



To: The Leader and Executive Councillor for Strategy:  
Councillor Tim Bick  
Report by: Antoinette Jackson  
Relevant scrutiny committee: Strategy & Resources Scrutiny Committee 20/12/2012  
Wards affected: All Wards

## **GREATER CAMBRIDGE CITY DEAL - EXPRESSION OF INTEREST Key Decision**

### **1. Executive summary**

1.1 City deals are a series of devolutions of powers, responsibilities and funding streams negotiated between Government and partners in individual city-regions. Those partners are in turn required to integrate a range of their own economic growth levers into a combined, strengthened and binding decision-making framework.

1.2 Leaders and officers at Cambridgeshire County Council, Cambridge City Council and South Cambridgeshire District Council have carried out initial work on a Greater Cambridge city deal proposal.

1.3 An Expression of Interest needs to be submitted to Government by 15 January 2013. A draft is attached at Appendix A.

1.4 This report seeks authority to work up and submit an Expression of Interest for a Greater Cambridge City Deal, in partnership with neighbouring local authorities and other partners.

### **2. Recommendations**

The Leader is recommended to:

- 1) agree the principles included in the expression of interest document attached in Appendix 1 and approve in principle the submission of a fully worked up version of this document to Government.
- 2) delegate to the Chief Executive responsibility to work with the Leader, officers and Leaders of each partner local authority and key external partners to finalise the expression of interest document; and, subject to consultation with the Leader, Chair and opposition spokes, to submit this to Government by 15 January 2013.

- 3) delegate to the Chief Executive responsibility to work with the Leader, officers and Leaders of each partner local authority, and key external partners, to work on negotiating a full city deal with Government if the expression of interest is successful; agree a draft City Deal with Government and partners, subject to consultation with the Leader, chair and spokes; and to bring any final City Deal to Strategy and Resources Committee for recommendation of adoption to full Council.

### **3. Background**

3.1 Government announced the introduction of city deals in its “Unlocking Growth in Cities” white paper in December 2011. City deals are a series of devolutions of powers, responsibilities and funding streams negotiated between Government and local partners in individual city-regions. Those partners are in turn required to integrate a range of their own economic growth levers into a combined, strengthened and binding decision-making framework.

3.2 The core drive behind city deals is enabling city-regions to take greater control of driving economic growth, with local and national benefits expected to be experienced. An important element of these is the inclusion of key non-governmental stakeholders, particularly those in the business community, in the employment of economic growth levers on a city-region-wide basis.

3.3 The ‘first wave’ of city deals was negotiated with the eight Core Cities of England, and these were concluded by June 2012. In October 2012 government announced that there would be a second wave of city deals negotiated, with twenty city-regions invited to submit a proposal. Greater Cambridge was one of those city-regions invited to submit a proposal.

3.4 “Greater Cambridge” is taken locally to refer to the combined geographies of Cambridge and South Cambridgeshire. This is considered to be a practical approximation of Cambridge’s travel to work area and functional economic geography.

3.5 Leaders and officers at Cambridgeshire County Council, Cambridge City Council and South Cambridgeshire District Council have carried out initial work on a Greater Cambridge city deal proposal.

3.6 Government has made available the template for an expression of interest, which has been used as the base for work to date. The draft proposal that has been worked up is attached in Appendix 1. This has been submitted in draft form to the Cabinet Office as an early indication of local thinking on this matter, and feedback on this document is anticipated from Cabinet Office based on conversations with other government departments.

3.7 Several key stakeholders have been included in the outline work that has been done to date. The most actively included have been the University of Cambridge and the Greater Cambridge Greater Peterborough Enterprise Partnership.

3.8 The form that the second wave of city deals will take differs from the first wave insofar as an element of competition has been introduced for this wave. Although twenty city-regions have been invited to submit proposals, only a proportion of these will be successful. Government has not stated a set number of proposals that will be successful, but it is clear that innovation and transformation in the employment of economic growth levers is expected to be exhibited in second wave proposals, along with a genuine commitment to properly integrate these on a city-region basis.

3.9 Second wave city deals are expected to be much less broad than the first wave deals, instead focusing on the 'single biggest economic challenge' experienced in each city-region. As a result of this, it will be important for any proposal to work on the basis of the area's uniqueness. Government recognises that some of the first wave aspects could have relatively universal application, and several of these will be included in a "core package", which will effectively be a menu of more generic options that successful city-regions can pick from to complement their bespoke proposal.

3.10 Second wave city deal proposals are expected to initially take the form of an expression of interest, as per the template provided by government. Government will decide which proposals are successful on the basis of these expressions of interest, and the successful city-regions will then go on to work up a full proposal in detail. The timeframes as they are currently known are shown below.

<b>DATE</b>	<b>ACTION</b>
15 January 2013	Submission deadline for final expression of interest.
February 2013	Announcement of successful second-wave city-regions.
March 2013	Conclusion of the core package.
February-July 2013	Successful city-regions will work up full proposals with Government, followed by presentations to Ministers and negotiations around the proposal details.
July-November 2013	Agreeing and signing off implementation plans.

3.11 Pending approval to proceed with a proposal, the next step will be to finalise an expression of interest for a Greater Cambridge city deal to be submitted in time for the 15 January 2013 deadline. The Leader is recommended to delegate to the Chief Executive responsibility to work with the Leader, officers and Leaders of each partner local authority and key external partners to finalise the expression of interest document; and, subject to consultation with the Leader, Chair and opposition spokes, to submit this to government by 15 January 2013.

3.12 The Leader is also recommended, if the Greater Cambridge proposal is successful and asked by Government to work up a full proposal, to delegate to the delegate to the Chief Executive responsibility to work with the Leader, officers and Leaders of each partner local authority, and key external partners, to work on negotiating a full city deal with Government.

3.13 If Greater Cambridge is successful in bidding for a second wave city deal, the negotiated deal will be brought back to Strategy & Resources Scrutiny Committee to recommend adoption to full Council for a decision before an implementation plan is agreed with Government – this is anticipated in July 2013. We will be able to withdraw from the process up to this point if this is felt to be necessary.

## **4. Implications**

### **(a) Financial Implications**

There are no financial implications of submitting an expression of interest and working on a city deal with government.

A signed city deal would have considerable financial implications, the nature of which would vary according to the aspects included, but likely to include the pooling of funds currently held separately by the respective signatories to any Deal. This will be considered by full Council in the event that Greater Cambridge is successful in negotiating a city deal.

**(b) Staffing Implications**

Developing the proposal has required staff input from a number of senior officers, and this will continue through the negotiation phase. If a deal is concluded, it may have implications for staff in relevant services to ensure the desired degree of co-ordination and sharing between the partner authorities and other signatories.

**(c) Equal Opportunities Implications**

There are no equality and diversity implications of submitting an expression of interest and negotiating a city deal with Government. An initial Equalities Impact Assessment has been carried out on the proposals in the draft Expression of Interest.

This Equalities Impact Assessment will be revised in the event that Greater Cambridge is selected to negotiate a city deal as more detail becomes clear on the precise content of the deal.

**(d) Environmental Implications**

There are minimal environmental impacts from developing and submitting an Expression of Interest.

There may be more significant impacts from a finalised City Deal, as it would be intended to stimulate sustainable economic development in the Greater Cambridge area. It would be difficult to assess the net impact, however, until the detail of the Deal, and its component strategies, policies and investments came forward.

The intention would be to ensure that the Deal promoted sustainability – for instance, by promoting broadband connectivity and public transport, it would be hoped that the need for separate journeys to work would be reduced.

**(e) Procurement**

There has been no procurement associated with the City Deal to date, and none currently planned.

## **(f) Consultation and communication**

The development of the draft Expression of Interest to date has been a largely internal process within the proposed partnership of local authorities. Cambridge University and the Greater Cambridge Greater Peterborough Local Enterprise Partnership have been consulted through their Pro-Vice Chancellor for Institutional Affairs and Chair respectively.

If selected to go forward for full City Deal negotiation, we would anticipate engaging a broader range of stakeholders in the detail.

## **(g) Community Safety**

There are no obvious community safety implications of this decision.

## **5. Background papers**

These background papers were used in the preparation of this report:

- Letter of invitation from Rt Hon Greg Clark MP dated 5 November 2012
- Initial Equalities Impact Assessment

## **6. Appendices**

Appendix 1 – Draft Expression of Interest: Greater Cambridge City Deal

## **7. Inspection of papers**

To inspect the background papers or if you have a query on the report please contact:

Author's Name: Andrew Limb  
Author's Phone Number: 01223 - 457004  
Author's Email: [andrew.limb@cambridge.gov.uk](mailto:andrew.limb@cambridge.gov.uk)