

**CONSTITUENT COUNCIL CONSENT FOR BUSINESS RATES SUPPLEMENT
ORDER AND DEVOLUTION OF ADULT EDUCATION POWERS FOR THE
CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY**

To: **General Purposes Committee**

Meeting Date: **29 May 2018**

From: **Deputy Chief Executive**

Electoral division(s): **All**

Forward Plan ref: **Not applicable** *Key decision:* **No**

Purpose: **To consider the consents delegated to the Combined Authority in respect of the Business Rates Supplement Order (BR) and the devolution of powers in respect of Adult Education Budget (AEB).**

Recommendation: **To delegate to the Deputy Chief Executive, in consultation with the Chairman of General Purposes Committee, the ability to give consent on behalf of the County Council to the making of regulations under the Local Government Act 2003 Part 1 contained in the two 'Draft' Statutory Instruments attached (Appendix 2 and Appendix 4), including acceptance to any minor changes to the same which do not alter the substantial meaning.**

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1. BACKGROUND

- 1.1 The Cambridgeshire and Peterborough Combined Authority (CPCA) is required to acquire consent from constituent councils for various powers and duties. For the CPCA, the constituent councils are Cambridgeshire County Council, the five District Councils and Peterborough City Council.
- 1.2 Consent is being sought in respect of the power to:
- Levy a Business Rates Supplement, and the
 - Transfer the Adult Education Budget and associated powers for the delivery of adult education services.
- 1.3 Both these powers are allowed by statute for an elected Mayor and the CPCA but there are strict controls around their implementation. The relevant CPCA drafts reports and Statutory Instruments are attached at **Appendices 1 to 4**. It should be noted that by the Council giving the aforementioned consent does not in any way make the Council liable for any costs associated with these powers.

2. MAIN ISSUES

- 2.1 Appended to this report are the draft reports that are expected to be seen by the CPCA by the end of May 2018. By this time the constituent councils are expected to have given consent in respect of the granting of the Business Rates (BR) and Adult Education Budget (AEB).

2.2 Business Rates Supplement Order

- 2.2.1 **Appendices 1 and 2** respectively show the CPCA draft report in respect of BR and the draft statutory instrument.
- 2.2.2 The reasons this order is being requested are as follows:
- The original CPCA devolution deal included a commitment to raise a business rate levy.
 - The above commitment should have been included in the LG Finance Bill 2017, but the Bill was 'lost' due to the 2017 general election.
 - The Ministry of Housing, Communities and Local Government (MHCLG) has now asked the Combined Authority and others to agree to the making of the order.
- 2.2.3 With regard to the charging of a Business Rate Supplement, these are laid within statute (Business Rates Supplement Act 2009) which include some clear controls, these are summarised below:
- i. Money raised cannot be used for day-to-day costs for services where it has existing obligations to provide.
 - ii. Mayor will be required to consult on and publish a prospectus of the proposal.
 - iii. The supplement will be subject to a ballot of businesses affected. A majority of individual rate-payers and the aggregate rateable value of those businesses in favour must exceed those against.
 - iv. The supplement will be levied on business properties with a rateable value of £50,000 or more.

2.3 Adult Education Budget

2.3.1 **Appendices 3 and 4** respectively show the CPCA draft report in respect of BR and the draft statutory instrument.

2.3.2 The reasons for this order request are as follows:

- The original CPCA devolution deal included the transfer of adult education powers but did not deal with the devolution of funding.
- The CPCA is required to meet a series of readiness conditions prior to final devolution.

2.3.3 The principal purpose of AEB is to engage adults in learning that supports wider economic priorities. Also, such devolution will only be within constituent council areas and the indicative budget is £12.1m from 2019.

2.3.4 The order will cover the following duties and powers:

- i. Further education to learners aged 19 and over (including those who do not have a certain specified qualifications).
- ii. Ensure provision is free for relevant learners who do not have certain specified qualifications.
- iii. Encourage learner and employer participation in education and training of people aged 19 and over.

and to run concurrently with the following powers of the Secretary of State:

- iv. To consider/have regard to the needs of learners aged 19 and over with Special Education Needs.
- v. To exchange information with providers to enable provision of further education to learners aged 19 and over.

2.3.5 However, the order will not cover:

- Apprenticeships,
- Adult offender learning, or
- Provision for people aged 16-18 years old.

2.4 Timetable for Implementation

2.4.1 There are tight timescales for the achievement of consent for these orders, therefore consent is requested at the earliest opportunity.

2.4.2 Constituent Councils have to give consent for the BR by the end of May, with the Statutory Instrument being in place by June/July, and the AEB by July, and it is expected that the Statutory Instrument will be in place by November in time for the 2019/20 academic year.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

These consents will enable the Council to continue working with partners and influencing the Local Enterprise Partnership (LEP) and Combined Authority to secure resources to facilitate delivery of new housing and drive economic growth and to mitigate any negative impacts of this.

3.2 Helping people live healthy and independent lives

There are no significant implications within this category.

3.3 Supporting and protecting vulnerable people

There are no significant implications within this category.

4. SIGNIFICANT IMPLICATIONS

4.1 This are no direct impacts or risks on the Council in respect of granting this consent to the CPCA. With regard to the:

- Business Rates Supplement Order, the imposition of an order would have to follow a statutory approval process that would require extensive consultation with those businesses that may be subject to the order.
- Adult Education Budget, the order allows more local decision making on the delivery of further education to the constituent councils younger population.

4.2 Resource Implications

There are no significant implications within this category.

4.3 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category

4.4 Statutory, Legal and Risk Implications

See wording under 4.1 and guidance in Appendix 2.

4.5 Equality and Diversity Implications

There are no significant implications within this category

4.6 Engagement and Communications Implications

See paragraph 4.1 above.

4.7 Localism and Local Member Involvement

See paragraph 4.1 above.

4.8 Public Health Implications

There are no significant implications within this category

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Tom Kelly, Head of Finance
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	Not applicable
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	Not applicable
Have the equality and diversity implications been cleared by your Service Contact?	Not applicable
Have any engagement and communication implications been cleared by Communications?	Not applicable
Have any localism and Local Member involvement issues been cleared by your Service Contact?	Not applicable

Source Documents	Location
None	Not applicable