

DEVOLUTION DEAL ‘DOES NOT MEET THE NEEDS OF BUSINESS’

The Greater Cambridge Greater Peterborough LEP has confirmed that it has not signed up to the proposed tri-county devolution deal for Cambridgeshire, Peterborough, Norfolk and Suffolk at this stage in a very rushed process.

The announcement comes as Cambridge City Council clearly stated their position on the devolution offer being put forward by Government for the local area, and confirmed they too would not be signing the deal in its current form.

Over recent weeks there has been increasing pressure on the local areas to join together and agree a devolution deal for the tri-county area in advance of the Budget, that will be announced next week.

The LEP, a business-led organisation created to overcome key barriers to economic growth and represent the voice of local businesses, has concerns about the tri-county devolution deal that is currently on offer.

Mark Reeve, Chairman of the LEP, explains:

“We are a business led organisation whose work is based on a geography that the LEP and our partners determined based on sound economic evidence. Our role in these discussions is to clearly represent the views of our local businesses and secure the funding and powers needed to overcome key barriers to economic growth.

“The proposed tri-county deal will not deliver what we need, and it is clear that our business representative organisations also cannot see how a devolution deal can work over the tri-county area.

“We have serious concerns about the amount of money being offered to the whole area in return for signing a devolution deal, not least as our economy is one of the country's major contributors to Government. A view that is supported by our local business community and business representative organisations, which include the Institute of Directors, FSB, CBI, and Chamber of Commerce.

“£30 million a year for 30 years to tackle the many infrastructure challenges we face is simply not enough. What’s more, the funding is not indexed and part of it will be used to establish and run the mayoral office, further reducing the amount of money available to spend on vital projects.

“The infrastructure in our area has not received the level of investment it has required for years, and elements are now creaking under the strain of success. In the Cambridgeshire and Peterborough area alone over £2 billion is needed to tackle the most pressing challenges our area faces. This figure does not take into account existing supported schemes, such as improvements to the Ely Junction and the A428. As yet, there is no clarity

on where such schemes now sit - if they would need to be funded through the deal or if they would be delivered in addition to it.”

To unlock the devolution deal, the area would need to commit to electing a regional Mayor to cover the whole tri-county area. Mark continues:

“Our concerns go beyond the money. We are not convinced that a Mayor across such a large geography will help economic growth across Greater Cambridge Greater Peterborough. Covering an area that in width is the equivalent of London to Bristol with a single Mayor just doesn’t add up for us. We don’t believe the business voice can add value in the proposed mayoral governance structure, where just two out of the 25 voices will represent business.

“We are supportive of the principle of devolving more powers to local areas, and will continue to actively participate in the devolution discussions. We still believe that the recognised geography of the Greater Cambridge Greater Peterborough area makes most sense for both the local economy and the local community, and we are ready to do a deal on that geography as long as it meets the needs of the local area.”

The Greater Cambridge Greater Peterborough LEP has been heavily involved in devolution discussions with partners and Government. Its role is to represent the voice of local businesses, and ensure that the key barriers to economic growth – such as infrastructure, housing, and skills – can be overcome by the deal.

The devolution announcement comes only days after a Centre for Cities report into the Fastest Growing Cities in England, which highlighted the success of the local economy and the challenges it faces in terms of provision of housing and infrastructure. The report clearly demonstrated that Cambridge is a net contribution to the UK economy, putting more money into the public purse than it takes out, making the need for appropriate investment in the local area even more important.

Ends

Notes to editors

1. The Greater Cambridge Greater Peterborough LEP covers Cambridgeshire, Peterborough, North Hertfordshire, Rutland, South Holland, Uttlesford, West Suffolk, and West Norfolk. You can find out more about their work at www.gcgp.co.uk.
2. The Centre for Cities Fastest Growing Cities report can be found here: <http://www.centreforcities.org/publication/fast-growth-cities-opportunities-and-challenges-for-cambridge-oxford-milton-keynes-swinton-norwich/>

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