combined Authority shall be established pursuant to section 103 of the Local Democracy, Economic Development and Construction Act 2009 ("LDEDCA"). It shall come into existence on 1 February 2017 or the day on which the Order is made, whichever is the later.

2 AREA OF THE COMBINED AUTHORITY

- 2.1 Subject to the consent of the Council's the Combined Authority's area shall cover the area of two or more of the following Councils:

- (a) Cambridge City Council;
- (b) Cambridgeshire County Council;
- (c) East Cambridgeshire District Council;
- (d) Fenland District Council;
- (e) Huntingdonshire District Council;
- (f) Peterborough City Council; and
- (g) South Cambridgeshire District Council

Each of the above authorities shall be a "Constituent Authority" of the Combined Authority.

3 NAME OF THE COMBINED AUTHORITY

- 3.1 The name of the Combined Authority will be the Cambridgeshire and Peterborough Combined Authority.

4 MEMBERSHIP

- 4.1 The Combined Authority shall consist of the Members as set out below:

- 4.1.1 The Mayor elected for the Combined Authority;
- 4.1.2 An elected member appointed by each of the Constituent Authorities;
- 4.1.3 A nominee of the LEP; and
- 4.1.4 Such other Non-Constituent non-voting Members as may be admitted to the Combined Authority from time to time by the unanimous consent of the Constituent Authority Membership.

- 4.2 The expression "Member" shall include all of the above.

- 4.3 Each organisation entitled to appoint a Member shall be entitled to appoint a Substitute Member, who shall have the same decision-making authority and voting rights as the person in whose place they are acting.

5 DIRECTLY ELECTED MAYOR

- 5.1 There shall be a directly elected Mayor for the area of the Combined Authority pursuant to section 107A of the LDEDCA ("the Mayor"). The Mayor will be elected in May 2017. The provisions of Schedule 5B of LDEDCA shall apply subject to paragraph 5.2 below.

- 5.2 The term of office of the Mayor elected in May 2017 shall be four years. Each subsequent election shall take place in each fourth year following first election on the same day of ordinary election and the term of office of the elected Mayor shall be four years.
- 5.3 The Mayor shall appoint up to two of the Members of the Combined Authority to be Deputy Mayor in accordance with section 107C of LDEDCA and the Deputy Mayor(s) shall:
- a) hold office until the end of the term of office of the Mayor subject to paragraph b) below;
 - b) cease to be Deputy Mayor if at any time the Mayor removes him or her from office, he or she resigns as Deputy Mayor or the ceases to be a Member of the Combined Authority;
 - c) act in the place of the Mayor if for any reason the Mayor is unable to act or the office of Mayor is vacant.
- 5.4 If a vacancy arises in both of the offices of Deputy Mayor, the Mayor must appoint another Member of the Combined Authority to be the Deputy Mayor.
- 5.5 If for any reason the Mayor is unable to act or the office of Mayor is vacant; and the Deputy Mayor(s) is unable to act or both of the offices of Deputy Mayor are vacant the other Members of the Combined Authority must act together in place of the Mayor, taking decisions by a simple majority.

6 MEMBER REPRESENTATIVES

- 6.1 Each Member representative will act in the best interests of the Combined Authority as a whole, taking into account all relevant matters.
- 6.2 Where a Member or Substitute Member ceases (for whatever reason) to be a Member of or otherwise represent the organisation that appointed or nominated them, then that Member representative will cease to be a Member of the Combined Authority and the organisation shall appoint a replacement Member as soon as possible.
- 6.3 A Member or Substitute Member may resign by giving written notice to the Proper Officer of the Constituent Authority that appointed them or the LEP as the case may be. The relevant Constituent Authority or LEP shall notify the Combined Authority forthwith of any such resignation.
- 6.4 Where a Constituent Authority's Member or Substitute Member appointment ceases, the relevant Constituent Authority shall give notice of the appointment of another of its elected members in that person's place as soon as possible. Where a LEP Member or Substitute Member's appointment ceases, the LEP shall nominate another of its Directors in that person's place as soon as possible. Such nominated Director shall become a Member or Substitute Member as the case may be from the date on which written notice of nomination by the LEP is received by the Combined Authority.
- 6.5 Each organisation shall at any time be entitled to terminate the appointment of a Member or Substitute Member appointed to the Combined Authority and replace that Member or Substitute Member at any time by giving not less than 14 days written notice to the Combined Authority and the termination and replacement shall take effect on the expiry of such notice.

7 CONDUCT OF MEMBERS

- 7.1 Members will at all times observe the Code of Conduct for Members to be set out in the Constitutional arrangements for the Combined Authority

8 CHAIR

- 8.1 Until the taking up of office of the directly elected Mayor, the Chair of the Combined Authority shall be appointed by the Combined Authority from among its Constituent Authority Members.

8.2 From the point at which he or she takes office, the Mayor will act as Chair to the Combined Authority.

8.3 The Mayor shall appoint a Deputy Mayor as vice chair of the Combined Authority.

9 CO-OPTTEES

9.1 The Combined Authority may co-opt additional non-voting representatives to the Combined Authority from time to time.

10 EXPENSES

10.1 The LEP and Constituent Authority Members of the Combined Authority shall not be entitled to remuneration but may be reimbursed for reasonable travel, subsistence and out of pocket expenses by the appointing organisation.

11 EXECUTIVE ARRANGEMENTS

11.1 Executive arrangements within the meaning of the Local Government Act 2000 shall apply to the Combined Authority. The Mayor shall appoint a Cabinet comprising one member of each of the Constituent Authority Members. The discharge of the functions of the Combined Authority will be subject to the arrangements set out in the Constitution.

11.2 The Mayor and the other Members of the Combined Authority will be required to work closely together. Specifically:

- a) the Mayor will provide overall leadership and chair Combined Authority meetings;
- b) the Cabinet Model, where the leaders have a clear portfolio of responsibilities, will act as a supporting and advisory function to the Mayor and Combined Authority in respective policy areas; and
- c) the Mayor will also be a member of the LEP, alongside the other members of the Combined Authority, recognising the importance of the LEP's role and the private sector in any growth strategies or delivery.

11.3 The Mayor and the Cabinet may together, acting by simple majority, decide to establish Committees and Sub-Committees to exercise any of the Combined Authority functions and may delegate such functions and powers as they consider appropriate to those committees and sub-committees and also to Officers of the Combined Authority or to any Joint Committee or other authority.

11.4 The Mayor and the Cabinet will together, acting by simple majority, agree to establish and participate in a Memorandum of Understanding with key partners to drive public service reform.

12 FUNCTIONS OF THE MAYOR

12.1 The functions devolved from Central Government set out in Appendix A to this Scheme shall be functions exercisable only by the Mayor ("the Mayoral Functions") subject to the Combined Authority's ability to veto under paragraph 14.

12.2 The Mayor shall have, as an ancillary power, the power under section 113A of LDEDCA to enable to Mayor to do things appropriate or incidental to or connected with the Mayor's functions (and subject to the limitations in section 113B).

12.3 Chapter 1 of Part 1 of the Localism Act 2011 (which confers a general power of competence on local authorities) shall not be applied to the Mayor.

- 12.4 The Mayor shall not be given a power to direct under section 88 of the Local Transport Act 2008.
- 12.5 The Mayor shall exercise the Mayoral Functions concurrently with the Secretary of State (as regards transport functions) and the relevant public authority (as defined in section 105A(9) of LDEDCA as regards other functions).
- 12.6 Subject to the making of enabling legislation, the Mayor shall have power to place a supplement of 2p per pound of rateable value on business rates to fund infrastructure and Mayoral costs with the agreement of the local business community through the LEP.

13 EXERCISE OF THE MAYORAL FUNCTIONS

- 13.1 The Mayor shall arrange for the exercise the Mayoral Functions in accordance with section 107D(3)(a) and (b) of LDEDCA.
- 13.2 The Mayor shall be authorised by Order of the Secretary of State to arrange for the exercise of the Mayoral Functions through a committee as provided for in section 107D(3)(c)(ii) LDEDCA and may delegate functions to the Deputy Mayor, the Cabinet or a Member.
- 13.3 Before a decision is taken by the Combined Authority on the approval of any strategy falling within the remit of the Mayor under the Mayoral Functions, whether that approval is to be given by the Mayor directly or otherwise, the Mayor shall consult the Combined Authority and:-
- a) The non-statutory spatial framework and any supplementary planning documents shall require the unanimous approval of the Constituent Authority Members of the Combined Authority;
 - b) the Transport Plan and any spending plans or plans for the allocation of transport-related funding shall be treated as rejected if two thirds of the Constituent Authority Members of the Combined Authority vote to reject the Transport Plan and associated spending, provided that any decision to reject the Transport Plan or budget includes the Combined Authority Members from each of Cambridgeshire County Council and Peterborough Council; and
 - c) any other strategy or spending plans shall be treated as rejected if two thirds of the Constituent Authority Members of the Combined Authority vote to reject such a plan.
- 13.4 The Mayor may prepare a new plan or budget where any plan or budget is rejected in the manner set out above.

14 FUNCTIONS OF THE COMBINED AUTHORITY

- 14.1 The Combined Authority shall have the functions set out in Appendix B to this Scheme.
- 14.2 Chapter 1 of Part 1 of the Localism Act 2011 (which confers a general power of competence on local authorities) shall be applied to the Combined Authority by Order of the Secretary of State pursuant to section 113D LDEDCA.
- 14.3 The Combined Authority shall have the wellbeing power contained in section 99 of the Local Transport Act 2008 by virtue of section 102A of that Act which can be exercised in conjunction with the general powers granted to it by section 113D of the LDEDCA.
- 14.4 The Combined Authority shall not be given a power to direct under section 88 of the Local Transport Act 2008.
- 14.5 The Combined Authority shall exercise the Combined Authority's functions concurrently with the Secretary of State (as regards transport functions) and the relevant public authority (as defined in section 105A(9) of LDEDCA) as regards other functions.

- 14.6 The Combined Authority shall have the power to borrow for a purpose relevant to any of its functions as contained in sections 1 and 23(5) of the Local Government Act 2003 as amended by section 9(3) of the Cities and Local Government Devolution Act 2016.

15 PROCEEDINGS OF THE COMBINED AUTHORITY

- 15.1 Sections 101 and 102 of the Local Government Act 1972 apply to the Combined Authority in the exercise of its functions so that the Combined Authority shall have the power to delegate its functions to a committee or sub-committee of the Combined Authority or to an officer or another authority.

- 15.2 The following decisions shall only be taken in a meeting of the full Combined Authority:

- a) approval of the borrowing limits, treasury management strategy including reserves, investment strategy, borrowing and budget of the Combined Authority including the amount of any expenses to be met by the Constituent Authorities under paragraph 20 of this Scheme;
- b) approval of the Combined Authority Standing Orders and any amendments to them (other than to reflect minor drafting improvements or legislative changes);
- c) appointing the Chair of the Combined Authority pending the Mayor taking office;
- d) approving the establishment of Committees, their terms of reference and composition, making and accepting appointments to them including the Overview and Scrutiny Committee and the Audit Committee;
- e) the making of any decision where the Mayor is required to consult the Combined Authority;
- f) the making of proposals to the Secretary of State for the conferring on the Combined Authority of additional functions or powers;
- g) approval of the making of arrangements for the exercise of the functions of any Constituent Authority;
- h) admission of anybody to non-constituent non-voting participation in the Combined Authority;
- i) the giving or not giving of consent to the making of any Order by the Secretary of State in relation to the Combined Authority under any legislation including LDEDCA;
- j) appointment and dismissal of the Head of Paid Service, Monitoring Officer and the officer with responsibility for the proper administration of the Combined Authority's financial affairs;

- 15.3 All decisions of the Combined Authority shall be decided by a majority of those voting Members present and voting, subject to that majority including the vote of the Mayor or unless otherwise set out in legislation or specifically delegated through the Authority's Constitution.

- 15.4 The Combined Authority may in its Standing Orders make provision for special majority voting arrangements on specified reserved decisions or types of decisions in recognition that some decisions made by the Combined Authority could have a significant impact on some or all of the Constituent Authorities and that the democratic mandate of each Constituent Authority should be respected and preserved. Such special majority voting arrangements may include arrangements based on the principle that Constituent Authorities directly affected by a decision must be part of the majority or there must be unanimity in order for that decision to carry.

- 15.5 The quorum of the Combined Authority is 5 voting Members or Substitute Members. The quorum for a committee or sub-committee of the Combined Authority shall be determined by the Combined Authority when establishing it.
- 15.6 Each voting Member shall have one vote.
- 15.7 There shall be no casting vote.
- 15.8 If a vote is tied it is deemed not to have been carried and provisions for deadlock will be set out in the Constitution.
- 15.9 Proceedings shall not be invalidated by any vacancy amongst the Combined Authority's Members or by any defect in the appointment or qualification of any Member.

16 OVERVIEW AND SCRUTINY

- 16.1 There shall be an Overview & Scrutiny Committee of the Combined Authority pursuant to Schedule 5A of LDEDCA to exercise scrutiny functions over the Combined Authority.
- 16.2 Each Constituent Authority shall appoint one elected member to the Overview & Scrutiny Committee.
- 16.3 Overview & Scrutiny Committee membership shall not include a Combined Authority Member (including the Mayor and the Deputy Mayor).
- 16.4 The Combined Authority shall appoint as Chairman of the Overview and Scrutiny Committee an independent person or an elected member of one of the Constituent Authorities who is not a member of a registered political party of which the Mayor is a member (if the Mayor is a member of a registered political party).
- 16.5 Each member on the Overview and Scrutiny Committee shall have one vote and there shall be no casting vote.
- 16.6 If a vote is tied it is deemed not to have been carried.
- 16.7 The Overview & Scrutiny Committee shall have power to:
- a) Invite Combined Authority Members and Officers, including the Mayor and Deputy Mayor, to attend and answer questions;
 - b) Review or scrutinise decisions or other actions taken in connection with the discharge of any functions which are the responsibility of the Combined Authority or the Mayor;
 - c) Make reports or recommendations to the Combined Authority and the Mayor with respect to the discharge of any functions which are the responsibility of the Combined Authority or the Mayor;
 - d) Make reports or recommendations to the Combined Authority and the Mayor on matters that affect the Combined Authority's area or the inhabitants of the area;
 - e) In respect of any decision made but not implemented by either the Combined Authority or the Mayor, direct that the decision is not to be implemented while it is under review or scrutiny and to recommend that the decision be reconsidered, further details of which are set out in the Constitutional Documents;
 - f) Invite others to attend meetings of the Committee.

16.8 Where the Overview & Scrutiny Committee makes a report it may also publish the report and require a response from the Combined Authority or the Mayor as the case may be, within a period of two months from receipt of the report.

17 AUDIT

17.1 The Combined Authority shall establish an Audit Committee pursuant to Schedule 5A of LDEDCA to fulfil the functions set out in paragraph 17.3.

17.2 The membership of the Audit Committee shall be determined by the Combined Authority but one member of the Committee shall be an independent person.

17.3 The Audit Committee will have the power to:

- a) Review and scrutinise the Office of the Mayor and Combined Authority's financial affairs;
- b) Review and assess the Mayor and Combined Authority's risk management, internal control and corporate governance arrangements;
- c) Review and assess the economy, efficiency and effectiveness with which resources have been used in discharging the Combined Authority's functions and the Mayoral Functions;
- d) Make reports and recommendations to the Combined Authority and/or the Mayor in relation to any reviews carried out in relation to the matters stated above;
- e) Receive any external audit report; consider the report and make recommendations to the Combined Authority or the Mayor, as appropriate; and
- f) Approve the annual accounts of the Combined Authority.

18 RECORDS AND STANDING ORDERS

18.1 Proceedings and the names of Members present at meetings must be recorded. Such proceedings will be agreed as an accurate record by Members of the Combined Authority at the next or a subsequent meeting.

18.2 The Combined Authority may make Standing Orders and Procedure Rules and shall adopt relevant procedures as set out at the end of this Scheme.

19 FUNDING OF THE EXERCISE OF COMBINED AUTHORITY FUNCTIONS

19.1 Subject to the proviso that the expenses of the Combined Authority that are reasonably attributable to the exercise of its functions (excluding Mayoral Functions) will be met by the existing resources of the Constituent Authorities, any additional costs will be met in equitable shares by the Constituent Authorities.

19.2 The Combined Authority shall be a levying body under section 74 of the Local Government Finance Act 1988 and shall have the power to issue a levy to its Constituent Authorities. Such levy shall be apportioned between the Constituent Authorities in equitable shares to be agreed in the annual budget. [The Constitution will set out a process for agreeing how these will be met.]

19.3 The Combined Authority shall agree an annual budget identifying its expenditure and sources of income.

20 FUNDING OF THE EXERCISE OF MAYORAL FUNCTIONS

20.1 In the financial year 2017/18 the costs of the Mayor that are incurred in (or in connection with) the exercise of the Mayoral Functions will be met by the Constituent Authorities. Such costs

shall be apportioned between the Constituent Authorities in equitable shares to be agreed in the annual budget

- 20.2 In any financial year following 2017/18 the costs of the Mayor that are incurred in (or in connection with) the exercise of the Mayoral Functions may be met from precepts issued by the Combined Authority under section 40 of the Local Government Act 1992.
- 20.3 The Combined Authority will be a major precepting authority under section 39 of the Local Government Finance Act 1992 but only in relation to expenditure incurred by the Mayor in or in connection with the exercise of the Mayoral Functions.
- 20.4 The function of issuing a precept under Chapter 4 of Part 1 of the Local Government Finance Act 1992 shall (subject to the following provisions of this paragraph 20) be a function only exercisable by the Mayor acting on behalf of the Combined Authority.
- 20.5 The Mayor shall maintain a fund in relation to receipts arising and liabilities incurred in the exercise of the Mayoral Functions.
- 20.6 Prior to each financial year beginning with the financial year 2018/19 the Mayor shall follow a process for the development of his or her budget for the exercise of Mayoral Functions for the financial year in question that is in accordance with Regulations or, in the absence of Regulations has the following characteristics:-
- a) preparation of a draft budget to include expenditure plans and income including the proposed precept;
 - b) scrutiny of the draft budget by the other Members of the Combined Authority and the Overview and Scrutiny Committee;
 - c) the making of changes to the draft budget as a result of such scrutiny; and
 - d) the approval of the draft budget.
- 20.7 The Mayor's draft budget shall be treated as rejected if two thirds of the Constituent Authority Members of the Combined Authority vote to reject it and in that event the Mayor shall propose a revised draft budget.

21 TRANSFER OF PROPERTY, RIGHTS AND LIABILITIES

- 21.1 There shall be no transfer of property, rights or liabilities between the Combined Authority or the Mayor and the Constituent Authorities other than by the agreement of the Constituent Authorities.

22 LOCAL ENTERPRISE PARTNERSHIPS

- 22.1 The Combined Authority recognises the importance of the Greater Cambridge Greater Peterborough LEP.
- 22.2 The Combined Authority commits to work with partners in East Anglia, Cambridgeshire, the Midlands and the South of England to promote opportunities for pan-Midlands and pan-Southern collaboration, along with any Sub National Transport Bodies and other Combined Authorities.

23 OFFICERS

- 23.1 The Combined Authorities must appoint persons to undertake the statutory functions of the Head of Paid Service, Chief Finance Officer and Monitoring Officer. The statutory officers and support to the Combined Authority will be provided by the Constituent Authorities.

23.2 The Constitution will include provision for the procedure to be followed in the appointment and dismissal of the Head of Paid Service, Chief Finance Officer and Monitoring Officer.

23.3 The Combined Authority shall have the power to employ such officers or to engage such persons as it considers appropriate and on such terms as it thinks fit, to carry out its functions.

24 ADDITIONAL CONSTITUTIONAL DOCUMENTS

24.1 The Combined Authority shall adopt a Constitution that comprises:

- Scheme of Delegation
- Meeting Procedure Rules
- Access to Information Procedure Rules
- Financial Management Procedure Rules
- Procurement and Contract Procedure Rules
- Officer Employment Procedure Rules
- Members' Code of Conduct;
- Officers' Code of Conduct
- Scheme for Members' Allowances

APPENDIX A

COMBINED AUTHORITY FUNCTIONS EXERCISABLE BY THE MAYOR

1 CONNECTIVITY – TRANSPORT AND DIGITAL

- 1.1 To be responsible for a consolidated, multi-year local transport budget for the area of the Combined Authority devolved from the Government consisting of the Integrated Transport Block or any equivalent or replacement funding for the same or similar functions as those covered by that funding.
- 1.2 For the financial years 2017/18 to 2020/21 inclusive the amounts and allocations of the local transport budget shall be [as set out in respect of the Integrated Transport Block in the Table at Annex 1 to this Appendix A].
- 1.3 In each financial year referred to in Annex 1 and any other financial year in which the amounts devolved by the Government are identified as allocated to individual Constituent Authorities, the Mayor shall passport that funding to the relevant Constituent Authorities
- 1.4 In any financial year in which the amounts devolved by the Government are not identified as allocated to individual Constituent Authorities, the Mayor shall consult with the Combined Authority as to his/her spending plans in relation to the devolved amounts and approval of such spending plans shall be subject to a 2/3 majority not voting against).
- 1.5 The Mayor shall transfer to the relevant Constituent Authority any amount identified as allocated to that Constituent Authority in the approved spending plans.
- 1.6 To produce and publish a Local Transport Plan for the Combined Authority area without prejudice to Constituent Authority duties to publish Local Transport Plans under sections 108 and 109 of the Transport Act 2000 and to exercise powers under Part II Transport Act 2000 concurrently with the highway authorities.
- 1.7 Take responsibility for delivering a new Key Route Network of local authority roads; the management and maintenance of which shall be undertaken by the Combined Authorities and through this work towards shared procurement frameworks and operational delivery of road maintenance across the Constituent Authorities. In turn this will unlock key sites, along with rail developments and support the delivery of an asset management plan.
- 1.8 To exercise, concurrently with the relevant Constituent Authority to the extent that they have equivalent powers, such powers to franchise bus services in the Combined Authority area as shall be contained in future legislation to support delivery of smart and integrated ticketing
- 1.9 Develop in partnership with others an integrated approach to local buses, community based transport, the local network of car clubs and in particular rail services with rail operators and Network Rail.
- 1.10 To explore the creation of a statutory Transport body to influence strategic national transport initiatives and work with Essex and the Midlands through the Cambridge-to-Oxford arc under Part 5A Local Transport Act 2008

2 NEW HOMES AND SUSTAINABLE COMMUNITIES

- 2.1 Creation of a non-statutory spatial framework and supplementary planning documents to act as a framework for managing strategic planning across the Combined Authority area which will, generally conform to all Local Development Plans.
- 2.2 To develop a non-statutory strategic infrastructure delivery plan.

- 2.3 To have functions corresponding to those of the Mayor of London under Part 8 of the Localism Act 2011 to designate any area of land in the Combined Authority area as a Mayoral Development Area leading to the establishment by Order of a Mayoral Development Corporation. This function must be exercised only with the consent of the Cabinet Member for the area affected and any Constituent Authority in which the Development Corporation is intended to be based.
- 2.4 The Combined Authority, with its partner authorities, will use the powers and infrastructure resources devolved from the Government, alongside local public and private investment, to substantially increase housing delivery through ambitious targets based on housing need, seeking to deliver 29,000 homes to 2021 and 72,000 homes over the longer period of Local Plans across East Anglia of different types and tenures.
- 2.5 To make proposals for the creation of other emerging vehicles to help take forward large development or new settlements subject to the consent of any Constituent Authority in which area the vehicle is intended to be used.
- 2.6 To exercise strategic planning powers to support and accelerate these ambitions. These will include the power to:
- 2.6.1 Create a non-statutory spatial framework, which will act as the framework for allocation of relevant sites subject to the unanimous approval of the Combined Authority
 - 2.6.2 Create non-statutory supplementary planning documents subject to the unanimous approval of the Combined Authority.
 - 2.6.3 Be consulted on planning applications of strategic importance in the Combined Authority area and to work with local areas to achieve ambitious plans for new housing development.
 - 2.6.4 Create Mayoral Development Corporations or similar delivery vehicles, with planning and land assembly powers, which will support delivery of strategic sites in the Combined Authority area. This power will be exercised with the consent of the cabinet member in which the development corporation is to be used
 - 2.6.5 Ensure there is a sufficient supply of commercial and housing sites available, to support a growing economy.
 - 2.6.6 Develop closer working with the Homes and Communities Agency.
 - 2.6.7 Support the delivery of housing and regeneration activities above in addition to the applicable land powers in the Local Government Act 1972 the Combined Authority shall be entitled to exercise powers in part II Housing Act 1985 concurrently with the Constituent Authorities (irrespective of whether any land would be held for the purposes of Part II) and the Local Authorities (Land) Act 1963.

3 FINANCE

- 3.1 Subject to enabling legislation, to exercise the power to place a supplement of rateable value on business rates.
- 3.2 To exercise the function of issuing a precept under Chapter 4 of Part 1 of the Local Government Finance Act 1992 in respect of mayoral functions.

ANNEX 1

| Funding and Allocation | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
|---|----------------|----------------|----------------|----------------|
| Integrated transport block | | | | |
| Cambridgeshire /Peterborough | 4.6 | 4.6 | 4.6 | 4.6 |
| Highways Maintenance Incentive formula | | | | |
| Cambridgeshire /Peterborough | 1.5 | 3.1 | 3.1 | 3.1 |
| Highways Maintenance Funding formula | | | | |
| Cambridgeshire /Peterborough | 16.4 | 14.9 | 14.9 | 14.9 |
| | | | | |

APPENDIX B

FUNCTIONS TO BE EXERCISED BY THE COMBINED AUTHORITY

4 LEARNING AND SKILLS, APPRENTICESHIPS AND EMPLOYMENT

- 4.1 To ensure continued collaboration the Combined Authority will, with the Regional Schools Commissioner and other key local education stakeholders establish an Education Committee. The Regional Schools Commissioner will work with the Committee to provide strategic direction on education across the Combined Authority area.
- 4.2 The Government commits to an Area Review of post-16 education and training, currently expected to start in November 2016. As part of the Area Based Reviews, the Combined Authority will gather data to feed into the development of a potential proposal for an Institute of Technology (IoT) for regionally significant sectors, and will discuss with the Government the extent to which this meets the criteria which are being developed for IoTs nationally. The outcome of the Area Review will be taken forward in line with the principles of the devolved arrangements. The review will include all post-16 education and training provision in the initial scoping phase and school sixth forms will be included in the detailed review if the school decides to be involved in the process. Recommendations will be focused on General FE and Sixth Form Colleges, however the Regional Schools Commissioner and the relevant local authorities will consider any specific issues arising from the reviews for school sixth form provision.
- 4.3 The Government recognises the progress the LEP, local colleges and providers and the private sector have made in improving skills provision across Cambridgeshire and Peterborough. It is expected that the LEP Skills Board will continue to collaborate with colleges and providers, with appropriate support from the Education Funding Agency to work towards delivering this plan.
- 4.4 The Government will enable local commissioning of outcomes to be achieved from 19+ Adult Education Budget starting in academic year 17/18; and will fully devolve budgets to the Combined Authority from academic year 2018/19 subject to readiness conditions). These arrangements will not cover apprenticeships.
- 4.5 The Combined Authority will focus a greater proportion of its devolved Adult Education Budget on learning that delivers sustained job outcomes, productivity and economic growth.
- 4.6 Devolution will proceed in two stages, across the next three academic years:
- a) The Combined Authority will begin to prepare for local commissioning. For the 2017/18 academic year, and following the area review, the Government will work with the Combined Authority to vary the block grant allocations made to providers, within an agreed framework.
 - b) From 2018/19, there will be full devolution of funding. The Combined Authorities will be responsible for allocations to providers and the outcomes to be achieved, consistent with statutory entitlements. The Government will not seek to second guess these decisions, but it will set proportionate requirements about outcome information to be collected in order to allow students to make informed choices. A funding formula for calculating the size of the grant to Constituent Authorities and the Combined Authorities will need to take into account a range of demographic, educational and labour market factors; it will also need to take account of costs of implementing devolution and continuing operational expenditure.
- 4.7 The readiness conditions for full devolution are that:

- a) Parliament has legislated to enable transfer to local authorities of the current statutory duties on the Secretary of State to secure appropriate facilities for further education for adults from this budget and for provision to be free in certain circumstances.
 - b) Completion of the Area Review process leading to a sustainable provider base.
 - c) After Area Reviews are completed, agreed arrangements are in place between central government and the Combined Authority to ensure that devolved funding decisions take account of the need to maintain a sustainable and financially viable 16+ provider base.
 - d) Clear principles and arrangements have been agreed between the Government and the Combined Authority for sharing financial risk and managing failure of 16+ providers, reflecting the balance of devolved and national interest and protecting the taxpayer from unnecessary expenditure and liabilities.
 - e) Learner protection and minimum standards arrangements are agreed.
 - f) Funding and provider management arrangements, including securing financial assurance, are agreed in a way that minimises costs and maximises consistency and transparency.
- 4.8 The Government recognises that Cambridgeshire has a world-class higher education offering, with the University of Cambridge consistently ranked amongst the foremost universities in the world. This higher education offer has a vital role in enhancing the innovation and productivity of the area's economy. Local partners want to work with the Government to build on this to progress plans for University Centre Peterborough to attain Taught Degree Awarding Powers and, in the longer-term, to establish an independent university institution in the city.
- 4.9 Subject to the readiness conditions below, from the 2018/19 academic year onwards, to receive fully devolved Government budgets (calculated on a funding formula taking into account a range of demographic, educational and labour market factors) for 19+ education and training and to exercise within the Combined Authority area the functions of the Secretary of State under sections 2 and 10A Employment and Training Act 1973 and the following provisions of the Apprenticeship Skills Children and Learning Act 2009:
- a) Section 86 except subsection (1)(b)
 - b) Section 87
 - c) Section 88 (but not any power to make Regulations)
 - d) Section 90 (but not any power to make Regulations)
- 4.10 Also relevant are the powers and duties of the Education Authorities under sections 15ZA, 15ZB, 15ZC, and 15 B of the Education Act 1996 and the powers under section 560A of that Act (duties and powers related to the provision of education and training for persons over compulsory school age). Data and information sharing powers in the Social Security (Claims and Information) Regulations 1999 (SI 1999/3108), Social Security (Information-sharing in relation to Welfare Services etc.) Regulations 2012 (SI 2012/1483), the Welfare Reform Act 2012 s.131 and Welfare Reform and Pensions Act 1999 are also relevant. These powers shall be exercised by the Combined Authority concurrently.
- 4.11 Pursuant to the functions referred to above, to be responsible for allocations to providers and the outcomes to be achieved, consistent with statutory entitlements and proportionate requirements set by the Government.

5 APPRENTICESHIPS

- 5.1 The Government recognises Cambridgeshire and Peterborough's commitment to delivering more apprenticeships. The Combined Authority will assume responsibility for the Apprenticeship Grant for Employers (AGE). The AGE funding must be used alongside mainstream apprenticeship participation funding to incentivise employers to offer apprenticeships, but the Combined Authority is free to vary the criteria associated with the

grant (e.g. size and sector of business) to meet local needs. The Skills Funding Agency will work with the Combined Authority to identify an appropriate share.

5.2 The Combined Authority and the Government will collaborate to maximise the opportunities presented by the introduction of the apprenticeship reforms, including the levy, and to work together on promoting the benefits of apprenticeships to employers in order to engage more small businesses in the apprenticeship programme. The Combined Authority will explore the potential of introducing an Apprenticeship Training Agency to the area, funded through local resources.

5.3 The relevant powers in this regard to be exercised concurrently include those mentioned above in section 4 and the:

- Apprenticeships, Skills, Children and Learning Act 2009 s.122
- Education and Skills Act 2008.

6 EMPLOYMENT

6.1 The Combined Authority will work with the Department for Work and Pensions (DWP) to establish a locally integrated employment services which join together the elements of the employment system to achieve better outcomes. This includes:

- a) The Combined Authority committing to work with the Government to ensure all young people are either earning or learning including supporting Jobcentre Plus in the delivery of the Youth Obligation from April 2017.
- b) The Government committing to ensuring all young people are either earning or learning and to exploring opportunities for links with local employment services to support this aim, including building in good practice from the existing local provision.
- c) The Combined Authority commits to supporting the Youth Obligation by utilising strong local links to business to create work-related training and labour market opportunities for young people including encouraging the provision of apprenticeships and work placements in the local community. It will also work with the Government to investigate the potential for social investment, in particular Social Impact Bonds, for disadvantaged young people not in education, employment or training who may not be in receipt of support from Jobcentre Plus.

6.2 The Combined Authority will work with DWP to co-design the new National Work and Health Programme designed to focus on those with a health condition or disability and the very long term unemployed.

6.3 The respective roles of DWP and the Combined Authority in the co-design will include:

- a) DWP sets the funding envelope, the Combined Authority can top up if they wish to, but are not required to.
- b) The Combined Authority will set out how it will join up local public services in order to improve outcomes for this group, particularly how it will work with the Clinical Commissioning Groups/third sector to enable timely health-based support. There will be a particular focus on ensuring the integration of the new programme with local services, in order to ensure that national and local provision works well together, and opportunities for greater integration are identified and levered.
- c) DWP set the high-level performance framework and will ensure the support appropriately reflects labour market issues. The primary outcomes will be to reduce unemployment and move people into sustained employment. The Combined Authority will have some flexibility to determine specific local outcomes that reflect local labour market priorities, these outcomes should be complementary to the ultimate employment outcome. In

determining the local outcome(s) the Combined Authority should work with DWP to take account of the labour market evidence base and articulate how the additional outcome(s) will fit within the wider strategic and economic context and deliver value for money.

- d) Before delivery commences, DWP and the Combined Authority will set out an agreement covering the respective roles of each party in the delivery and monitoring of the support, including a mechanism by which each party can raise and resolve any concern that arise.
- e) DWP will facilitate protocols for data sharing and transparency by tackling some of the obstacles and developing solutions to enable the Combined Authority to develop a strategic needs assessment for the area.

6.4 The Combined Authority will co-commission the Work and Health programme with DWP. The respective roles of DWP and the Combined Authority will include:

- a) DWP sets the contracting arrangements, including contract package areas, but should consider any proposals from the Combined Authority on contract package area geography.
- b) The Combined Authority will be involved in tender evaluation.
- c) Providers will be solely accountable to DWP, but DWP and the Combined Authority's above-mentioned agreement will include a mechanism by which the Combined Authority can escalate to DWP any concerns about provider performance/breaching local agreements and require DWP to take formal contract action where appropriate.

7 FURTHER ACTIVITY TO IMPROVE LIFE CHANCES

- 7.1 The Combined Authority will set out how it will join up local public services across health, skills and employment in order to improve outcomes, particularly how it will work with local Clinical Commissioning Groups/third sector organisations and NHS England / the Health and Work Unit nationally to enable timely health-based support.
- 7.2 DWP will work with the Combined Authority and other partners to put in place workable data sharing arrangements which enable the integration of services and reduce duplication in order to support more people into work.

8 CAREER AND PAY PROGRESSION.

- 8.1 The Government will work with the Combined Authority to ensure that local priorities are fed into the provision of career advice, through direct involvement and collaboration with the Government in the design of local careers and enterprise provision for all ages, including continued collaboration with the Careers and Enterprise Company and the National Careers Service.
- 8.2 The Combined Authority will develop a business case for an innovative pilot to support career and pay progression for those claiming Universal Credit. The business case will set out the evidence to support the proposed pilot, cost and benefits and robust evaluation plans to enable the proposal to be taken forward, subject to Ministerial approval and an agreed investment plan.

9 BUSINESS SUPPORT

- 9.1 The LEP and local partners will successfully deliver the Cambridge Compass and Alconbury Weald Enterprise Zones as announced in wave one and two of the national competition. Government commits to supporting local partners in promoting and supporting the delivery of the Enterprise Zones, as well as considering any further proposals subject to future funding rounds.
- 9.2 The LEP will continue to deliver a strong Growth Hub, (Signpost 2 Grow), providing an effective signposting and targeted support service business support tailored to meet local

needs across Cambridgeshire and Peterborough (and the wider LEP area). Government will provide funding to help embed the Growth Hub in 2016/17 and 2017/18.

- 9.3 The Combined Authority, Local Authorities and LEP commit to greater alignment of economic development resources to maximise impact of support for businesses and ensure the most efficient and effective use of public funding. The LEP will lead on the delivery of the Strategic Economic Plans, working with partners and explore the pooling of staffing and resources.
- 9.4 The LEP and the Combined Authority commit to working with UKTI, strengthen joint working to increase inward investment and exporting. Local partners will invest in a concerted campaign to help more businesses, particularly smaller companies, export.
- 9.5 The LEP and Local Authorities, led by Signpost 2 Grow (our local growth hub) will work with Government to develop a strategic approach to regulatory delivery, building on the Better Business for All national programme which will remove regulatory barriers to growth for businesses.
- 9.6 Government supports the vision for innovation set out by Cambridgeshire and Peterborough and recognises the importance of the delivery of this vision for the region's future economic growth. The government will offer Cambridgeshire and Peterborough expert advice and support through the Smart Specialisation Advisory Hub, and associated workshops, to support activities part-funded by the European Regional Development Fund.

10 PUBLIC SERVICE REFORM

- 10.1 The Government and the Combined Authority will work with relevant central and local statutory and non-statutory sector partners to explore innovative and integrated approaches to redesigning sustainable public services across Cambridgeshire and Peterborough with a focus on prevention and early help. This includes the transfer of powers between the Combined Authority, the County Council, District Councils and Parish Councils to deliver the most efficient and effective public services. The Government and the Combined Authority will also focus on tackling socio-economic issues in areas of deprivation, such as parts of Fenland, Cambridge, Huntingdon and Peterborough, to improve the quality of life for local residents.

11 HEALTH AND SOCIAL CARE

- 11.1 Cambridgeshire and Peterborough face significant demographic challenges that are putting pressure on resources now and in future years. Local progress has already been made towards greater integration of health and social care in a number of locations and there is appetite to build on these foundations and make further progress on health and social care integration in order to deliver the Spending Review commitment to integrate health and social care by 2020, and to make the most efficient and effective use of public resources to meet the demographic challenges that lie ahead. Integrating such complex services will require re-shaping the whole system, which can only be achieved through careful planning, a shared vision and strong co-operation between local partners.
- 11.2 To deliver this shared vision, partnerships between local authorities, clinical commissioning groups, service providers and other local partners will need to be strengthened significantly. Therefore, these parties will work together, with the Combined Authorities and with support from the Government, NHS England and other national partners as appropriate, to support each of the counties through their Sustainability and Transformation Planning process to set out plans for moving progressively towards integration of health and social care, bringing together local health and social care resources to improve outcomes for residents and reduce pressure on Accident and Emergency and avoidable hospital admissions.
- 11.3 NHS England and local organisations will remain accountable for meeting the full range of their statutory duties.
- 11.4 Relevant powers to be exercised concurrently with the Constituent Authorities include:

- National Health Service Act 2006 (public health and Part III co-operation and integration);
- Health and Social Care Act 2012;
- Care Act 2014;
- Mental Health Acts.

12 COMMUNITY SAFETY

- 12.1 Cambridgeshire and Peterborough recognise the need to meet our communities' desire for increased visibility and responsiveness of public services to day to day community safety (such as parking, speeding, anti-social behaviour, fly-tipping). This is alongside addressing the rising needs of the most vulnerable (such as the frail elderly, victims of domestic violence or child sexual exploitation).
- 12.2 Good progress has been made by local partners to integrate our frontline response to the most vulnerable, including the Multi-agency Safeguarding Hub, Victims' Hub, Troubled Families programme, and safe and well visits between the fire service and adult social care, linked to wider blue light collaboration. Cambridgeshire and Peterborough will continue to join up our approach and explore how we can integrate our response to the root causes of vulnerability.
- 12.3 Working with Government the Combined Authority will explore the potential development of a more integrated pathway of service delivery to address the causes of offending behaviour early, before escalation that requires more costly interventions, with the aim of reducing the use of courts and prisons. Government will support this approach by working with Cambridgeshire and Peterborough to explore possible integration and early interventions.
- 12.4 In addition to Cambridgeshire and Peterborough's participation in the GPS pilot, Cambridgeshire and Peterborough will work with Government to strengthen their role in commissioning of offender management services and explore the potential for a more integrated approach to criminal justice in the area.

13 THE CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITIES COMMITMENTS

- 13.1 The Combined Authority is accountable to local people for the successful implementation of the Devolution Deal; consequently, the Government expects the Combined Authorities to monitor and evaluate their Deal in order to demonstrate and report on progress. The Cities and Local Growth Unit will work with the Combined Authorities to agree a locally resourced monitoring and evaluation framework that meets local needs and helps to support future learning. This framework must be approved to the DCLG Accounting Officer prior to delivery.
- 13.2 The Combined Authority will be required to evaluate the additional £20 million per annum of funding for 30 years, which will form part of and capitalise the Combined Authority single pot. The £20 million per annum fund will be subject to:
- a) Gateway assessments for the £20 million per annum scheme. The Combined Authorities and the Government will jointly commission an independent assessment of the economic benefits and economic impact of the investments made under the scheme, including whether the projects have been delivered on time and to budget. This assessment will be funded by the Combined Authorities, but agreed at the outset with the Government, and will take place every five years. The next five year tranche of funding will be unlocked if the Government is satisfied that the independent assessment shows the investment to have met the objectives and contributed to national growth;

- b) The gateway assessment should be consistent with the HM Treasury Green Book, which sets out the framework for evaluation of all policies and programmes, and where relevant with the more detailed transport cost-benefit analysis guidance issued by the Department for Transport (DfT). The assessment should also take into account the latest developments in economic evaluation methodology; and
 - c) The Government would expect the assessment to show the activity funded through the scheme represents better value for money than comparable projects, defined in terms of a Benefit to Cost ratio.
- 13.3 The Combined Authority will jointly write a single local assurance framework for the Single Pot, based on guidance produced by DCLG, to outline decision-making processes to allocate funding, and project appraisal. This local assurance framework will be signed off by the Government.
- 13.4 The Constituent Authority and the Combined Authority will work with the Government to develop a full implementation plan, covering each policy agreed in this Deal, to be completed ahead of implementation. This plan will include the timing and proposed approach for monitoring and evaluation of each policy which will take into account the latest developments in economic evaluation methodology and help supports future learning. This implementation plan must be approved by the DCLG Accounting Officer prior to delivery.
- 13.5 The Combined Authority and the Government will agree a process to manage local financial risk relevant to these proposals and will jointly develop written agreements on every devolved power or fund to agree accountability between local and national bodies on the basis of the principles set out in this document.
- 13.6 The Combined Authority will continue to set out their proposals to the Government for how local resources and funding will be pooled across the region.
- 13.7 The Combined Authority will agree overall borrowing and capitalisation limits with the Government and have formal agreement to engage on forecasting. The Combined Authority will also provide information, explanation and assistance to the Office for Budget Responsibility where such information would assist in meeting their duty to produce economic and fiscal forecasts for the UK economy.
- 13.8 The Combined Authority will continue to progress programmes of transformation amongst the Constituent Authorities to streamline back office functions and share more services and data, including on assets and property.
- 13.9 The Government will support the Constituent Authorities by leveraging existing monitoring and evaluation frameworks and, where applicable, by providing assistance to ensure consistency and coordination of metrics and methodologies with other areas receiving a devolution agreement. As part of this commitment, the Government will work with the Constituent Authorities to explore options for the coordinated application of high quality impact evaluation methods in relation to certain policies, which may include i) local commissioning of 19+ skills; and ii) employment support.

14 EQUALITIES

- 14.1 The Combined Authority will adhere to the public sector equality duty under section 149 of the Equality Act 2010 as if it was a public authority for the purposes of that section.

16 June 2016