

## **Local government in Cambridgeshire – time for a radical re-think?**

Most of Cambridgeshire already has three tiers of local government – Parish Council, District Council and County Council. Peterborough has a unitary authority; Cambridge has a City Council with powers equivalent to a District Council. Some of the larger towns have what is called a ‘Town Council’ but these are in practice equivalent to a parish council.

Now a further tier is to be added – the ‘Combined Authority’ (CA) of Cambridgeshire and Peterborough.

### **Background**

The possibility of a ‘Devolution Deal’ for Cambridgeshire, Peterborough, Norfolk and Suffolk was first mooted by George Osborne in his budget speech in 2016. This quickly fell apart as an idea as the Council Leaders could not agree that this area made a sensible grouping.

For the last few months officers and Leaders have been working on a Deal for the area covering Cambridgeshire and Peterborough. A proposal was firmed up during late Autumn 2016 and in late November all the local District and County Councils covering Cambridgeshire and Peterborough voted to move forward with the Devolution Deal.

A non-negotiable element was the direct election of a Mayor to lead the Combined Authority from next May (2017). In return for having a Mayor, the Government has promised an extra £20 million a year for the next 30 years to be spent on local infrastructure plus an additional £170 million for new affordable homes (£70m in Cambridge, £100m in the rest of the area).

### **The cost**

The set-up costs will be £1.5 million, including a mayoral office and staff costing £881,000 per year. This will have to be paid each year from the so-called £20 million. In addition, the cost of the election (every four years) will be £765k.

### **The benefits**

The package was ‘sold’ to the councillors on the basis that it will not only provide more money in the short term but will place us favourably for further deals in the future. We would also have the power of ‘leverage’ i.e. the possibility of taking out loans for infrastructure projects with the guarantee of regular repayments from our grant from central government.

### **The scope of the Mayor’s role**

The headline is ‘to support economic growth, development of local infrastructure and jobs’. It looks as though this will mainly be in terms of housing, road and rail projects. For roads, mention is made of up-grading the A14/A142 junction, the A10 and the A47 as well as the Ely North junction. Reference is made also to Wyton, St. Neots, Wisbech Garden Town. For rail there will be new rolling-stock and improvements on the Kings Lynn, Cambridge and London routes.

In addition there is also to be the creation of a Peterborough University, a Peterborough Enterprise Zone, co-design with government of a National Work and Health programme, a skills and apprenticeship budget and further integration of local health and social care resources.

### **The disadvantages**

The Lib Dems on all the constituent councils were clear that they felt the deal was flawed and that the additional layer of a new Combined Authority and an elected Mayor is unnecessary. The extra money

sounds generous initially but when you allow for modest inflation over the next 30 years, deduct running costs and spread it over seven councils, it amounts to less than an extra 1% spending power. The prospect of today's government pre-committing the next five governments seems unlikely. Indeed in the 2016 Autumn Statement, they said: *The government will meet the commitments on public spending set out for this Parliament: including commitments to priority public services, to international development and defence, and to pensioners. The government will continue to constrain public spending in the next Parliament to reach a balanced budget and live within its means. The commitments it is able to make on protecting public spending priorities in the next Parliament will need to be determined in the light of evolving prospects for the fiscal position. The government will do this at the next Spending Review.*

The wish-list of schemes and projects got some councillors very excited but it is self-evident that, with every mile of dual carriage-way costing about £15 million, huge extra central government grants would be needed to bring these about. The small additional budget that the Mayor will have will not help to reduce the cuts to the routine public services that people have come to expect in recent years. The Mayor will have the power to raise his/her own precept but little is known yet about the constraints on that power.

We also were uneasy about the lack of scrutiny of the Mayor though some concessions have been achieved in getting cross-party representation on a scrutiny panel.

### **In summary . . .**

Many of us believe that the creation of a CA is a waste of money at a time when local government across the country is under the most severe financial pressure any of us can remember. We also believe that it has a 'democratic deficit' i.e. decisions being taken by a small like-minded clique without proper scrutiny and challenge. We fear that this Deal will disempower councillors in the lower tiers, will evade the greater public scrutiny that comes through the present system, and will put more power into the hands of fewer people (probably of the same political party).

### **A way ahead?**

The Liberal Democrats in Cambridgeshire now consider that this situation must be re-considered and are calling for a radical re-think. Our aims would be to:

- a. Reduce the amount of money spent on administration and bureaucracy
- b. Release capital by selling off redundant properties or increase income by letting superfluous council buildings
- c. Make it much clearer for residents to know who is responsible for which services
- d. Make all local government much more democratically responsive.

To achieve this, we recognise that a lot of work has to be done on the detail and this is not something to be designed on the back of the proverbial envelope. That is why we are not committing ourselves at this stage to one particular model but have asked for officer investigation of the options.

Our provisional thinking is that

- a. The Parish Councils should be retained, possibly with increased powers and an enhanced role. It is becoming clear that more will be expected of local communities over the coming years as central government deliberately reduces its spending on a range of services we have come to expect.
- b. The existing higher tiers of councils should all be wound up i.e. city councils, district councils and county council
- c. There might be two 'unitary authorities' covering the whole of the area currently defined as Peterborough and Cambridgeshire. These might be, for example,

- i. Peterborough and North West Cambs (the area currently covered by Peterborough, Fenland DC and Huntingdonshire DC)
- ii. Cambridge and South-West Cambs (the area currently covered by Cambridge City, South Cambs DC and East Cambs DC)

It might then be possible to transform the new 'Combined Authority' into a joint committee for collaboration on those issues that need a wider perspective.

We recognise that a proposal such as this would come as a shock to many current councillors but we need to remind each other that the system does not exist for the benefit of councillors but that the councillors are there to serve the public as best they can - efficiently, cost-effectively and sympathetically.

We will up-date this article as and when further information and options become available.

*Peter Downes (LD councillor for Brampton and Kimbolton) January 2017*