

Department for Levelling Up, Housing & Communities

Rob Bridge Chief Executive Cambridgeshire and Peterborough Combined Authority Max Soule Deputy Director, Local Government Stewardship

Department for Levelling Up, Housing and Communities 4th Floor, Fry Building 2 Marsham Street London SW1P 4DF www.gov.uk/dluhc

30 January 2024

Cambridgeshire and Peterborough Combined Authority Best Value Notice issued on 30 January 2024

Dear Rob,

The Department issued a Best Value Notice to CPCA on 24 January 2023 as a formal notification of the Department's concerns regarding the Authority and requesting that the Authority engages with the Department to provide assurance of improvement.

We acknowledge the steps CPCA has taken to address the serious issues at the Authority since then, including your constructive engagement with both the independent Improvement Board and the Department over the last twelve months. We recognise the Authority's progress in delivering its agreed improvement plan, which has included making permanent appointments to the senior leadership team in a robust and timely manner. The benefits of a strengthened senior officer team are reflected in the progress made against the improvement plan. Although the investigation into breaches of the member code of conduct was not concluded quickly, we note that it now has been and is an important milestone for the Authority.

However, as you know, embedding cultural change across the organisation and ensuring that it is having the desired, long-term impacts is likely to take time and will require sustained effort from both officers and, indeed, members at CPCA.

Further, the Department remains concerned that, despite efforts made, more work is needed to ensure effective partnership working between all levels of the Combined Authority and its constituent authorities, to enable the area to achieve its full potential. We note that, whilst the Improvement Board "continues to draw assurance from the work of the officer team within [CPCA], this needs to be matched by the actions of the [Combined Authority] Board itself."

Ministers remain concerned as to CPCA's capacity to comply with its Best Value Duty under the Local Government Act 1999. The Minister for Local Government has therefore made the decision to issue CPCA with this Best Value Notice.se

This Best Value Notice ("Notice") is a formal notification that the Department has concerns regarding an authority and is a request that the authority engages with the

Department to provide assurance of improvement. The Department expects authorities that have been issued with Best Value Notices to continue leading their own improvement.

We expect the Authority to continue to improve and, specifically, to:

- Continue with the independent Improvement Board, making full use of its support and engaging with its recommendations over the next six months.
- Continue to implement and embed the changes agreed by the Combined Authority Board as part of the improvement plan.
- Continue to implement and monitor cultural change across the organisation, for both officers and members, with a focus on measurable outcomes.
- Commit, through strong partnership working at both officer and member level, to develop the strategic priorities and aspirations for the area that will benefit local residents, and a credible delivery strategy for progressing these. We hope that this can be achieved through consensus but, if not all stakeholders are ready to fully engage, the opportunity should be left open for them to do so when they feel ready to. This work is also important in informing CPCA's approach to further devolution.
- Continue to engage regularly with the Department at official level throughout the period of this Notice.

The Department will continue to closely monitor CPCA's progress, including by looking to the Improvement Board and your external auditor for updates and assurance that the necessary changes are being made at sufficient pace.

Whilst the Authority may continue to receive and be awarded government funding whilst under this Notice, we would emphasise that receipt of funding does not indicate the Department's broader view of the performance of the Authority, nor would it indicate any change in the status of this Notice, with individual funding programmes being managed and assured independently by their respective departments.

This Notice will remain in place for 6 months, after which time, should the Department deem it necessary to continue to seek assurance through such a Notice, a further Notice will be issued. The Notice may be withdrawn or escalated at any point based on the available evidence.

This Notice is issued outside the statutory powers held by the Secretary of State under the Local Government Act 1999 to inspect or intervene in local authorities where there is evidence of Best Value failure and, separately, under section 230 of the Local Government Act 1972 to request information from local authorities. However, a failure to demonstrate continuous improvement may be judged to contribute to Best Value failure and the Secretary of State will consider using these powers as appropriate.

It is important to ensure transparency in relation to the challenges faced by local authorities and the Department's engagement on these. A copy of this Notice will therefore be published on gov.uk. I encourage you to make a copy of this Notice available on the Authority's website, and to share it with the Improvement Board, the Combined Authority Board and the Audit and Governance Committee. We will notify your external auditor of our decision.

Separately to this Notice, I would encourage you to continue engaging with the Local Government Association, making use of the full range of support they have to offer. A member of my team will be in touch with you to make arrangements for ongoing engagement with the Department. I look forward to receiving updates on your progress.

Yours sincerely,

Max Soule Deputy Director, Local Government Stewardship